Asian Energy Services

ISO 9001 BUREAU VERITAS Certification

UKAS Management Systems 008

Ref: 2023/AES/SE/GEN/0051 **4th September, 2023**

To,
The Listing Department,
BSE Limited,
Floor 25, P. J. Towers,
Dalal Street, Mumbai 400 001

BSE Scrip Code: 530355

To,
The Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza, Plot No. C/1, G Block, Bandra
Kurla Complex, Bandra (East), Mumbai 400 051

Trading Symbol: ASIANENE

Dear Sir/Madam,

Subject: Regulation 34 of SEBI (LODR) Regulations, 2015 - Annual Report for the Financial Year 2022-23:

Pursuant to Regulation 34(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Annual Report of the Company for the Financial Year 2022-23.

Annual Report for the financial year 2022-23 can also be downloaded from website of the Company i.e. www.asianenergy.com.

This is for your information and records.

Thanking you,

Yours faithfully,

For Asian Energy Services Limited

SHWETA VAIBHAV JAIN

Digitally signed by SHWETA VAIBHAV JAIN
DN: c=IN, o=PERSONAL, title=4309, pseudonym=df3849e8078d4ecc87fe786b61a60329, 2.5.4.20=98dff6f2cf434f5bf8391186c7ac193f631e1dc48cebb2022424628d1014a6b8, postalCode=400610, st=Maharashtra, serialNumber=56c5e9a84d6ea07d8b7d8b40f8ddcea1e5745468d66de91d2630c18ea0f6a7ad, cn=SHWETA VAIBHAV JAIN
Date: 2023.09.04 18:22:04 +05'30'

Shweta Jain
Company Secretary

Encl: A/a

Asian
Energy Services

The NEXT CHAPTER- **DE-RISKED, DIVERSIFIED, DETERMINED**

ASIAN ENERGY SERVICES LIMITED

ANNUAL REPORT **2022-23**

Across the Pages

INVESTOR INFORMATION

Market Capitalization as on March 31, 2023	:	₹ 420.53 Crores
CIN	:	L23200MH1992PLC318353
BSE Code	:	530355
NSE Symbol	:	ASIANENE
Bloomberg Code	:	AOS:IN
AGM Date	:	September 28, 2023
AGM Mode	:	Video Conferencing/Other Audio Visual Means

Or Simply Scan

For More Investor-Related Information, Please Visit:
https://www.asianenergy.com/investor-relations.html#financial

The Next Chapter- De-risked, Diversified, Determined

In an era where global energy dynamics are rapidly evolving, where innovation and sustainability converge, and where resilience is a necessity, Asian Energy Services Limited stands poised at the cusp of transformation. The energy sector, known for its inherent volatility, demands a redefined approach to risk management.

Our next chapter is about embracing challenges head-on, and building a foundation that is fortified against adversities. With strategic foresight and prudent decision-making, we are determined to de-risk our operations, ensuring stability and sustainability in an ever-changing world. Our portfolio spans across renewable sources, conventional fuels, cutting-edge technologies, and innovative partnerships. This diversification serves to leverage synergies, optimize resources, and cater comprehensively to the energy needs of tomorrow. Determination is the driving force behind every monumental accomplishment. As we step into the next chapter, our determination remains unshaken. Challenges may arise, but with determination, we will overcome them, turning obstacles into stepping stones to success.

Together, these three words encapsulate the essence of our theme – 'The Next Chapter - De-risked, Diversified, Determined.' It is a testament to our commitment to navigate uncharted waters, to seize opportunities, and to redefine benchmarks in the energy sector.

Asian Energy in a Nutshell

Asian Energy Services Limited (referred to as 'AESL' or 'Our Company') has established itself as a respected and dependable player in the energy sector. Initially focusing on geophysical services, particularly seismic data acquisition services for major oil and gas operators, we quickly gained recognition as a reliable partner. At AESL, by embracing a culture of innovation, leveraging technological advancements, and utilizing cutting-edge equipment, we have accumulated extensive expertise working with industry leaders. These industry leaders include Oil India Limited, Oil & Natural Gas Corporation (ONGC), and the Central Mine Planning and Design Institute (CMPDI) in the public sphere, and Vedanta Limited and Oilmax Energy in the private sector.

Over the years, we have diversified our capabilities and expanded our scope to encompass additional areas within the energy industry and mineral sector. This expansion includes expertise in the design, construction, and commissioning of energy and mineral infrastructure projects, as well as providing integrated operations & maintenance services for such facilities. We actively contribute to meeting the nation's growing energy demand by undertaking the construction of crucial infrastructure, such as coal evacuation facilities designed for efficient handling and rapid loading.

Our Company is poised to enter the next phase of growth by proactively assessing and pursuing opportunities to expand our customer base within synergistic industries and reducing our dependence on seismic services. This will be facilitated through the utilization of our existing services and the development of new capabilities that align with the evolving needs of our clients.

Our Vision

Asian Energy Services Limited aims to be recognized and respected for the quality of its services, efficacy and reliability of its operations, the satisfaction of its customers, and its resolute integrity. We have the utmost respect for our shareholders, customers, and employees, and we aim to always conduct our business, while upholding our core values.

Our Core Values

Trust: We strive to build close relationships with our customers, stakeholders, and employees and we rigorously try to uphold our commitments.

Quality: We implement the latest and best industry-wide technology and practices to ensure the utmost quality of services to our customers.

Performance: We guarantee reliability and efficiency in meeting our customers' deliverables by employing a highly-experienced team of industry experts and implementing the latest technology, systems and processes in the industry.

Teamwork: We leverage individual strengths to deliver outstanding performance, while working in collaboration with customers and service providers.

Our Strengths

Strong Balance Sheet & Asset Base

- Strong balance sheet with healthy cash & bank balance
- Strong asset base of seismic equipment

Experience Across Challenging Terrains

- Extensive work experience across challenging terrains and international geographies

Experienced Management Team

- Highly experienced promoter group & professional management

Technology-Driven Solutions

- Focus on bringing new technology to work

Diverse Services

- Oil & Gas - Seismic, Production Facility Construction, Operation and Maintenance (O&M)
- Mineral and other energy sectors: Energy infrastructure services like material handling system, and seismic, among others

Diverse Geography & Strong Customer Base

- Operating in various geographies across markets
- Strong reputation with marquee client

Journey Emphasizing Capabilities

1992
Incorporated as Asian Oilfield Services Limited

1995
Commenced rig operations; raised public issues with an IPO

1997
Commenced first shot-hole drilling operations

1998
Executed first seismic survey contract

2003
Executed 2D-seismic contract for premier oil

2007
Executed 2D-seismic contract in North East India

2008
Samara Capital invested in ASIAN

2010
- Executed first 3D-seismic contract successfully
- Commenced mineral coring operations
- Samara Capital bought a controlling stake in the Company

2011
Rejuvenated under a new executive team

2012
- Initiated CBM coring and drilling business
- ASIAN wins its first international contract

2013
Set a seismic world record at the Shakal field site for Russian giant, Gazprom. A world record has been set for the number of live seismic channels recorded in real time by a cable-free seismic recording system in 2013. The data was acquired with a spread of more than 6,200 live channels and real-time transmission of all the seismic data, setting a new standard for real-time, cable-free seismic acquisition

2014
Completed a large 3D seismic survey of 630 sq. km over the Taza Block in the Kurdistan Region of Iraq using a real-time RT System2 seismic data acquisition system over the spread of 13,000 wireless channels

2015
Awarded multiple 2D/3D projects from GAZPROM and Indian giants, ONGC and Oil India Limited

2016
- Oilmax Energy Private Limited buys a controlling stake in AESL
- The management reigns of AESL were transferred to the Oilmax Group
- First O&M contract awarded to ASIAN for a FPU in the EBOK field in Nigeria for 3 years, with a 2-year extension option

2017
- Secured 5 new 2D seismic orders, totaling 7,500 line-km, from Oil India and ONGC in the North East of India

2018
Forayed into production facility construction

2020
Ventured into coal sector with first contract

2021
Entered energy infrastructure sector with first contract

2022
Secured Suvali O&M and Gevra CHP contracts

2023
Secured PY3 O&M and 2 more CHP contracts (Singareni and Hura)

Our Service Suite

At AESL, we have achieved a formidable service portfolio by adhering to a sustainability-driven strategy, spearheaded by a team of seasoned industry experts. The integration of cutting-edge technology, advanced systems, and efficient processes further bolsters our approach.

One of our core strengths lies in our ability to provide customized services tailored to the unique requirements of our clientele. By understanding the specific needs and challenges faced by our customers, we ensure that our solutions align closely with their objectives, thereby fostering long-term partnerships.

SEISMIC

Our Company is a leading provider of 2D and 3D seismic services with extensive industry experience of over 20 years. We take pride in our ability to customize projects according to the unique requirements of our customers, adhering to a customer-centric approach that prioritizes the delivery of exceptional value and high-quality services to clients.

The entire spectrum of our seismic services include:

- 2D/3D Land Seismic Acquisition
- Transition Zone Acquisition
- On-Site Data Processing
- Seismic Consulting & Interpretation
- Wireless Seismic, Data Acquisition in Real Time

OIL & GAS PRODUCTION

We act as a dominant force in the oil & gas landscape, offering a wide spectrum of services spanning the E&P lifecycle and services value chain. As a frontrunner in India, Asian Energy excels as a seismic services provider. Armed with cutting-edge equipment and the latest technology. Our Company's influence extends to end-to-end operations & maintenance for oil fields and processing plants, ensuring optimal performance and durability. Moreover, our expertise shines in constructing production and processing plants for oil & gas fields, showcasing their full-spectrum engagement. We have acquired 50% participating interest in the Oil & Gas field situated at Indrora. This filed is located in the SE part of Ahmedabad-Mehsana block on eastern margin of Cambay Basin. Your company has made persistent efforts to increase the production and to an extent your company has been successful in enhancement of production by using modern production techniques.

OPERATION & MAINTENANCE

AESL possesses extensive experience and specialized expertise in providing comprehensive operation & maintenance (O&M) solutions for onshore and offshore oil & gas facilities. Our Company is committed to being efficient operators, prioritizing cost-effectiveness, while never compromising on the highest standards of service quality for our valued customers.

Infrastructure Services

With our substantial expertise and strong financial capabilities, our Company possesses the necessary resources to develop cost-effective and high-quality onshore and offshore production facilities. Some of the various facilities that have the capabilities to produce on fast-track basis include:

- Infrastructure Services
- Onshore Oil & Gas Terminals
- Offshore Oil & Gas Production Facilities
- Material Handling Plants

MD's Message

We have successfully completed our Rajasthan and Cambay seismic projects for Vedanta Limited. Further, our Tripura seismic projects of Oil India and ONGC, and other six of our projects are in progress. Our Assam seismic project is also progressing well.

Dear Shareholders,

I am sharing with you the Annual Report of Asian Energy Services Limited for 2022-23. Our journey during this period has been shaped by various factors, including the unexpected slowdown in seismic services contract award and disruption of seismic projects in Tripura due to local issues and the slowdown of the CHP projects due to delays beyond our Company's control. However, I am pleased to inform you that despite these challenges, our resilience and determination have positioned us for growth as we forge ahead. Looking ahead to 2023-24, we are optimistic and confident about a turnaround, thanks to the acquisition of new contracts and improved execution of existing ones.

Economic Overview

Over the past decade, India has experienced a remarkable transformation, ascending from the tenth-largest global economy to the fifth-largest. Projections indicate a robust growth rate of 7.2% for 2022-23, outpacing that of major economies and surpassing India's average growth rate a decade before the Covid-19 pandemic. This impressive trajectory reflects the maturity and resilience of India's economy on the global stage.

As India celebrates 75 years of independence and embarks on its 76th year, the introduction of initiatives such as 'Amritkaal' and 'Saptarishis' will play a pivotal role in reducing economic disparities among the population. These initiatives aim to empower individuals residing in rural areas, foster technological agility nationwide, and decrease dependence on Government assistance. The Government's commitment to inclusive development, extending its reach to even the remotest corners, bolstering infrastructure and investment, unleashing untapped potential, promoting sustainable and environmentally friendly growth, harnessing the power of the youth, and fortifying the financial sector will act as catalysts in propelling India towards a promising and prosperous future.

Industry Overview

India has earned global recognition as the fastest-growing major economy, becoming the most populous nation worldwide. The country's robust demand for oil and coal has been instrumental in shaping its energy landscape. As the third-largest consumer of oil and a prominent consumer and producer of coal, India's significance in these sectors cannot be understated. The past financial year witnessed a substantial surge in demand for these commodities, reflecting India's continued growth and evolving energy needs.

According to the Indian Government's data, the country witnessed a 10.2% growth in petroleum consumption, despite stagnant domestic production. Concurrently, coal consumption in India crossed the significant milestone of 1 Billion tons, reaching 1.029 Billion tons. Furthermore, coal production experienced a rapid surge of 14.76%, reaching 893.08 Million tons. Apart from the coal, production of other minerals have also increased last year.

Business Highlights

At Asian Energy, we received an invitation from Singareni Collieries Company Limited (SCCL) to engage in final price negotiation for their coal handling plant (CHP) project at Singareni RG 3. The negotiation process has reached a successful conclusion helping us receive the issuance of the Letter of Award (LOA) and subsequent initiation of project activities. This collaboration holds great promise for both parties involved.

We are pleased to announce that our coal handling project in Jharkhand commenced operations in 2022-23.

O&M

In another noteworthy development, we have successfully completed -one year on March 31, 2023 of the integrated operation and maintenance contract for Vedanta's Suvali facility at Cambay, Gujarat. As per the contractual agreement, we began this project on April 1, 2022 and completed the mobilization phase according to schedule. Our existing contract for the O&M of the Amguri field is progressing well. We also secured PY3 O&M and two more CHP Contracts (Signreni and Hura).

Seismic

We have commenced the execution of seismic work for Vedanta Limited in Assam. However, unforeseen challenges arose with the early arrival of monsoon rains and subsequent flooding in the region, temporarily halting the work. Thankfully, once the situation improved, we were able to resume the execution of the project promptly and continued our progress as planned. We have short closed Oil India Limited Tripura project in consultation with the client. ONGC Baramura Tripura project continues to remain suspended on account of Force Majuere and we will reattempt and try to restart and complete this project in 2023-24. We have recently secured a contract of ₹ 78 Crores from ONGC Limited for 3D seismic in Gujarat and will commence work on that shortly. We are expecting seismic order flow to increase this year, which was way below (almost negligible) last year.

Production Facility Construction

Due to the extended period of work suspension and the customer's inability to resume operations, we decided to terminate the Langley contract. We are actively pursuing settlement and closure of this contract. We have managed to novate most of the sub-contractors' contracts.

Material Handling Plant

We successfully took possession of the site in Hura and even commenced the execution work as planned. However, we encountered delays in the progress of the Gevra project due to external factors. In response, we proactively engaged with all stakeholders to expedite the project and ensure timely completion. Our collaborative efforts continue to drive the project forward despite the challenges faced.

Oil & Gas Production

We have acquired 50% participating interest in the Oil & Gas field situated at Indrora, subject to the approval of shareholders and approval from Government of India for PI transfer. We are also pleased to inform that Oilmax Energy Private Limited has been granted a Mining Lease for 20 years (effective from April 1, 2023) of DSF Block for Crude Oil and Natural Gas from the Government of Gujarat (Energy and Petrochemicals Department).

Financial Highlights

Our consolidated net-worth (equity) as on March 31, 2023 was ₹ 200 Crores. Our revenue reduced to ₹ 110 Crores compared to ₹ 260 Crores in the last year. Our EBIDTA stood at ₹ (69) Crores and loss of ₹ (42) Crores was incurred as compared to a profit of ₹ 39 Crores in 2021-22. Even amid difficulties, Asian Energy reflected a balance sheet with ₹ 17 Crores of net balance/cash balance.

Shaping Our Future

We are diligently pursuing new prospects in the O&M segment to enhance our market standing. We have successfully diversified our business and are actively exploring seismic opportunities. Notably, we have been securing contracts of significantly higher value, transitioning from short-term agreements to long-term commitments spanning 5 to 10 years. This shift in contract duration reflects our strategic approach to derisking our business model and expanding our involvement across the entire oil & gas value chain. As a result, our business pedigree has undergone a transformation, positioning us to participate comprehensively in the oil & gas industry. Furthermore, a change in leadership has occurred, signifying a shift in our thought process and strategic direction.

Equipped with advanced technological capabilities, a diverse portfolio, and an extensive geographic reach, we are poised to seize the forthcoming opportunities that lie ahead. Our strategic positioning enables us to actively engage in bidding for high-profile seismic programs of substantial significance. Notable initiatives on our radar include the prestigious National Seismic Programme I, hosted by Oil India Limited, and the esteemed National Seismic Programme II, hosted by the Government of India. By actively participating in these initiatives, we aim to strengthen our position further as a leading player in the industry. Furthermore, we are strongly interested in participating in the bidding process for seismic exploration projects, including the OLAP block seismic exploration conducted by renowned organizations such as ONGC, Oil India Limited, and Vedanta Limited. Additionally, we are actively pursuing opportunities in seismic projects associated with mineral exploration, a newly introduced area facilitated by the coal ministry. It is worth noting that external factors, such as the surge in coal, oil, & gas prices, have played a significant role in driving growth across specific segments. Moreover, promising prospects for revitalizing and modernizing coal and mineral handling infrastructure present additional opportunities for our Company to explore.

The Government of India's emphasis on boosting domestic output and oil and gas reserves has led to numerous oil & gas sector seismic service projects, such as NSP-2 and Mission Anveshan. Exploration activities and related services will also expand coal and mineral reserves by involving private companies in the entire sector. Additionally, the oil & gas industry is expected to experience rapid expansion through block auctions under DSF, OALP, PEC, and the revival of closed or aging fields. Our successful response to the high demand for our services in India demonstrates our capabilities. With the possibilities and our business potential, we are optimistic about achieving progressive performance as we move forward.

Closing Note

I would like to take this opportunity to express my heartfelt appreciation and congratulations to our esteemed Board and the entire team for their support and guidance during a challenging period. I am immensely grateful for their commitment and dedication. I would also like to sincerely thank our shareholders for their belief in our Company's vision and principles. Your support has been instrumental in our journey towards success.

As we move forward, I warmly welcome our new business associates, inviting them to join us on this exciting journey of creating new possibilities and achieving progress. Together, we will continue striving for excellence and forge ahead towards a future filled with growth and success.

With best wishes,
Kapil Garg
Managing Director

Management Discussion and Analysis

Economic Overview

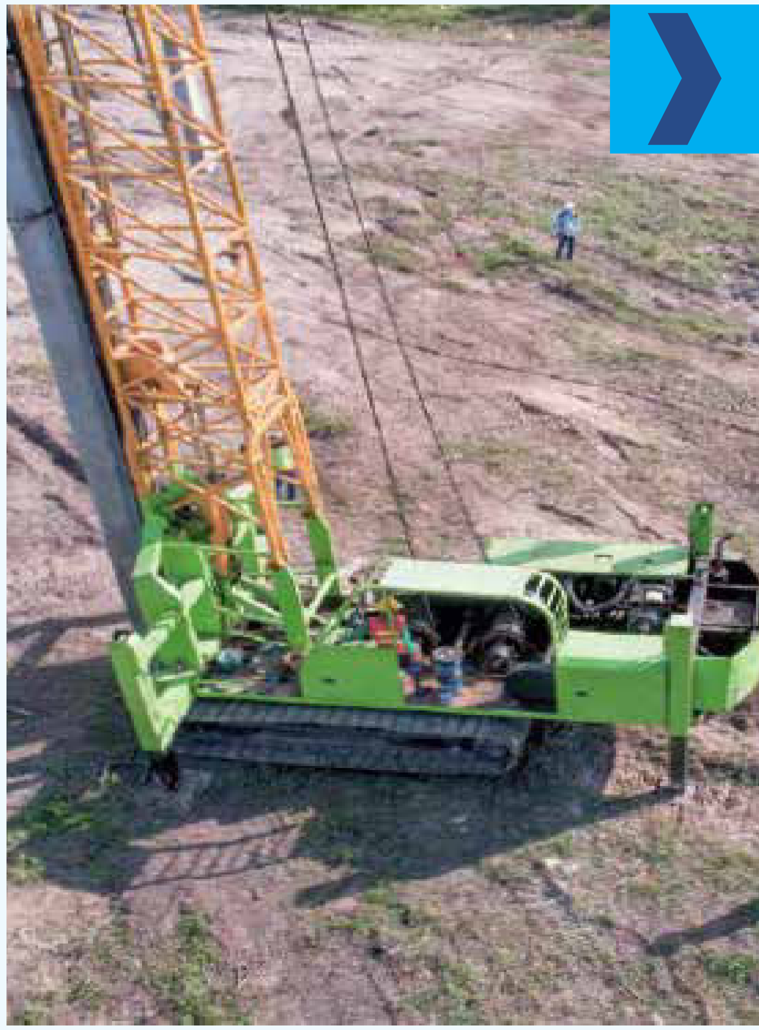
Global Economy

The growth of the global economy during 2022 slowed to 3.2%, as per OECD data, bogged down by the economic fallout of the Russia-Ukraine war and the consequent disruptions caused in global commodity markets. This followed closely on the heels of the Covid-19 pandemic and the recovery from it, which cast a cloud over the two years prior to the war. The political fallout of the war and the turmoil created in the commodity markets caused the skyrocketing prices of essential commodities like crude oil, natural gas, coal, grains and cooking oil, fueling inflationary economic pressures across the globe.

The supply shocks that disrupted energy markets caused prices of essential commodities to reach unforeseen heights and remain elevated for much of 2022. These disruptions kicked off a temporary commodity super cycle and fueled inflation across economies in Europe, North America, Africa and Asia. The inflationary pressures kicked off a cycle of monetary policy tightening across the global economy. This cycle reversed a period of loose monetary policy regimes that were implemented in the backdrop of the 2008 financial crisis and the recession brought about by the Covid-19 pandemic. Commodity prices began to decrease and return closer to pre-Russia-Ukraine conflict levels near the end of the financial year. However, inflation remained elevated across the global economies, fueled by factors like Covid-19 pandemic era supply chain disruptions, climate change, and labor market disruptions across advanced economies.

Indian Economy

Amidst the global turmoil, the Indian economy furthered its credentials as the world's fastest-growing major economy, beating estimates to record an economic growth rate of 7.2% for 2022-23. Building on the rapid vaccination campaign conducted in the previous year, the economy underwent structural reforms enabled by factors, such as lower corporate tax rates, PLI schemes, and increased Government spending on capex and infrastructure. These measures further boosted India's recovery from the effects of the Covid-19 pandemic. Additional measures like increased offtakes of Russian crude oil and fertilizers insulated the economy from the heavy inflation seen in the West. However, the economy still experienced above-average inflation rates due to the higher commodity prices, triggering imported inflation and even forcing restrictions on exports of wheat, sugar, rice, and various metals and minerals, necessitating monetary tightening by the Reserve Bank of India. The impact of monetary tightening and stabilizing global commodity markets led to cooling inflation near the end of the financial year.



Industry Overview

The Global Scenario

The cyclical nature of the hydrocarbon industry moved into a heavy upswing for much of the past financial year, with prices of crude oil, natural gas and coal hitting levels unforeseen in more than a decade since the shale revolution kicked off in North America. According to Bank of America, Brent averaged USD 100.93, JKM LNG spot price averaged USD 33.98, and thermal coal averaged USD 334 for the year. The impact of the Russia-Ukraine conflict and Western sanctions on Russian energy destabilized the flow of global hydrocarbon market, because of which Government policies increasingly prioritized energy security, giving greater ease of operations to hydrocarbon producers.

Benefiting from rising demand from economies reopening post-Covid-19 pandemic lockdowns, policy measures aimed at maximizing output and higher revenue from higher prices, the industry was able to increase investments in new fields and substantially increase output across the global economy. According to the IEA, coal consumption increased by 1.2% in 2022 and surpassed a volume of 8 Billion tons for the very first time, led by a temporary increase in Europe to optimize energy security, and robust demand in the emerging economies of Asia. This has heavily benefited supplementary industries based around exploration and building infrastructure for hydrocarbon extraction.

The commodity super cycle, which has brought renewed optimism for the industry, might fizzle out earlier than expected, among other downside risks. Inflation in the West and monetary tightening have already led to commodity prices cooling down from the highs of late 2022 to below pre-Russia-Ukraine conflict levels, and prices are anticipated to decline further as the industry ramps up supplies and recessionary conditions are expected to persist for the coming financial year, leading to lower demand for hydrocarbons. Additionally, climate challenges faced by the planet worsen with every passing year, with droughts and heatwaves affecting billions across the globe, posing risks to agriculture, health, and well-being. The temporarily increased coal consumption by European economies is not projected to last as renewable energy infrastructure across the globe ramps up, and the industry must brace for an increasingly decarbonized future.

The Indian Scenario

As the world's fastest-growing major economy and widely projected by many as the world's newly most populous nation, India is still the world's third-largest consumer of oil and second-largest consumer and producer of coal. In the past financial year, demand for both commodities increased. According to Government data, petroleum consumption increased by 10.2%, despite stagnant domestic production, whereas coal consumption again exceeded a billion tons to reach 1,029 Billion tons, with production recording a rapid 14.76% growth to reach 893.08 Million tons. The country's hydrocarbon industry benefited from the global commodity boom, Government interventions in pricing and the imposition of windfall restricted the gains compared to global corporations.

The Government's capital expenditure spending boost of 35.4% lifted economic growth throughout the economy, particularly in energy and infrastructure sectors, as evident from the growth of core industry sectors like steel, cement, and coal, with the core industries recording a growth of 7.6% for 2022-23. Much of this increased demand was successfully fulfilled by rising domestic coal production, although the same success was not seen in the petroleum industry, with crude oil production declining by 2.8% and natural gas production stagnant with a mere 2.8% rise, attributed to aging fields and a lack of new discoveries. Such downside risks to the hydrocarbon industry create challenges but also opportunities, particularly in the need to increase exploration for new prospects and enhance domestic production over the long-term.

Industry Outlook

According to the IMF, Indian economic growth in the upcoming year is estimated to be 6%, dragged down by recessionary conditions in advanced economies, while maintaining its status as the world's fastest-growing major economy. The Indian Government's focus on infrastructure growth is expected to continue, and the Union Government Budget for 2023-24 further hiked capital expenditure by 37.4%. According to the Ministry of Coal, it is projected that coal consumption will reach 1.27 Billion tons in 2023-24.

The economy is still reliant on abundant fuel for 70% of its electricity generation, and the past financial year saw record forex outgo on 162.46 Million tons of imported coal, 30% higher than the preceding financial year.

Building on the nearly 15% growth of domestic production to 893 Million tons for 2022-23, the Government has laid out an ambitious target of 1.31 Billion tons of domestic production for 2024-25. However, this target can only be achieved with significant investments in infrastructure. These measures are aimed at boosting the country's self-reliance and energy security, and is expected to be coupled with ambitious plans to enhance exploration for coal and petroleum prospects in onshore and offshore sites across the nation.

The outlook for oilfield service companies is promising both domestically and internationally, with Consegic Business Intelligence estimating the industry will grow at a healthy rate of 5.9% until 2030 to reach a global market size of USD 468.58 Billion, with the majority of the growth coming from the Middle East and Asia-Pacific regions, and much of the growth coming in areas, such as drilling services, seismic services, and operations and maintenance services. Much of this growth will come from India, China, Malaysia, and Thailand.

Company Overview

Asian Energy Services Limited (also referred to as 'AESL' or 'the Company') is an energy services company dedicated to specialized services for the energy sector, particularly the hydrocarbon and minerals sectors. Services offered include seismic data acquisition, and the design, building, operations, and maintenance of facilities and infrastructure for the hydrocarbon and mineral sectors, with esteemed clientele ranging from ONGC, Oil India Limited, and CMPDIL in the public sphere to stalwarts like Vedanta Resources and Oilmax Energy in the private sector.

This past financial year saw the continued structural evolution of 2022-23 as AESL entrenched itself deeper into the new verticals of designing and building coal handling plants and running O&M for oilfields alongside its legacy business of seismic. Building on the successful completion of seismic campaigns in Chhattisgarh's Rajadai, the Company also successfully completed seismic campaigns contracted by Vedanta in Assam's Jagun, and won another seismic project in the same region for the upcoming financial year. AESL is poised to partake in bidding for upcoming seismic programs. These include National Seismic Program I hosted by Oil India Limited, National Seismic Program II hosted by the Government of India, OLAP block seismic exploration by the likes of ONGC, Oil India Limited and Vedanta, as well as the seismic projects for mineral exploration newly introduced by the coal ministry.

The Company is built on the growth of coal infrastructure across the nation by furthering advancement on its existing projects for coal handling plants at Hura, Singareni, and Gevra, dotted across the nation's mineral belt. Rapid progress was made in Hura, which is on track to be commissioned during 2023-24, and Singreni, which is on track to be commissioned during early 2024-25. Developments under the O&M vertical also sped along as the Company built on its success in running O&M at Suvali for Vedanta and Amguri for Oilmax by being awarded O&M contracts for the Indrora field, situated in Gujarat, for Oilmax and the PY-3 field, situated offshore near Tamil Nadu, owned by a consortium of Hardy Oil and Gas, HOEC, Invenire Energy and ONGC.

In 2023-24, AESL will focus on expanding its seismic portfolio and further consolidating progress on projects in the CHP and O&M verticals. Additionally, the Company will partake in opportunities presented by the fast-developing nation's rapidly growing energy industries.

Financial Review (Consolidated Basis)

Revenue from Operations

Revenue from operations decreased by 57.79% from ₹ 26,047.11 Lakhs in 2021-22, to ₹ 10,995.14 Lakhs in 2022-23.

Profit After Tax (PAT)

AESL posted a loss of ₹ 4,444.22 Lakhs in 2022-23 compared to profit of ₹ 3,881.11 Lakhs in 2021-22.

Earnings Per Share (EPS)

The EPS/loss per equity share for the year is ₹ (11.77), as against ₹ 10.25 in the previous financial year.

Net Worth

The business' net worth stood at ₹ 19,945.25 Lakhs as of March 31, 2023, compared to ₹ 24,167.27 Lakhs as of March 31, 2022.

Debt

The debt as of March 31, 2023 stands at ₹ 355.61 Lakhs, compared to ₹ 331.89 Lakhs as of March 31, 2022.

Particulars	2022-23	2021-22
Debtors' Turnover Ratio	0.96	2.21
Current Ratio	1.92	2.30
Operating Profit Ratio	26%	41%
Net Profit/Loss Margin	(40%)	15%
Change in Return on Net Worth	(22.28%)	16%

Risk and Mitigation

Risk	Description	Mitigation
Environmental Risk	As the global focus on the consequences of climate change intensifies, non-compliance with environmental standards can have adverse implications for AESL. Such non-compliance may ultimately impact the long-term demand for coal and potentially lead to a decrease in coal prices.	AESL has established a comprehensive Health, Safety, and Environment (HSE) policy to uphold business excellence and prioritize customer satisfaction. Recognizing the nature of the industry, the Company implements environmental protection measures in conjunction with its coal activities to promote environmental conservation.
Supply Chain Risk	AESL's ability to meet clients' requirements and market demand is at risk due to the unavailability of raw materials caused by supply chain disruptions.	AESL is continuously making efforts to enhance its supply chain in order to optimize business operations and improve efficiency.
Financial Risk	AESL's financial risk is influenced by factors, such as the ability and willingness to reduce debt, minimize overhead costs, improve critical ratios, and increase profitability. Additionally, the volatility of the Indian rupee further contributes to the financial risk.	AESL has demonstrated a consistent commitment to reducing debt and bolstering reserves and surplus, resulting in an improvement in its 'expense to sales' ratio. These efforts have also contributed to strengthening the balance sheet of the Company.
Operational Risk	Geopolitical factors and weather volatility pose significant risks in the energy sector. Additionally, the shift in energy consumption patterns from traditional oil and gas sources to renewable energy sources is another major concern.	AESL has strategically pursued project development in significant oil and gas regions, both domestically and internationally. This approach has helped the Company mitigate potential issues that may arise from a specific location. Considering the sustained demand for oil and gas, AESL maintains confidence in its business model. Furthermore, the versatility of crude oil that is utilized in various industries, such as plastics, pharmaceuticals, paint, chemicals, and asphalt, serves as a catalyst for the Company's growth.
Competition Risk	The growing number of seismic suppliers in the market could potentially affect AESL's ability to secure deals.	To thrive in this environment, the Company leverages several strategies. This includes offering better prices, nurturing long-term client relationships, and demonstrating a strong track record of successfully completing projects. These factors collectively contribute to the Company's ability to secure contracts.
Regulatory Risk and Legal Risk	AESL's global operations are influenced by the varying legal frameworks in different geographical locations, which can result in variations in its global presentation.	AESL's legal department diligently identifies and adheres to every regulatory obligation, demonstrating a strong commitment to compliance.

Human Resources

AESL values its team as the foundation of its operations and is committed to empowering and motivating them. The primary objective is to nurture the personal and professional development of employees, while also inspiring them to achieve their highest potential. To boost productivity and efficiency, the Company promotes the formation of cross-functional teams across all hierarchical levels. Additionally, it acknowledges the importance of gender equality by ensuring equal opportunities for women. AESL gives top priority to refining its human resource policies and internal procedures to cultivate a culture of ongoing improvement, heightened accountability, and increased responsibility among its team members.

AESL places a strong emphasis on fostering motivation and enhancing productivity by recognizing individual accomplishments and promoting a culture of continuous improvement. The Company's comprehensive business and human resource strategy prioritizes equality in employment as a fundamental aspect. It is committed to eradicating workplace discrimination at all levels, regardless of any defined characteristics. Furthermore, AESL holds an ISO 9000:2015 certification, which serves as a testament to its dedication to quality management.

EHS

AESL places great importance on adhering to environmental regulations and upholding high-quality standards to ensure the safety of all stakeholders. This commitment is a vital aspect of the Company's operations as it strives for excellence and customer satisfaction. It is dedicated to protecting the health, safety, and security of its employees and all individuals associated with its business. Regular inspections and maintenance are conducted on equipment and assets to prevent potential disasters, and AESL has implemented strict standard operating procedures within its facilities for the well-being of workers and visitors. Furthermore, the Company's personnel undergo extensive training to acquire comprehensive knowledge

and understanding of quality, safety, and environmental standards.

Internal Control System

An internal control system ensures the adherence to and adequacy of all internal controls and mechanisms within the Company. The Audit Committee, constituted by the Board of Directors, evaluates the efficacy and sustainability of the internal control systems and suggests improvements, if any. The Company has adequate internal financial controls in place with regards to the financial statements. Such controls were evaluated throughout the year, but no reportable material weaknesses in the design or operations were observed.

Cautionary Statement

Statements in this Report on Management Discussion and Analysis relating to the Company's objectives, projections, estimates, expectations, or predictions may be forward-looking within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results might differ materially from those expressed or implied depending upon factors such as climatic conditions, global and domestic demand-supply conditions, raw material costs, availability, and prices of finished goods, foreign exchange market movements, changes in Government regulations, tax structure, economic and political developments within India and the countries where the Company conducts its business, and other factors such as litigation and industrial relations. The Company assumes no responsibility in respect of the forward-looking statements herein, which may undergo changes in the future on the basis of subsequent developments, information, or events.

BOARD'S REPORT

To the Members,

Your Directors are pleased to present the 30th Annual Report and the Company's Audited Financial Statements for the financial year ended March 31, 2023. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

Financial Results:

The Company's financial performance, for the year ended March 31, 2023 is summarised below:

(₹ in Lakhs)

Particulars	Consolidated		Standalone	
	2022-23	2021-22	2022-23	2021-22
Revenue from operations	10,995.41	26,047.11	10,987.03	25,413.86
Other Income	409.69	282.84	385.49	1,395.30
Total Revenue	**11,404.83**	**26,329.95**	**11,372.52**	**26,809.16**
Profit/(Loss) before exceptional items and tax	(3849.60)	4067.07	(2,736.28)	6,464.12
Exceptional items	(606.85)	-	(208.50)	-
Profit/(Loss) before tax	(4456.45)	4,067.07	(2944.78)	6,464.12
Tax expenses	(12.23)	185.96	(16.92)	185.96
Net Profit/(Loss) after tax	(4,444.22)	3,881.11	(2,927.86)	6,278.16

Dividend:

The Directors have not recommended any dividend for the year ended March 31, 2023.

Transfer to Reserves:

The Company does not propose to transfer any amount to reserves during the financial year 2022-23.

Review of Operations / State of Affairs of the Company:

There has been no change in the nature of business of your Company during the Financial Year 2022-23. Our Company is engaged as a service provider to the energy and mineral sectors, offering end-to-end services which extends across the value chain, including Geophysical Data Acquisition, Production Facility EPC , production facility Operation and Maintenance.

We are one amongst the few companies in India providing end-to-end services in the upstream oil segment, across the value chain. Asian Energy Services Limited ('AESL' or 'the Company') specializes in servicing the value chain entirely, right from seismic data acquisition, data analysis, building oil & gas facility to undertaking the operation and maintenance (O&M) of production facilities.

The Company continue to remain vigilant to capitalise on the opportunities Government of India may present while remaining focussed to deliver the contracts on hand.

Consolidated Financial Statements:

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with the Rules framed thereunder, a Statement containing the salient features of the Financial Statements of your Company's Subsidiaries and Associates in Form AOC-1 is annexed to and forms a part of the Financial Statement. The Statement provides the details of performance and financial position of each of the Subsidiaries and Associates. In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements, including the Consolidated Financial Statement, Audited Accounts of all the Subsidiaries and other documents attached thereto.

Subsidiary Companies:

The Company has 5 (Five) subsidiaries, 1 (one) step down subsidiary and 2 (two) Joint Ventures as on March 31, 2023.

During the year under review the Company purchased additional 51% in Cure Multitrade Private Limited, and therefore it has become subsidiary of the Company. There has been no material change in the nature of business of the subsidiaries.

The consolidated financial statements reflect the operations of all the subsidiaries (including step down subsidiary) viz. Asian Oilfield & Energy Services DMCC, AOSL Petroleum Pte. Ltd., AOSL Energy Services Limited, Optimum Oil & Gas Private Limited, Cure Multitrade Private Limited and Ivorene Oil Services Nigeria Ltd (step down subsidiary) and two Joint Ventures viz. Zuberi Asian Joint Venture and AESL FFIL Joint Venture.

In terms of section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are also kept at the Registered Office of the Company and are available on the website of the Company.

Particulars of loans and guarantees given, securities provided, and investments made:

Particulars of loans, guarantees given and investments

BOARD'S REPORT (Contd.)

made during the year, as required under section 186 of the Companies Act, 2013 and schedule V of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015, are provided in the notes to the standalone financial statements.

Related Party Transactions:

Your Company has historically adopted the practice of undertaking related party transactions only in the ordinary and normal course of business and at arm's length as part of its philosophy of adhering to highest ethical standards, transparency, and accountability. In line with the provisions of the Companies Act, 2013 and the Listing Regulations. The Company has a policy for related party transactions which is also available on the website of the Company (www.asianenergy.com).

All the related party transactions are placed before the Audit Committee as well as the Board for approval.

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of Company's business, except one transaction as mentioned below. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is enclosed.

Related party transactions under Accounting Standard – AS-18 are disclosed in the notes to the financial statements.

Except as disclosed below, all Related Party Transactions entered into by your Company during the Financial Year 2022-23, were on arm's length basis and in the ordinary course of business.

During the Financial Year 2022-23, the Company had obtained approval from shareholders to enter into the following Related Party Transactions which were not in ordinary course of business of the Company, but were at an arm's length price:

(i) Approval for Material Related Party transaction with Oilmax Energy Private Limited to acquire 50% Participating Interest in the Indrora Block, Gujarat.

Directors' Responsibility Statement:

To the best of their knowledge and information and based on the information and explanations provided to them by the Company, your Directors make the following statement in terms of Section 134(5) of the Companies Act, 2013:

a. that in preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards have been followed and there are no material departures from the same.

b. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2023 and of the profit of the Company for that period.

c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d. They have prepared the annual accounts on a 'going concern' basis.

e. They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Directors and Key Managerial Personnel:

Mr. Kadayam Ramanathan Bharat, Independent Director of the Company tendered his resignation with effect from close of business hours on May 6, 2022. The Board places on record its deep appreciation of valuable guidance provided by him during his tenure on the Board.

Mr. Mukesh Jain retires by rotation and being eligible offers himself for re-appointment.

There has been no other change in the directors and key managerial personnel during the year under review since the last report. Detailed information on the directors is provided in the Corporate Governance Report.

Declaration by Independent Directors:

The Company has received necessary declaration from all Independent Directors of the Company confirming that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 as well as under Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There has been no change in the circumstances, which may affect their status as independent director during the year.

Board Evaluation:

The Board of Directors have carried out an annual evaluation of its own performance, Board Committees, and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by the

BOARD'S REPORT (Contd.)

SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of Board processes, information and functioning, etc. as provided by the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 05, 2017.

The performance of the Committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the Board and Committee Meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of independent directors, performance of non-independent directors and the Board as a whole was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the Board Meeting that followed the meeting of the independent directors, at which the performance of the Board, its committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

Familiarization Programme for the Independent Directors:

In compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibilities as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The details of the familiarization programme are explained in Corporate Governance Report.

The Familiarization Programme for the Independent Directors is placed on the website of the Company www.asianenergy.com.

Policy on Directors' appointment and remuneration and other details:

The current policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board and separate its functions of governance and management. The details of Board and committee composition, tenure of directors, areas of expertise and other details are available in the Corporate Governance Report that forms part of this Annual Report.

The policy of the Company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on our website at www.asianenergy.com.

Meetings of the Board of Directors and Its Committees

The Board of Directors of the Company met 5 (five) times during the year to deliberate on various matters. The details of the meetings of the Board and its Committees held during the year are stated in the Corporate Governance Report forming part of this Annual Report.

5 (five) meetings of the Board were held during the year on May 27, 2022, August 10, 2022, September 30, 2022, November 08, 2022 and February 08, 2023. For details of the meetings of the Board, please refer to the Corporate Governance Report, which forms part of this report.

Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of financial year of the Company to which the financial statement relate and the date of the report:

There have been no material changes and commitments which affect the financial position of the Company that have occurred between the end of the financial year to which the financial statements relate and the date of this report.

Management Discussion and Analysis:

In terms of the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Management Discussion and Analysis has been given separately and forms part of this report.

Risk Management:

The Company has in place a Risk Management Policy pursuant to Section 134 of the Companies Act, 2013 and Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It establishes various levels of accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk.

The Internal Audit facilitates the execution of risk management practices in the Company, in the areas of risk identification, assessment, monitoring, mitigation and reporting. Through this program, each function carried on project sites, addresses opportunities and risks through a comprehensive approach aligned to the Company's objectives. The Company has laid down procedures to

BOARD'S REPORT (Contd.)

inform the Audit Committee as well as the Board of Directors about risk assessment and management procedures and status.

This risk management process, which is facilitated by internal audit, covers risk identification, assessment, analysis and mitigation. Incorporating sustainability in the process also helps to align potential exposures with the risk appetite and highlights risks associated with chosen strategies. The major risks forming part of risk management process are linked to the audit.

The Audit Committee of the Company has been entrusted with the task to frame, implement and monitor the risk management plan for the Company and it is responsible for reviewing the risk management plan and ensuring its effectiveness with an additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The Risk Management Policy of the Company is placed on the website of the Company www.asianenergy.com.

Internal Financial Control Systems and their adequacy:

The Company's Internal Financial Controls (IFC) is commensurate with the size and operations of the business and is in line with the requirements of the Companies Act, 2013. This framework includes well-documented policies, procedures and Standard Operating Procedures (SOP), specific to respective processes. Regular management review processes evaluate various policies for the dynamic and evolving business environment. Furthermore, our internal auditors undertake rigorous testing of the control environment of the Company.

Corporate Social Responsibility (CSR):

In terms of the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company has constituted a Corporate Social Responsibility ("CSR") Committee chaired by Mr. Nayan Mani Borah, Independent Director. Other Members of the Committee are Mr. Mukesh Jain, Non-executive Director and Dr. Rabi Narayan Bastia, Non-Executive Director. Your Company also has in place a CSR Policy which is available at www.asianenergy.com.

Your Company's CSR activities include promoting education, healthcare, eradicating hunger, poverty and malnutrition, empowering women and rural development projects.

The Annual Report on CSR activities and expenditure, as required under sections 134 and 135 of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate social Responsibility Policy) Rules, 2014 and Rule 9 of the Companies (Accounts) Rules, 2014, is provided as **Annexure C.**

Safety, Environment and Health:

The Company's commitment to excellence in Health and Safety is embedded in the Company's core values. The Company has a stringent policy of 'safety for all', which drives all employees to continuously break new ground in safety management for the benefit of people, property, environment and the communities where we operate on sites.

The Company respects human rights, values its employees and the communities that it interfaces with. The Company is aware of the environmental impact of its operations, and it continually strives to reduce such impact by investing in technologies and solutions for economic growth.

The Company considers safety, environment and health as the management responsibility. Regular employee training programmes are in place throughout the Company on Safety, Environment and Health and has well identified and widely covered safety management system in place for ensuring, not only the safety of employees but surrounding population of the project sites as well.

Policy on prevention, prohibition and redressal of sexual harassment at workplace:

The Company has zero tolerance for sexual harassment at the workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

The Company has not received any complaint of sexual harassment during the financial year 2022-23.

Vigil mechanism/ Whistle Blower Policy:

We have embodied the mechanism in the Code of Conduct of the Company for employees to report concerns about unethical behaviour, actual or suspected fraud or violation of our Code of Conduct. This mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit and Risk Management Committee and the in exceptional cases and no personnel have been denied access to the Audit Committee. The Board and the Audit Committee are informed periodically on the cases reported, if any, and the status of resolution of such cases.

Significant and material orders passed by the regulators or courts:

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

Disclosure requirements:

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Corporate Governance Report with a Certificate from Practicing Company Secretaries thereon and Management Discussion and Analysis are attached, which forms part of this report.

Human Resources:

The human resource plays a vital role in the growth and success of an organization. The Company has maintained cordial and harmonious relations with employees across various locations.

The Company continuously invest in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

Deposits from Public:

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public, was outstanding or unpaid as on the date of the balance sheet.

Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, are:

a. Conservation of Energy : NIL

b. Technology Absorption : NIL

c. Foreign exchange earning & outgo :

(₹ in Lakhs)

Sr. No.	Particulars	2022-23	2021-22
a.	**Foreign Exchange earnings**	--	
	Consultancy Services	--	--
	Dividend		1,112.78
	Interest on loan to Subsidiary	--	--
b.	**Foreign Exchange outgo towards**		
	Repairs and Maintenance	141.10	--
	Rent	--	4.37
	Machinery Hire Charges	--	367.68
	Capital goods	--	--
	License Expenses	--	64.15
	Membership and subscription charges	--	3.25

Particulars of Employees and Remuneration:

The information required under Section 197(12) of the Act read with Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the **Annexure D** forming part of the Report.

In terms of the second proviso to Section 136 of the Act, the Report and Accounts are being sent to the Shareholders excluding the aforesaid Annexure. Any Shareholder interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company. None of the employees listed in the said Annexure is related to any Director of the Company.

AUDITORS AND AUDITORS' REPORT

(1) Statutory Auditors:

Walker Chandiok & Co. LLP, (WCC), Chartered Accountants, were appointed as the Statutory Auditors of the Company for a period of five years and hold office till the conclusion of the 32nd AGM to be held in the year 2025.

Pursuant to Section 141 of the Act, the Auditors have represented that they are not disqualified and continue to be eligible to act as the Auditor of the Company.

Auditors' Report:

a) The auditors in their Report on Consolidated Audited Financial Results of the Company for the financial year ended March 31, 2023 have drawn attention in their Report reading as under:

Basis for Qualified Opinion:

1. As given in Note 42 (i) & (ii) to the accompanying consolidated financial statements, following qualifications have been included in the auditor's report dated 09 May 2023 on the annual financial statements of Asian Oilfield & Energy Services DMCC ('ADMCC'),

BOARD'S REPORT (Contd.)

a wholly owned subsidiary of the Holding Company, audited by an independent firm registered in Dubai, United Arab Emirates and reproduced by us as under:

a) "The Company's only customer M/s Amni International Petroleum Development OML 52 Company Limited had issued a notice of suspension of the contract (suspension notice) on 16 November 2020. Against the said suspension notice, the Company had issued notice of termination vide notice no. 2021-AOS-AMN-P002-0017 dated 3 August 2021 (termination notice) to terminate the contract with immediate effect. Subsequently, the Company had issued notice of suspension of termination till 31 August 2021 vide notice no. 2021-AOS-AMN-P002-0018 dated 7 August 2021 to amicably solve the matter. Such suspension of termination, after multiple extensions had been extended only till 31 May 2022. Therefore, the suspension of termination period had expired on 31 May 2022.The Company has issued final notice for termination of contract vide notice no. 2022-AOS-AMN-P002-0003 dated 8 June 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 10 June 2022 with immediate effect. Accounts receivable USD 4,653,712/- remains unconfirmed as on reporting date. However management has represented that the same are recoverable & reserve for impairment of accounts receivable of USD 500,000/- is sufficient to cover for doubtful debts, if any. The account receivable of USD 4,653,712/- will get reduced by USD 2,577,744/- on account of novation of one of the subcontractor, whereas novation terms have been agreed and waiting for execution and conclusion of novation deed."

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

b) "Property, plant & equipment lying in Nigeria, of carrying value USD 778,354/- are stated at cost has not been physically verified and has not been tested for impairment."

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

Explanation to Auditors' Comment:

The Auditors' Qualification has been appropriately dealt with in Note No. 42 of the Notes to the consolidated audited financial statements. The Auditors' Report is enclosed with the financial statements in this Annual Report.

(2) Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed Mr. Hemanshu Kapadia of Hemanshu Kapadia & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the year ended March 31, 2023. The Secretarial Audit Report is annexed as **Annexure E.** The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Cost records and cost audit:

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

Reporting of frauds by auditors:

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee, under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

Share Capital:

The paid-up equity share capital as on March 31, 2023 was ₹ 38.07 crores. There was no change in the paid-up equity share capital of the Company during the year under review. The Company has not issued shares with differential voting rights.

Employees' Stock Option Plan:

Your Company has instituted various employees' stock options plans from time to time to motivate and reward employees. The ESOP Compensation Committee administers these plans. The stock option plans are in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended ("Employee Benefits Regulations").

The Members at their meeting held on September 27, 2021 had approved the "Asian Energy Services Limited - Employee Stock Option Plan – 2021" ("AESL ESOP 2021") authorising grant of not exceeding 3,80,744 (Three Lakh

BOARD'S REPORT (Contd.)

Eighty Thousand Seven Hundred Forty-four) options to the eligible employees.

The Company has granted 3,80,000 stock options during the year under review.

Appropriate disclosure prescribed under the said Regulations with regard to the Scheme is available on the Company's website www.asianenergy.com

Compliance with Secretarial Standards:

The Company has complied with all the applicable provisions of Secretarial Standards – 1 and Secretarial Standards – 2 relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively issued by the Institute of Company Secretaries of India.

Annual Return:

Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the Company has placed a copy of the Annual Return as at March 31, 2023 on its website at https://www.asianenergy.com/investor-relations.html#annualreports.

Other Disclosures:

Your Directors state that disclosure or reporting is not required in respect of the following items as there were no transactions relating to these items during the year under review:

a) Issue of equity shares with differential rights as to dividend, voting or otherwise.

b) Details relating to Deposits covered under Chapter V of the Act.

c) Voting rights which are not directly exercised by the employees in respect of shares for the subscription/ purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under Section 67(3)(c) of the Companies Act, 2013).

d) The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.

e) The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

Acknowledgement:

The Board places on record its deep appreciation for the continued support received from various clients, vendors, suppliers and technical partners, bankers, Government Authorities, employees at all levels and stakeholders, in furthering the interest of the Company.

On behalf of the Board of Directors of
Asian Energy Services Limited

Nayan Mani Borah
Chairman
DIN: 00489006

Place: Mumbai
Date: August 7, 2023

ANNEXURE A TO THE BOARD'S REPORT

FORM AOC-1

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures.
[Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014]
Part "A": Subsidiaries

(Amount in ₹)

Sl. No.	Particulars	Name of the Subsidiary					
		Asian Oilfield & Energy Services DMCC	AOSL Petroleum Pte. Ltd.	AOSL Energy Services Limited	Optimum Oil & Gas Private Limited	Cure Multitrade Private Limited	Ivorene Oil Services Nigeria Limited
1.	Kind of Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Subsidiary	Subsidiary	Subsidiary's Subsidiary
2.	The date since when subsidiary was acquired	30th July, 2012	23rd July, 2008	29th September, 2018	30th November, 2019	3rd October, 2022	3rd October, 2022
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA	NA	NA	NA
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Reporting Currency US$ Exchange rate3	Reporting Currency US$ Exchange rate3	Reporting Currency INR	Reporting Currency INR	Reporting Currency INR	Reporting Currency Nigerian Naira Exchange rate4
5.	Share capital	82,216,900	60,429	100,000	100,000	4,000,000	1,777,310
6.	Reserves & surplus	7,166,765	(185,967,639)	(366,665)	(4,115,000)	663,060	(465,238.4)
7.	Total assets	493,678,940	2,812,229	59,140	383,990	5,231,760	84,600,757
8.	Total liabilities	447,984,596	188,719,439	59,140	383,990	568,700	85,065,995
9.	Investments	NIL	NIL	NIL	NIL	NIL	NIL
10.	Turnover	NIL	NIL	NIL	NIL	1800000	661449
11.	Profit / (Loss) before taxation	(380,681,336)	(12,699,188)	(138,484)	(45,011)	1,097,260	525,146
12.	Provision for taxation	NIL	NIL	Nil	Nil	434200	13129
13.	Profit / (Loss) after taxation	(380,681,336)	(12,699,188)	(138,484)	(45,011)	663,060	512,017
14.	Proposed Dividend	NA	NA	NA	NA	NA	NA
15.	% of shareholding	100%	100%	100%	74%	51%	51%

Notes:

1. Reporting period of the above subsidiaries is the same as that of the Company.
2. Investments exclude investments in subsidiaries.
3. Exchange rate for Balance Sheet items is US$ = INR 82.2169 and for Profit & Loss Account items is US$=INR 80.3914
4. Exchange rate for Balance Sheet items is Naira= INR 0.177731 and for Profit & Loss Account items is Naira= INR 0.181737

ANNEXURE A TO THE BOARD'S REPORT (Contd.)

Part B: Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

Sr. no	Particulars	Name of Joint Ventures/Associates	
		Zuberi Asian Joint Venture	AESL FFIL Joint Venture
1.	Description of how there is influence	Joint Venture	Joint Venture
2.	Date on which the Associate or Joint Venture was associated or acquired	4th May, 2022	20th October, 2022
3.	Extent of Holding %	49%	49%
4.	Revenue	₹ 30,00,00,000	NIL
5.	Profit/(Loss) for the year	₹ 1,23,77,000	NIL

On behalf of the Board of Directors of Asian Energy Services Limited

Nayan Mani Borah
Chairman
DIN: 00489006

Kapil Garg
Managing Director
DIN: 01360843

Nirav Talati
Chief Financial Officer

Shweta Jain
Company Secretary
ACS - 23368

Place: Mumbai
Date: August 07, 2023

ANNEXURE B TO THE BOARD'S REPORT

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. **Details of contracts or arrangements or transactions not at arm's length basis:**

   The Company has not entered into any arrangement or transaction which is not at the arm's length basis. Thus, this disclosure is NOT APPLICABLE.

2. **Details of material contracts or arrangement or transactions at arm's length basis**

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advance
1.	Oilmax Energy Private Limited (Holding Company)	Purchase of Participating Interest (PI) in Oil and Gas field situated at Indrora, Gujarat	PI acquisition in Oil and Gas field situated at Indrora, Gujarat with upfront cash consideration of ₹ 15 Crores and progressive cash flows linked consideration to be followed.	8th February, 2023	Upfront payment of ₹15 Crores, progressive cash flows linked consideration to be followed

On behalf of the Board of Directors of
Asian Energy Services Limited

Nayan Mani Borah	**Kapil Garg**	**Nirav Talati**	**Shweta Jain**
Chairman	Managing Director	Chief Financial Officer	Company Secretary
DIN: 00489006	DIN: 01360843		ACS - 23368

Place: Mumbai
Date: August 07, 2023

ANNEXURE C TO THE BOARD'S REPORT

Annual Report on Corporate Social Responsibility (CSR) Activities of Asian Energy Services Limited.
[Pursuant to Section 135 of Companies Act, 2013 and Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. **BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:**

   Asian Energy Services Limited ("AESL") has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and the amendments thereto. Pursuant to provisions of Section 135 of the Companies Act, 2013, the Company has also formulated a Corporate Social Responsibility Policy which is available on the website of the Company at https://www.asianenergy.com/pdf/Investor-Relations/Corporate-Governance/Corporate-Governance/Corporate_Social_Responsibility_Policy.pdf

   CSR is essentially a way of conducting business responsibly and AESL shall endeavour to conduct its business operations and activities in a socially responsible and sustainable manner at all times. As per broad objectives of the Policy, CSR activities are being implemented in project/ program mode, in areas or subjects specified in Schedule VII of the Act.

2. **COMPOSITION OF CSR COMMITTEE:**

   AESL has constituted a CSR Committee of the Board in compliance with Section 135 of the Companies Act, 2013 (hereafter referred as Section 135). The members constituting the Committee as on March, 31 2023 have been listed below:

Sr. no	Name of Director	Designation	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1	Mr. Nayan Mani Borah	Chairman	2	2
2	Dr. Rabi Narayan Bastia	Member	2	2
3	Mr. Mukesh Jain	Member	2	2

3. **WEBLINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:**

   The Company has framed a CSR Policy in compliance with the provisions of section 135 of the Companies Act, 2013 and the same is placed on the website of the Company and the web link for the same https://www.asianenergy.com/investor-relations.html#corporate-governance

4. **IMPACT ASSESSMENT OF CSR PROJECTS:**

   Not applicable for the financial year 2022-23.

5. **AMOUNT AVAILABLE FOR SET OFF, IF ANY:**

Sr. No.	Financial Year	Amount available for set-off from preceding financial year (in ₹)	Amount required to be set off for financial year, if any (in ₹)
1	2022-23	NIL	NIL
	TOTAL	**NIL**	**NIL**

6. **PRESCRIBED CSR EXPENDITURE:**

   a) **AVERAGE NET PROFIT FOR LAST THREE FINANCIAL YEARS:**

      The average net profit of the Company for the last three financial years calculated in terms of section 198 as provided in Section 135 of Companies Act, 2013 was ₹ 3051.08 Lakhs.

   b) **PRESCRIBED CSR EXPENDITURE:**

      In terms of Section 135 of Companies Act, 2013, the recommended CSR expenditure for the financial year 2022-23 of AESL was ₹ **61.02 Lakhs.**

   c) **AMOUNT SPENT:**

      During the financial year 2022-23, AESL has spent entire aforesaid budget amounting to ₹ **61.02 Lakhs** on various social development activities, thereby fulfilling its commitment of spending 2% on CSR activities.

   d) **AMOUNT UNSPENT:** Nil

ANNEXURE C TO THE BOARD'S REPORT (Contd.)

Sr. No.	Particulars	Amount (in Lakhs)
a.	Two percent of average net profit of the Company as per section 135(5)	61.02
b.	Surplus arising out of the CSR Projects or Programs or Activities of the previous financial years	NIL
c.	Amount required to be set-off for the financial year, if any	NIL
d.	Total CSR Obligation for the Financial Year 2022-23	61.02

7. (A) CSR AMOUNT SPENT OR UNSPENT FOR THE FINANCIAL YEAR:

Total Amount spent for the financial year (in ₹)	Amount Unspent (in ₹)				
	Total amount transferred to unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of fund	Amount	Date of Transfer
₹ 61.02 Lakhs	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

(B) DETAILS OF CSR AMOUNT SPENT AGAINST ON-GOING PROJECTS FOR THE FINANCIAL YEAR:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local Area (Yes/ No)	Location of the project		Project Duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year	Amount transferred to unspent CSR Account for the project as per section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of implementation – Through implementing agency.	
				State	District						Name	CSR Registration Number
1	Not Applicable											

(C) DETAILS OF CSR AMOUNT SPENT AGAINST OTHER THAN ONGOING PROJECTS FOR THE FINANCIAL YEAR:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl No.	Name of the project	Items from the list of activities in schedule VII to the act.	Local area Y/N	Location of project		Amount spent for the project (₹ In Lakhs)	Mode of implementation -Direct (Yes/No)	Mode of implementation through implementation agency	
				State	District			Name	CSR Registration number.
1	Sarva Guna Sampann event organized for the students of Jorhat Institute of Science and Technology (JIST)	Promoting Education	Yes	Assam	Jorhat	2.94	Yes	NA	NA
2	Providing School Kit, Bench, etc. to local school students with the management's consent.	Promoting Education	Yes	Assam	Darrang	0.973	Yes	NA	NA
3	Renovation of Amguri Police Station	Rural Development	Yes	Assam	Sivasagar	0.35	Yes	NA	NA
4	Providing Furniture, Benches and other materials for Nirashraya Anath ashram	Setting up Homes for Orphans	Yes	Assam	Jorhat	0.895	Yes	NA	NA
5	Providing Furniture, Benches and other materials for Senior Citizen Homes	Setting up Homes for Senior Citizens	Yes	Assam	Sivasagar	3.812	Yes	NA	NA
6	Providing Furniture and other materials for Karunar Kheti Trust	Rural Development	Yes	Assam	Sivasagar	2.5	Yes	NA	NA
7	Providing School Uniform to students of Coorg Primary School	Promoting Education	No	Karnataka	Kodagu	2.95	Yes	NA	NA
8	Donation of RO water purifier for the premises of Jorhat Institute of Science and Technology (JIST)	Promoting Education	Yes	Assam	Jorhat	0.70	Yes	NA	NA
9	Promoting Education for under-privileged children	Promoting Education	--	--	--	45	No	24-7 ASK Foundation	AABCZ7687EE20216
10	Administrative Expenses	--	--	--	--	0.91	--	--	--
	TOTAL					**61.02**			

(D) AMOUNT SPENT IN ADMINISTRATIVE OVERHEAD: 0.91 LAKHS

(E) AMOUNT SPENT ON IMPACT ASSESSMENT, IF APPLICABLE: NIL

(F) TOTAL AMOUNT SPENT FOR THE FINANCIAL YEAR: ₹ 61.02 Lakhs

(G) EXCESS AMOUNT FOR SET OFF, IF ANY: NIL

8. (A) DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

There are no unspent CSR amount from the preceding three financial years

Sl No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account	Amount spent in the reporting Financial year (₹ In lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding Financial year (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1	2021-22	Not Applicable					
2	2020-21						
3	2019-20						

ANNEXURE C TO THE BOARD'S REPORT

(B) **DETAILS OF CSR AMOUNT SPENT IN THE FINANCIAL YEAR FOR ONGOING PROJECTS OF THE PRECEDING FINANCIAL YEARS(S): NOT APPLICABLE.**

Sl. No.	Project ID	Name of The project	Project Duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting financial year (in ₹)	Cumulative amount spent at the end of the reporting Financial Year (in ₹)	Status of the project- Completed/ Ongoing
1	Not Applicable						

9. **RESPONSIBILITY STATEMENT OF CSR COMMITTEE:**

Through this report, AESL seeks to communicate its commitment towards CSR to the Ministry of Corporate Affairs. The Implementation and Monitoring of CSR Policy is in compliance with CSR objectives and Policies as laid down in this report. The Board and the CSR Committee is responsible for the integrity and the objectivity of all the information provided in the disclosure above. All projects reported have been selected based on careful evaluation of the extent to which they create sustainable positive outcomes for the marginalized segment in the society. The Company has adopted measures to ensure that these projects are implemented in an effective and efficient manner so that they are able to deliver maximum potential impact.

The CSR Committee and the Board ensures that the funds disbursed have been utilized for the purposes and in the manner as approved by it and same is certified by the Chief Financial Officer.

10. **IN CASE OF CREATION OR ACQUISITION OF CAPITAL ASSETS, FURNISH THE DETAILS RELATING TO THE ASSETS SO CREATED OR ACQUIRED THROUGH CSR SPENT IN THE FINANCIAL YEAR (ASSET-WISE DETAILS):**

(a) Date of acquisition of the capital asset(s): Nil

(b) Amount of CSR spent for creation or acquisition of capital assets: Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital assets is registered, their address etc.: Nil

(d) Provide details of the capital assets(s) created or acquired (including complete address and location of the capital assets): Nil

11. **SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PERCENT OF THE NET PROFIT AS PER SECTION 135(5):** There is no unspent amount during the financial year 2022-23.

Place: Mumbai
Date: August 07, 2023

Mr. Kapil Garg
Managing Director

Mr. Nayan Mani Borah
Chairman, CSR Committee

ANNEXURE D TO THE BOARD'S REPORT

Disclosures required with respect to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

a. **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year.**

Name of the Directors	Ratio to median Remuneration
Non-executive Directors* :	
Mr. Nayan Mani Borah	--
Dr. Rabi Narayan Bastia	--
Ms. Anusha Mehta	--
Mr. Kapil Garg	--
Mr. Kadayam Ramanathan Bharat (resigned w.e.f. May 06, 2022)	--
Mr. Mukesh Jain	--
Mr. Brij Mohan Bansal	--
Executive Directors:	
Mr. Ashutosh Kumar (WTD & CEO)	1:54.5

* Only sitting fees is paid to Non-executive Directors and Independent Directors, hence no ratio is worked out.

b. **The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year.**

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% Increase in remuneration in the financial year
Mr. Nayan Mani Borah*	--
Dr. Rabi Narayan Bastia*	--
Ms. Anusha Mehta*	--
Mr. Kadayam Ramnathan Bharat (resigned w.e.f. May 06, 2022) @	--
Mr. Kapil Garg	--
Mr. Ashutosh Kumar, WTD & CEO	40%
Mr. Brij Mohan Bansal*	--
Mr. Mukesh Jain	--
Mr. Nirav Talati, Chief Financial Officer	
Ms. Shweta Jain, Company Secretary	

* The disclosures with respect to increase in salary and median are not given as there is no increase in the sitting fees for the meetings attended by the Directors.

@ The disclosures with respect to increase in salary and median are not given as the concerned directors/key managerial personnel were only for the part of the year.

c. **The percentage increase in the median remuneration of employees in the financial year: 9.00%**

d. **The number of permanent employees on the rolls of Company: 295**

e. **Average percentiles increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** There were no such employees who are not Directors but received remuneration in excess of highest paid Director during FY 2022-23.

f. **Affirmation that the remuneration is as per the remuneration policy of the Company:** The Company affirms remuneration is as per the remuneration policy of the Company.

ANNEXURE E TO THE BOARD'S REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the Financial year ended 31st March 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members
Asian Energy Services Limited
CIN L23200MH1992PLC318353
3B, 3rd Floor, Omkar Esquare,
Chunabhatti Signal, Eastern Express Highway,
Sion (East), Mumbai 400022

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Asian Energy Services Ltd** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March 2023** ("the Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance - mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March 2023,** according to the provisions of:

(i) The Companies Act, 2013 ("the Act") and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable to the Company during the Audit Period);

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as applicable

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021(Not Applicable to the Company during the Audit Period);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with the client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not Applicable to the Company during the Audit Period); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable to the Company during the Audit Period).

(vi) And the following industry specific laws as informed by the Management of the Company:

a. Oil Industry Safety Directorate (OISD) guidelines;

b. Explosive Act, 1884; Explosive Rules, 2008;

c. Inter-state migrant workmen (Regulation of Employment & Condition of Service) Act 1979 and central rules framed thereof

ANNEXURE E TO THE BOARD'S REPORT (Contd.)

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were carried through with requisite majority and no dissenting views have been recorded.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit Period, there were no instances of:

(i) Public/Rights/Preferential issue of shares / debentures/sweat equity;

(ii) Redemption / buy-back of securities;

(iii) Merger /amalgamation /reconstruction, etc;

(iv) Foreign technical collaborations.

For **Hemanshu Kapadia & Associates**
Practicing Company Secretaries

Hemanshu Kapadia
Proprietor
C.P. No.: 2285
Membership No.: F3477
UDIN: F003477E000753886
P/R no: 1620/2021

Place: Mumbai
Date: August 07, 2023

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

Annexure A

To,

The Members,

Asian Energy Services Limited

CIN L23200MH1992PLC318353

3B, 3rd Floor, Omkar Esquare,

Chunabhatti Signal, Eastern Express Highway,

Sion (East), Mumbai 400022

Our report of even date is to be read along with the letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required we have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company

.

For **Hemanshu Kapadia & Associates**
Practicing Company Secretaries

Hemanshu Kapadia
Proprietor
C.P. No.: 2285
Membership No.: F3477
UDIN: F003477E000753886
P/R no: 1620/2021

Place: Mumbai
Date: August 07, 2023

REPORT ON CORPORATE GOVERNANCE

[As per regulation 34(3) read along with Schedule V(C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")]

1. Company's philosophy on Code of Governance

The Company's philosophy on Corporate Governance envisages working towards high levels of transparency, accountability, consistent value systems, delegation, across all facets of its operations leading to sharply focused and operationally efficient growth.

The Company emphasizes the need for highest level of transparency and accountability in all its transactions in order to protect the interests of all its stakeholders. The Board considers itself as a trustee of its shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth on sustainable basis.

The Management promotes honest and ethical conduct of the business along with complying with applicable laws, rules and regulations.

The Management's commitment to these principles is reinforced through the adherence of all Corporate Governance practices which forms part of the Regulation Nos. 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ['Listing Regulations'].

2. Board of Directors

i. The Board of Directors have ultimate responsibility for the management, general affairs, direction, performance and long-term success of business as a whole.

ii. The Board of your Company has a good and diverse mix of Executive and Non-Executive Directors including Independent Directors and the same is also in line with the applicable provisions of Companies Act, 2013 ('the Act') and Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The profile of the Directors can be accessed on our website at https://www.asianenergy.com/bod.html.

iii. The Board as part of its succession planning exercise, periodically reviews its composition to ensure that the same is closely aligned with the strategy and long-term needs of the Company.

iv. As on March 31, 2023, the Board comprised of seven directors consisting of a non-executive independent chairman, one whole-time director, three non-executive non-independent directors and two independent directors including one woman director. The composition of the Board is in conformity with Regulation 17 of the SEBI (LODR) Regulations, 2015 read with Section 149 of the Companies Act, 2013 ("the Act").

v. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 read with Section 149(6) of the Act. None of the Independent Directors have any other material pecuniary relationship or transaction with the Company, its Promoters, or Directors, or Senior Management which, in their judgment, would affect their independence.

vi. There are no inter-se relationships between the Board members.

vii. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships/Memberships held by them in other public companies as on March 31, 2023 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Act. Chairmanships/Memberships of Board Committees only include Audit Committee and Stakeholders' Relationship Committee.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Name of Director	Category of Director	Attendance at Board Meeting	Attendance at the last AGM (27-09-2022)	No. of Directorship in other public companies		No. of Committee positions held in other public companies		Directorship in other listed entities
				Chairman	Member	Chairman	Member	
Mr. Nayan Mani Borah, Chairman DIN: 00489006	Independent Non-Executive	5/5	Yes	---	---	---	---	---
Rabi Narayan Bastia DIN: 05233577	Non-Executive Professional	5/5	Yes	---	---	---	---	---
Anusha Mehta DIN: 07648883	Non-Executive Independent	4/5	Yes	---	---	---	---	---
Ashutosh Kumar DIN: 06918508	Whole-time Director &CEO	5/5	Yes		---	---	---	---
Kadayam Ramanathan Bharat* DIN: 00584367	Non-Executive Independent	0/0	NA	---	---	---	---	---
Mukesh Jain DIN: 01316027	Non-Executive Professional	5/5	Yes	---	10	1	1	1. Sunteck Realty Limited – Independent Director
Kapil Garg DIN: 01360843	Non-Executive Promoter	5/5	Yes	---	---	---	---	---
Brij Mohan Bansal DIN: 00261063	Non-Executive Independent	5/5	Yes	---	1	---	1	1. Kothari Petrochemicals Limited – Independent Director

*Resigned as a Director w.e.f. May 06, 2022

viii. The Company annually obtains from each Director, details of the Board and Board Committee positions he/ she occupies in other Companies, and changes if any regarding their Directorships.

ix. Five board meetings were held during the year and the gap between two meetings did not exceed one hundred twenty days. The dates on which the said meetings were held:

May 27, 2022, August 10, 2022, September 30, 2022, November 08, 2022 and February 08, 2023.

The necessary quorum was present for all the meetings.

x. Skills/ expertise/ competencies of the Board:

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board and the details of Directors who have such skills/expertise/ competency are as under:

Sr. No.	Skills/expertise/competencies required in context of the Company's business	Directors possessing such skill/ expertise/competencies
i.	Knowledge on Company's businesses, policies and culture major risks/threats and potential opportunities and knowledge of the industry in which the Company operates	Mr. Nayan Mani Borah Dr. Rabi Narayan Bastia Mr. Ashutosh Kumar Mr. Kapil Garg Mr. Brij Mohan Bansal
ii.	Behavioural skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company	Mr. Nayan Mani Borah Dr. Rabi Narayan Bastia Mr. Ashutosh Kumar
iii.	Business Strategy, Corporate Governance, Administration, Decision Making	Ms. Anusha Mehta Mr. Mukesh Jain Mr. Kapil Garg Mr. Brij Mohan Bansal

REPORT ON CORPORATE GOVERNANCE (Contd.)

Sr. No.	Skills/expertise/competencies required in context of the Company's business	Directors possessing such skill/ expertise/competencies
iv.	Financial and Management skills, knowledge of law, Insurance, Project management, human resource management, CSR etc.	Mr. Nayan Mani Borah Ms. Anusha Mehta Mr. Mukesh Jain Mr. Brij Mohan Bansal
v.	Technical/Professional skills and specialized knowledge in relation to Company's business	Mr. Nayan Mani Borah Dr. Rabi Narayan Bastia Mr. Ashutosh Kumar Mr. Kapil Garg Mr. Brij Mohan Bansal

xi. Confirmation regarding Independent Directors:

Based on the annual declaration of independence received from the Independent Directors, all the Independent Directors fulfil the conditions specified in the SEBI (LODR) Regulations, 2015 and are independent of the management of the Company.

During the year, Mr. Kadayam Ramanathan Bharat resigned as an Independent Director of the Company w.e.f. 6th May, 2022 due to health issues and medical emergency. Further, the Company had received confirmation from Mr. Kadayam Ramanathan Bharat that there were no other material reasons for his resignation other than those which was provided in the resignation letter dated 5th May, 2022.

xii. During the year 2022-23, information as mentioned in Schedule II Part A of the SEBI (LODR) Regulations, 2015 to the extent it is applicable and relevant, has been placed before the Board for its consideration.

xiii. The terms and conditions of appointment of the independent directors are disclosed on the website of the Company at https://www.asianenergy.com/investor-relations.html#corporate-governance.

xiv. During the year, one meeting of the Independent Directors was held on February 08, 2023. The Independent Directors, inter-alia, reviewed the performance of non- independent directors, Chairman of the Company and the Board as a whole and assessed the quality, quantity and timeliness of flow of information to the Board for its effective performance of duties.

xv. The Board periodically reviews Compliance Reports in respect of various laws and regulations applicable to the Company.

xvi. The Company has conducted familiarisation programmes for the Independent Directors with regards to their roles, rights and responsibilities as Independent Directors and updated from time to time. The Independent Directors are also regularly briefed about the energy and mineral sectors and Oilfield industry as a whole, nature and scope of the activities of the Company, competition prevailing therein and the Company's future forward looking plans with briefing on future prospect of the Company. The details of the familiarisation programs held during the year under review have been uploaded in the Corporate Governance section on the website of the Company at https://www.asianenergy.com/investor-relations.html#corporate-governance

xvii. As on March 31, 2023, Dr. Rabi Narayan Bastia holds 1,59,508 (0.42%) equity shares, Mr. Ashutosh Kumar holds 76,607 (0.20%) equity shares and Mr. Brij Mohan Bansal holds 4,352 (0.01%) equity shares of the Company. No other Director holds any shares in the Company.

3. Committees of the Board

A. Audit Committee:

i. The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI (LODR) Regulations, 2015, read with Section 177 of the Act.

ii. The terms of reference of the Audit Committee are broadly as under:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommend the appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors

REPORT ON CORPORATE GOVERNANCE (Contd.)

for any other services rendered by the statutory auditors;

- Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval.
- Review the management discussion and analysis of financial condition and results of operations, statement of significant related party transactions, internal control weakness as reported by statutory auditors, internal audit reports, appointment, removal and terms of remuneration of internal auditor, statement of deviations.
- Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the Management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- Review and monitor the auditors' independence and performance, nature and scope of audit and post-audit discussion on any areas of concern and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Review with the Management the performance of statutory and internal auditors, adequacy of internal control systems;
- Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;
- The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the Management of the Company;
- Reviewing the utilization of loans/ advances from or investment by the holding company in the subsidiaries;
- The Audit Committee shall review the information required as per SEBI (LODR) Regulations, 2015.

iii. Audit Committee Meetings are also attended by the senior management personnel of the Company wherever required along with the Chief Financial Officer, as invitees. The Company Secretary acts as the Secretary of the Audit Committee.

iv. In terms of the Insider Trading Code adopted by the Company, the Committee considers the following matters:

- To approve policies in relation to the implementation of the Insider Trading Code and to supervise implementation of the Insider Trading Code.
- To note and take on record the status reports detailing the dealings by Designated Persons in Securities of the Company, as submitted by the Compliance Officer on a quarterly basis.
- To provide directions on any penal action to be initiated, in case of any violation of the Regulations by any person.
- The previous Annual General Meeting (AGM) of the Company was held on September 27, 2022 and was attended by Mr. Nayan Mani Borah, Chairman of the Audit Committee.

v. The composition of the Audit Committee and the details of meetings attended by its members are given below:

REPORT ON CORPORATE GOVERNANCE (Contd.)

Sr. No.	Name	Category of Director	Number of meetings during the year 2022-23	
			Held	Attended
1.	Mr. Nayan Mani Borah	Chairman, Independent Director	4	4
2.	Ms. Anusha Mehta	Independent Director	4	3
3.	Mr. Brij Mohan Bansal	Independent Director	4	4
4.	Mr. Kadayam Ramanathan Bharat (resigned w.e.f. 6th May, 2022)	Independent Director	4	0

vi. Four Audit Committee meetings were held during the year and the gap between two meetings did not exceed 120 days. The dates on which the said meetings were held are as follows:

May 27, 2022, August 10, 2022, November 08, 2022 and February 08, 2023.

The necessary quorum was present for all the meetings.

B. Nomination and Remuneration Committee

i. The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI (LODR) Regulations, 2015, read with Section 178 of the Act.

ii. The broad terms of reference of the Nomination and Remuneration Committee are as under:

- Recommend to the Board the set up and composition of the Board and its Committees including the "formulation of the criteria for determining qualifications, positive attributes and independence of a director". The Committee will consider periodically reviewing the composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
- Recommend to the Board the appointment or reappointment of directors.
- Devise a policy on Board diversity.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
- Carry out evaluation of every director's performance and support the board and independent directors in evaluation of the performance of the board, its committees and individual directors. This shall include "formulation of criteria for evaluation of independent directors and the board".
- Whether to extend or continue the term of appointment of the independent director, based on the report of performance evaluation of independent directors.
- Recommend to the Board the remuneration policy for directors, executive team or key managerial personnel as well as the rest of the employees.
- Oversee familiarization programs for directors.
- On an annual basis, recommend to the Board all remuneration, in whatever form, payable to the directors and senior management and oversee the remuneration to executive team or key managerial personnel of the Company.
- Oversee the human resource philosophy, human resource and people strategy and human resource practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for the board, key managerial personnel and executive team).
- Provide guidelines for remuneration of directors on material subsidiaries.
- Recommend to the Board on voting pattern for appointment and remuneration of directors on the boards of its material subsidiary companies.
- Performing such other duties and responsibilities as may be consistent with the provisions of the Committee charter.

REPORT ON CORPORATE GOVERNANCE (Contd.)

iii. The composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are given below:

Sr. No.	Name	Category	Number of Meetings during the year 2022-23	
			Held	Attended
1.	Mr. Brij Mohan Bansal	Chairman, Independent Director	2	2
2.	Mr. Nayan Mani Borah	Independent Director	2	2
3.	Ms. Anusha Mehta	Independent Director	2	2
4.	Mr. Kapil Garg	Non-executive Director	2	2

During the year, two meetings of the Nomination and Remuneration Committee were held on May 27, 2022 and August 10, 2022.

iv. The Members at their meeting held on September 27, 2021 had approved the "Asian Energy Services Limited - Employee Stock Option Plan – 2021" ("AESL ESOP 2021") authorising grant of not exceeding 3,80,744 (Three Lakh Eighty Thousand Seven Hundred Forty-four) options to the eligible employees.

The Company has granted 3,80,000 (Three Lakh Eighty Thousand) stock options to the eligible employees during the year under review.

v. Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors is determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement.

vi. Nomination and Remuneration Policy:

Nomination and Remuneration Policy in the Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results. Our business model promotes customer focus and requires employee mobility to address project's requirement. The Nomination and Remuneration Policy supports such mobility through pay models that are compliant to local regulations. In each country where the Company operates, the remuneration structure is tailored to the regulations, practices and benchmarks prevalent in the industry. The Nomination and Remuneration Policy is placed on the Company's website at https://www.asianenergy.com/investor-relations.html#corporate-governance.

The Company pays remuneration by way of fixed pay and performance linked incentive consisting of salary, benefits, perquisites and allowances to its Whole-time Directors and Executive Directors. Annual increments are decided by the Board on the basis of the recommendation of the Nomination and Remuneration Committee (NRC) within the salary scale approved by the members of the Company.

During the year 2022-23, the Company paid sitting fees of Rs. 20,000/- per meeting to its non-executive directors for attending meetings of the Board and Audit Committee and Rs.10,000 per meeting for Nomination & Remuneration Committee and Stakeholders Relationship Committee and Rs.5,000/- for all other Committees of the Board except the Borrowing Committee. The Company also reimburses the out-of-pocket expenses incurred by the directors for attending the meetings.

REPORT ON CORPORATE GOVERNANCE (Contd.)

vii. Details of sitting fees for the year ended March 31, 2023:

a. Non-Executive Directors:

Names of Non-Executive Directors	Sitting Fees paid (₹)
Mr. Nayan Mani Borah	2,30,000
Dr. Rabi Narayan Bastia	1,20,000
Ms. Anusha Mehta	1,60,000
Mr. Devesh Bhargava	50,000
Mr. Mukesh Jain	1,20,000
Mr. Kapil Garg	--
Mr. Brij Mohan Bansal	2,05,000

During the financial year under report, the Non-Executive Directors had no pecuniary relationship or transactions with the Company.

b. Whole-time Director:

(₹ in Lakhs)

Name of director and period of appointment	Salary, Allowances / Perquisites, Performance Bonus
Mr. Ashutosh Kumar* Whole-time Director & CEO for Financial year 2022-23	213

On the recommendation of the Nomination and Remuneration Committee in accordance with the ESOP Plan 2021, the ESOP Compensation Committee has granted 43,422 options to Mr. Ashutosh Kumar.

The above figures do not include provisions for encashable leave, gratuity and premium paid for group health insurance, as separate actuarial valuation / premium paid are not available.

Mr. Ashutosh Kumar resigned as whole-time Director & CEO of the Company w.e.f. close of business hours of May 31, 2023.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

i. The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI (LODR) Regulations, 2015 read with section 178 of the Act.

ii. The broad terms of reference of the Stakeholders' Relationship Committee are as under:

- Resolve the grievances of security holders of the Company including complaints such as transfer/transmission of shares, non-receipt of notice / annual reports etc. and all other shareholder related matters.
- Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the services standards adopted in respect of various services rendered by the Registrar and Share Transfer Agent and ensure setting of proper controls and oversee performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in the quality of services to the investors.
- Review of the measures and initiatives taken by the Company to ensure timely receipt of annual reports, statutory notices, dividend warrants by the shareholders.

iii. One meeting of the Stakeholders' Relationship Committee was held during the year on February 08, 2023.

REPORT ON CORPORATE GOVERNANCE (Contd.)

iv. The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are given below:

Name	Category	Number of Meetings during the year 2022-23	
		Held	Attended
Mr. Nayan Mani Borah	Chairman, Independent Director	1	1
Mr. Kadayam Ramanathan Bharat (resigned w.e.f. 6th May, 2022)	Independent Director	NA	NA
Mr. Mukesh Jain	Non-Executive Non-Independent Director	1	1
Dr. Rabi Narayan Bastia (appointed w.e.f. 6th May, 2022)	Non-Executive Non-Independent Director	1	1

v. Name, designation and address of Compliance Officer:

Ms. Shweta Jain

Company Secretary

3B, 3rd Floor, Omkar Esquare, Chunabhatti Signal,

Eastern Express Highway, Sion (East),

Mumbai – 400022 Maharashtra, India

Tel. No.: +91-22-42441169

Email: secretarial@asianenergy.com

vi. Details of investor complaints received and redressed during the year 2022-23 are as follows:

Opening balance	Received during the year	Resolved during the year	number of complaints not solved to the satisfaction of shareholders	Closing balance
Nil	10	10	Nil	Nil

No request for transfer or dematerialization of shares were pending as on March 31, 2023.

D. Other Committees

i. Corporate Social Responsibility (CSR) Committee

CSR Committee of the Company is constituted in line with the provisions of Section 135 of the Act. Currently the CSR Committee comprises of Mr. N. M. Borah (Chairman), Dr. Rabi Bastia and Mr. Mukesh Jain.

The broad terms of reference of CSR committee are as follows:

- Formulate and recommend to the Board, a Corporate Social Responsibility (CSR) policy;
- Recommend the amount of expenditure to be incurred on the CSR activities;
- Monitor the CSR policy of the Company from time to time;

Two (2) meetings of CSR Committee were held during the financial year 2022-23 on August 10, 2022 and February 08, 2023.

The CSR policy of the Company is placed on the website of the Company at https://www.asianenergy.com/investor-relations.html#corporate-governance.

ii. Allotment Committee:

The Board has delegated powers to allot the shares of the Company to the Allotment Committee of Directors. Currently the Allotment Committee comprises of Mr. Kapil Garg, Dr. Rabi Bastia and Mr. Mukesh Jain.

No meeting of the Allotment Committee was held during the financial year 2022-23.

iii. Borrowing Committee:

The Board has delegated the power to borrow funds /avail various facilities from banks, financial institutions and other persons, firms, bodies corporate not exceeding an aggregate amount of Rs. 200 Crores, to open bank account and change operations/ internet banking facilities, to create/ modify mortgage/

REPORT ON CORPORATE GOVERNANCE (Contd.)

pledge/ hypothecation/ security on the present and future moveable, immovable properties, tangible, intangible assets, or the whole of the undertakings of the Company to secure the borrowings to be availed by the Company from banks/ financial institutions and/or any other lender(s), agent(s) or trustee(s) to the Borrowing Committee.

Currently, the Borrowing Committee comprises of Mr. Kapil Garg, Dr. Rabi Bastia and Mr. Mukesh Jain.

Two meetings of the Borrowing Committee were held during the financial year on June 20, 2022 and July 29, 2022.

iv. ESOP Compensation Committee:

The Board has constituted an ESOP Compensation Committee for granting employees stock options to reward and enable the employees to participate in the future growth of the Company. The ESOP Compensation Committee comprises of Ms. Anusha Mehta (Chairperson), Mukesh Jain and Mr. Nayan Mani Borah as members.

One meeting of the ESOP Compensation Committee was held during the financial year 2022-23 on February 08, 2023.

4. General body meetings

a) Particulars of AGM / EGM for the last three years:

The details of the last three Annual General Meetings/ Extra Ordinary General Meetings are as follows:

AGM for the financial year ended	Day, Date & Time of AGM	Place of AGM	Special Resolutions passed
March 31, 2022	Tuesday, September 27, 2022 at 11.00 a.m.	Through Video Conferencing ("VC")/Other Audio-Visual Mode ("OAVM"). 3B, 3rd Floor, Omkar Esquare, Chunabhatti Signal, Eastern Express Highway, Sion (East), Mumbai-400022	1) To approve revision in remuneration structure of Mr. Ashutosh Kumar (DIN 06918508), Whole Time Director & CEO of the Company.
March 31, 2021	Monday, September 27, 2021 at 11.00 a.m.	Through Video Conferencing ("VC")/Other Audio-Visual Mode ("OAVM"). 3B, 3rd Floor, Omkar Esquare, Chunabhatti Signal, Eastern Express Highway, Sion (East), Mumbai-400022	1) To re-appoint Mr. Ashutosh Kumar (DIN 06918508) as the Whole Time Director of the Company 2) To re-appoint Ms. Anusha Mehta (DIN 07648883) as an Independent Director of the Company 3) To approve contract/ arrangement for material related party transactions with related party 4) To approve provisions of money to the Asian Oilfield Services Limited Employees Welfare Trust ("ESOP Trust") by the Company for purchase of its own shares for Asian Energy Services Limited - Employee Stock Option Plan 2021 ("AESL ESOP 2021")

REPORT ON CORPORATE GOVERNANCE (Contd.)

AGM for the financial year ended	Day, Date & Time of AGM	Place of AGM	Special Resolutions passed
			5) To approve extension of Asian Energy Services Limited - Employee Stock Option Plan 2021 ("AESL ESOP 2021") to the employees of group company including existing and future subsidiary company(ies), of associate company and of holding company, whether in India or outside India 6) To approve Implementation of Asian Energy Services Limited - Employee Stock Option Plan 2021 ("AESL ESOP 2021") through Trust route 7) To approve acquisition of equity shares from secondary market through Trust route for implementation of Asian Energy Services Limited - Employee Stock Option Plan 2021 ("AESL ESOP 2021") 8) Approval of provisions of money to the Asian Oilfield Services Limited Employees Welfare Trust ("ESOP Trust") by the Company for purchase of its own shares for Asian Energy Services Limited - Employee Stock Option Plan 2021 ("AESL ESOP 2021")
March 31, 2020	Friday, September 11, 2020 at 11.00 a.m.	Through Video Conferencing ("VC")/Other Audio-Visual Mode ("OAVM"). 3B, 3rd Floor, Omkar Esquare, Chunabhatti Signal, Eastern Express Highway, Sion (East), Mumbai-400022	1) To alter the Objects Clause of the Memorandum of Association of the Company. 2) To change the name of the Company. 3) To revise the remuneration structure of Mr. Ashutosh Kumar, Whole-time Director and Chief Executive Officer (DIN 06918508).

All the resolutions including special resolutions set out in the respective notices calling the AGM / EGM were passed by the shareholders with requisite majority.

REPORT ON CORPORATE GOVERNANCE (Contd.)

b) **Postal Ballot:**

One (1) special resolution was passed by the Company last year through Postal Ballot as prescribed under Section 110 of the Act for approval of material related party transaction.

Date of postal ballot notice	Resolution passed	Approval Date	Scrutinizer	Link for postal ballot notice and results
27.02.2023	Approval for Material Related Party transaction with Oilmax Energy Private Limited.	March 29, 2023	Mr. Hemanshu Kapadia, proprietor, Hemanshu Kapadia & Associates, Practicing Company Secretary or failing him Mrs. Pooja Jain, Partner, VPP & Associates, Practicing Company Secretary	https://www.asianenergy.com/investor-relations.html#company-announcements

Procedure for postal ballot:

The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and applicable circulars issued by the Ministry of Corporate Affairs from time to time.

Details of special resolution proposed to be transacted through postal ballot

None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

5. Other Disclosures:

i. Related Party transactions:

There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large. The Company has formulated a Related Party Transactions Policy and the same is displayed on the Company's website at https://www.asianenergy.com/investor-relations.html#corporate-governance.

Transactions with the related parties are disclosed in the notes to the accounts forming part of this Annual Report.

ii. Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or the Securities and Exchange Board of India or any statutory authority, on any matter related to capital markets, during the last three years 2022-23, 2021-22 and 2020-21 respectively:

During the financial years 2022-23, 2021-22 and 2020-21, there were no instances of non-compliance, penalties, strictures imposed on the Company by the Stock Exchanges, SEBI or any statutory authority, on any matter related to capital markets.

iii. The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behaviour. No person has been denied access to the Chairman of the Audit Committee. The said policy has been also put up on the website of the Company at https://www.asianenergy.com/investor-relations.html#corporate-governance.

iv. The Company is in compliance with all the mandatory requirements of Regulations 17 to 27 of SEBI (LODR) Regulations, 2015.

v. The Company has also adopted Policy for determining 'material' subsidiaries for Disclosures (Policy for determining Material Subsidiaries) and Policy for Preservation of Documents (Policy for preservation of documents).

vi. The Company has adequate risk assessment and minimization system in place. The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out.

vii. Reconciliation of Share Capital Audit:

A qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit as mandated by SEBI and reports on the reconciliation of total issued and listed Capital with that of total share capital admitted / held in dematerialized form with NSDL and CDSL and those held in physical form. This audit is carried out on quarterly basis and the report thereof is submitted to the Stock Exchanges, where the Company`s shares are listed.

REPORT ON CORPORATE GOVERNANCE (Contd.)

viii. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) - **Not Applicable**

ix. A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.

The Certificate of Company Secretary in Practice is annexed herewith as a part of the report.

x. Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year - **Not Applicable**

xi. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part.

Details relating to fees paid to the Statutory Auditors are given in Note 29 to the Standalone Financial Statements and Note 29 to the Consolidated Financial Statements.

xii. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The disclosures for the FY 2022-23 are as under: -

Number of complaints filed during the FY	Nil
Number of complaints disposed of during the FY	Nil
Number of complaints pending as on the end of the FY	Nil

xiii. There are no shares in demat suspense account/ unclaimed suspense account. Therefore, the disclosures with respect to demat suspense account/ unclaimed suspense account is not applicable.

xiv. Details of adoption of non-mandatory (discretionary) requirements

The status of compliance with the non-mandatory requirements of the SEBI (LODR) Regulations, 2015 is provided below:

a. Reporting of Internal Auditor - In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee. Quarterly internal audit reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

The disclosure of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2)

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
1	Board of Directors	17(1)	Board composition	Yes
		17(2)	Meeting of Board of directors	Yes
		17(3)	Review of Compliance Reports	Yes
		17(4)	Plans for orderly succession for appointments	Yes
		17(5)	Code of Conduct for the Board members and senior management	Yes
		17(6)	Fees/compensation to non-executive directors	Yes
		17(7)	Minimum Information to be placed before the Board	Yes
		17(8)	Compliance Certificate by the CEO & CFO	Yes
		17(9)	Risk assessment and minimization procedures	Yes
		17(10)	Performance Evaluation of Independent Directors	Yes
		17(11)	Recommendation of the Board to the shareholders for each Special Business at General Meeting	Yes
		17A	Maximum number of Directorships	Yes
2	Audit Committee	18(1)	Composition of Audit Committee	Yes
		18(2)	Meeting of Audit Committee	Yes
		18(3)	Role of the Committee and Review of information by the Committee	Yes
3	Nomination and Remuneration Committee	19(1) & (2)	Composition of Nomination and Remuneration Committee	Yes
		19(3)	Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		19(3A)	Meeting of the Committee	Yes
		19(4)	Role of the Committee	Yes
4	Stakeholders Relationship Committee	20(1), (2) & (3)	Composition of Stakeholder Relationship Committee	Yes
		20(3A)	Meeting of the Committee	Yes
		20(4)	Role of the Committee	Yes
5	Risk Management Committee	21(1), (2) & (3)	Composition of Risk Management Committee	N.A.
		21(4)	Role of the Committee	N.A.
6	Vigil Mechanism	22(1) & (2)	Formulation of Vigil Mechanism for Directors and Employee	Yes
7	Related Party Transaction	23(1), (5), (6) & (8)	Policy and compliances for Related Party Transaction	Yes
		23(2) & (3)	Prior approval including omnibus approval of Audit Committee for all Related Party Transactions and review of transaction by the Committee	Yes
		23(4)	Prior approval for Material Related Party Transactions and subsequent Material Modifications thereof.	Yes
		23(5)	Non-applicability of Regulations 23(2), (3) & (4)	Yes
		23(9)	Disclosures of related party transactions to the stock exchanges.	Yes
8	Secretarial Audit and Secretarial Compliance Report	24A	Submission of Secretarial Compliance Report and Secretarial Audit Report.	Yes
8	Subsidiaries of the Company	24(1)	Composition of Board of Directors of Unlisted Material Subsidiary	Yes
		24(2),(3),(4),(5) & (6)	Other Corporate Governance requirements with respect to Subsidiary including Material Subsidiary of listed entity	Yes
9	Obligations with respect to Independent Directors	25(1)&(2)	Maximum Directorship & Tenure	Yes
		25(3)	Meeting of Independent Directors	Yes
		25(4)	Review of Performance by the Independent Directors	Yes
		25(7)	Familiarization of Independent Directors	Yes

REPORT ON CORPORATE GOVERNANCE (Contd.)

REPORT ON CORPORATE GOVERNANCE (Contd.)

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
		25(8)	Declaration by Independent Director	Yes
10	Obligations with respect to Directors and Senior Management	26(1)&(2)	Memberships & Chairmanship in Committees	Yes
		26(3)	Affirmation with compliance to code of conduct from members of the Board and Senior Management Personnel	Yes
		26(5)	Disclosures by Senior Management about potential conflicts of Interest	Yes
11	Other Corporate Governance Requirements	27(1)	Compliance of Discretionary Requirements	Yes
		27(2)	Filing of Quarterly Compliance Report on Corporate Governance	Yes
12	Disclosures on Website of the Company	46(2)(b)	Terms and conditions of appointment of Independent Directors	Yes
		46(2)(c)	Composition of various committees of Board of Directors	Yes
		46(2)(d)	Code of Conduct of Board of Directors and Senior Management Personnel	Yes
		46(2)(e)	Details of establishment of Vigil Mechanism / Whistle Blower policy	Yes
		46(2)(f)	Criteria of making payments to Non-Executive Directors	Yes
		46(2)(g)	Policy on dealing with Related Party Transactions	Yes
		46(2)(h)	Policy for determining Material Subsidiaries	Yes
		46(2)(i)	Details of familiarization programmes imparted to Independent Directors	Yes

6. Subsidiary Companies:

The Audit Committee reviews the consolidated financial statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company.

The Company has a policy for determining 'material subsidiaries' which is disclosed on its https://www.asianenergy.com/investor-relations.html#corporate-governance

7. Means of Communication:

The quarterly, half-yearly and annual results of the Company are normally published in Financial Express, national daily newspaper in English and Loksatta, regional daily newspaper in Marathi. The financial results are also displayed on the Company's website viz. www.asianenergy.com and posted on the BSE Corporate Compliance & Listing Centre (the Listing Centre) & National Stock Exchange of India Limited (Listing Department). Official news releases and presentations made to Institutional Investors and Analysts are posted on the Company's website.

REPORT ON CORPORATE GOVERNANCE (Contd.)

8. General shareholder information

i.	**Annual General Meeting:**		
	Date and Time	:	Thursday, September 28, 2023 at 11.00 a.m.
	Venue	:	Meeting is being conducted through VC/ O A V M pursuant to the MCA Circular No. 20/2020 dated 5th May, 2020, General Circular No. 02/2022 dated 5th May, 2022 and 28th December, 2022 (collectively referred to as "MCA Circulars").
ii.	**Financial Calendar**	:	April to March
iii.	**Date of book closure**	:	Friday, September 22, 2023 to Thursday September 28, 2023 (both days inclusive)
iv.	**Dividend payment date**	:	Not applicable
v.	**Listing on Stock Exchange**	:	**BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001 **National Stock Exchange of India Limited (NSE)** Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
vi.	**Stock Code on BSE Limited**	:	530355
vii.	**Trading Symbol on NSE**		ASIANENE Annual listing fees for the financial year 2023-24 has been paid to both the stock exchanges i.e. BSE and NSE.
vii.	**ISIN Code in NSDL and CDSL for Equity Shares**	:	INE276G01015
viii.	**Corporate Identity Number (CIN) of the Company**		L23200MH1992PLC318353

9. Market price data:

High, low (based on daily closing prices) and number of equity shares traded during each month in the year 2022-23 on BSE & NSE:

Month & Year	BSE			NSE		
	High Price (INR)	Low Price (INR)	Total No. of Shares traded (Lakhs)	High Price (INR)	Low Price (INR)	Total No. of Shares traded (Lakhs)
April 2022	129.9	110.3	2.93	129.70	110	12.87
May 2022	111.1	82.05	2.78	110	82.55	12.63
June 2022	109	78	3.33	109	79	24.03
July 2022	93.4	83.95	1.44	93.80	82.50	5.92
August 2022	92.9	73	5.42	92	72.90	19.50
September 2022	88.7	71.5	2.67	89	70.05	17.45
October 2022	85.85	71.2	3.85	85.50	71	28.77
November 2022	79	66	2.90	79.65	65.80	16.35
December 2022	83.9	66.75	2.49	84.80	65.20	21.84
January 2023	75	66	3.09	75	66.75	9.67
February 2023	74.8	52.8	2.56	75	52.50	9.76
March 2023	110.4	51.76	11.47	110.55	51.50	97.84

10. Registrar and Share Transfer Agent:

Link Intime India Pvt. Ltd.
C 101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai – 400083,
Maharashtra, India
Phone No. 022 - 4918 6000
Fax No. : 022 - 4918 6060
E-mail: mumbai@linkintime.co.in
Website: www.linkintime.co.in

REPORT ON CORPORATE GOVERNANCE (Contd.)

11. Share transfer system:

As on March 31, 2023, 98.39% of the equity shares of the Company are in electronic form. Transfers of these shares are done through the depositories with no involvement of the Company. The shares of the Company can be held in physical form however as per SEBI Notification dated June 8, 2018, with effect from April 1, 2019 the shares can be transferred in demat form only.

12. Shareholding as on March 31, 2023:

a. Distribution of equity shareholding as on March 31, 2023:

No. of Shares	No. of Share holders	Percentage to shareholders	Total No. of Shares	Percentage to Capital
Up to – 500	20082	87.4956	2497183	6.5587
501 - 1000	1463	6.3742	1185934	3.1148
1001 – 2000	632	2.7536	987233	2.5929
2001 – 3000	269	1.172	693363	1.8211
3001 – 4000	104	0.4531	371450	0.9756
4001 - 5000	108	0.4705	518499	1.3618
5001 - 10000	146	0.6361	1098216	2.8844
10001 and above	148	0.6448	30722566	80.6908
Total	**22952**	**100**	**3,80,74,444**	**100**

b. Categories of equity shareholders as on March 31, 2023:

Category	No. of Shares	% of Total Capital
A. Promoters Holding		
a. Indian Promoters (PAC)	23395548	61.4468
b. Foreign Promoter	--	--
B. Non Promoters Holding		
a. Mutual Funds	--	--
b. Foreign Portfolio Investors	3662	0.0096
c. Bodies Corporate (including LLPs)	1703243	4.4735
d. Indian Public	10242868	26.9022
e. Clearing Members	7956	0.0209
f. Non Residents Indians	1539652	4.0438
g. Director or Director's Relative	237115	0.6227
h. HUF	559239	1.4689
i. Key Managerial Personnel	4417	0.0116
C. Non-Promoter Non-Public Holding		
a. Employee Benefit Trust	**380744**	**1.00**
Total	**3,80,74,444**	**100.00**

REPORT ON CORPORATE GOVERNANCE (Contd.)

c. Dematerialization of shares and liquidity:

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories, viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

Percentage of shares held in physical and dematerialized form as on March 31, 2023:

Sr. No.	Electronic / Physical	Mode of Holding %
1.	NSDL	13.60
2.	CDSL	84.78
3.	Physical	1.62
Total		**100.00**

d. The Company has not issued any GDRs / ADRs or any convertible instrument.

e. Plant locations: The Company has no plant.

f. Address for Correspondence

Link Intime India Pvt. Ltd.	Secretarial Dept.
Unit : Asian Energy Services Limited C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083 Maharashtra, India Phone No. 022 - 4918 6000 E-mail: mumbai@linkintime.co.in	Asian Energy Services Ltd. 3B, 3rd Floor, Omkar Esquare, Chunabhatti Signal, Eastern Express Highway, Sion (East), Mumbai – 400022 Maharashtra, India Phone No. +91-22-4244-1100 Email: secretarial@asianenergy.com

g. During the year under review, India Ratings and Research (Ind-Ra) has revised Asian Energy Services Limited's (AESL) Long-Term Issuer Rating to 'IND BBB-' from 'IND BBB'. The Outlook is Stable.

On behalf of the Board of Directors of
Asian Energy Services Limited

Nayan Mani Borah
Chairman
DIN 00489006

Place: Mumbai
Date: 7th August, 2023

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Whole-time Director. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31, 2023, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

Ashutosh Kumar
Whole-time Director & CEO
DIN 06918508

Place: Mumbai
Date: 15th May, 2023

REPORT ON CORPORATE GOVERNANCE (Contd.)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V, Para C, Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members

ASIAN ENERGY SERVICES LIMITED

3B, 3rd Floor, Omkar Esquare,

Chunabhatti Signal, Eastern Express Highway,

Sion (East), Mumbai 400022.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **ASIAN ENERGY SERVICES LIMITED** having CIN L23200MH1992PLC318353 and having registered office at the 3B, 3rd Floor, Omkar Esquare, Chunabhatti Signal, Eastern Express Highway, Sion (East), Mumbai 400022 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V, Para-C, Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications(including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2023** have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr.Brij Mohan Bansal	00261063	12/02/2021
2	Mr. Rabi Narayan Bastia	05233577	04/03/2013
3	Ms. Anusha Mehta	07648883	03/11/2016
4	Mr. Ashutosh Kumar*	06918508	01/03/2017
5	Mr. Nayan Mani Borah	00489006	19/03/2019
6	Mr. Mukesh Jain	01316027	29/05/2019
7	Mr. Kapil Garg	01360843	07/07/2020

* Resigned on 31st May, 2023.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Hemanshu Kapadia & Associates**
Practicing Company Secretaries

Hemanshu Kapadia
Proprietor
C.P. No.: 2285
Membership No.: F3477
UDIN: F003477E000753710
PR no. 1620/2021

Place: Mumbai
Date: August 07, 2023

CEO & CFO CERTIFICATION

To,

The Board of Directors of

Asian Energy Services Limited

(CIN: L23200MH1992PLC318353)

We hereby certify that:

A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2023 and that to the best of our knowledge and belief;

   1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. No transaction is entered into by the company during the year which is fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit Committee:

   1) significant changes in internal control over financial reporting during the year;

   2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Asian Energy Services Limited

Ashutosh Kumar
Whole-time Director & CEO
(DIN 06918508)

Nirav Talati
Chief Financial Officer

Place: Mumbai
Date: 15th May, 2023

COMPLIANCE CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

TO THE MEMBERS OF ASIAN ENERGY SERVICES LIMITED

We have examined the compliance of conditions of Corporate Governance, as stipulated in Regulations 17 to 27 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['Listing Regulations'] by **ASIAN ENERGY SERVICES LIMITED** ("the Company") for the financial year ended **March 31, 2023.**

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated under the above mentioned Listing Regulations, as applicable. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under the Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Hemanshu Kapadia & Associates**
Practicing Company Secretaries

Hemanshu Kapadia
Proprietor
C.P. No. 2285
Membership No.: F3477
UDIN: F003477E000753787
P/R no: 1620/2021

Place: Mumbai
Date: August 07, 2023

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ASIAN ENERGY SERVICES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of **Asian Energy Services Limited** ('the Company'), which comprise the Balance Sheet as at **March 31, 2023,** the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('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, of the state of affairs of the Company as at March 31, 2023, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

4. We draw attention to Note 43 to the accompanying standalone financial statements, regarding the Company's investments amounting to 651.50 Lakhs in its wholly owned subsidiary company, Asian Oilfield and Energy Services DMCC ('ADMCC') as on March 31, 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 standalone financial statements and accordingly, no impairment in the carrying amount of such investment is required to be made in the accompanying standalone financial statements. Our opinion is not modified in respect of this matter.

Key Audit Matter

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT (Contd.)

6. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition Revenue for the Company consists primarily of Oilfield and related services provided in the Energy sector and is recognized in accordance with the accounting policy described in Note 1(d) to the accompanying standalone financial statements. Refer Note 23 and Note 45 to the accompanying standalone financial statements for details of revenue recognized during the year. Ind AS 115, Revenue from Contracts with Customers, ('Ind AS 115') requires management to make certain key judgments relating to identifying contracts with customers, performance obligations involved in contracts and revisions thereto, determining transaction price which involves variable consideration elements including estimation of levy of liquidated damages or penalty or warranty claims by its customers, allocation of the transaction price to such performance obligations and satisfaction of performance obligations. The Company recognizes revenue from 2D / 3D seismic survey (including data capturing and installing vibrator points) and operations & maintenance service on offshore platform upon imparting of services and revenue from engineering and construction services is recognized over time when the performance obligations are satisfied, which is determined in accordance with the arrangement with the customers. We have identified recognition of revenue as key audit matter since: 1) Significance of management judgement and estimate involved as mentioned above, and the materiality of amounts involved, and 2) Significant auditor attention required to audit revenue recorded during the year which has been identified as a significant risk as per the requirements of Standards of Auditing.	Our audit procedures around revenue recognition included, but were not restricted to, the following: a) Obtained the understanding of the revenue and receivable business process and assessed the appropriateness of the accounting policy adopted by the Company for revenue recognition in accordance with Ind AS 115. b) Evaluated the design and implementation, and tested the operating effectiveness of the key internal controls around revenue recognition including controls around contract approvals, invoice approval, determining the amount of variable consideration and recording of receipt. c) Performed substantive testing by selecting a sample of continuing and new contracts entered with customers during the year and performed following procedures: i. Analyzed the contracts and identified distinct performance obligations in such contracts. ii. Compared these performance obligations with those identified and recorded by the Company. iii. Considered the terms of the contracts to determine the transaction price and any variable consideration elements including levy of liquidated damages and, penalty and warranty claims. d) Reviewed the allowance/ provision for expected liquidated damages, penalty and warranty obligation, created by the management on the invoicing done for the various projects from time-to-time, where contract milestones were not met. e) Where projects are sub-contracted, reviewed the terms of agreement between the Company and its sub- contractor to support management's assessment in applicable cases that liquidated damages and penalty, if any charged, would be recoverable from such sub-contractor in case of any delay to the extent of work subcontracted. f) Performed test of details on a sample of revenue transactions recorded during the year, including specific periods before and after the year-end. For the samples selected, inspected supporting documents, including contracts and related amendments for revisions to performance obligations or price terms, daily progress reports, and invoices to ensure that the correct amount of revenue is recorded in the correct period. g) Evaluated the appropriateness and adequacy of the disclosures made in the standalone financial statements for revenue recorded during the year.

INDEPENDENT AUDITOR'S REPORT (Contd.)

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

7. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and analysis Report and Director's Report, but does not include the standalone financial statements and our auditor's report thereon. The Management Discussion and Analysis Report and Director's Report are expected to be made available to us after the date of this auditor's report.

   Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Management Discussion and Analysis Report and Director's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

8. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. In preparing the financial statements, the Board of Directors are 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 intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

10. Those Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

   • Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our

INDEPENDENT AUDITOR'S REPORT (Contd.)

opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

13. 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.
14. 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.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
17. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the **Annexure A** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
18. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
    c) The standalone financial statements dealt with by this report are in agreement with the books of account;
    d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
    e) The matter described in paragraph 4 under the Emphasis of Matter section, in our opinion, may have an adverse effect on the functioning of the Company;
    f) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of section 164(2) of the Act;
    g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on March 31, 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and

INDEPENDENT AUDITOR'S REPORT (Contd.)

h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. the Company, as detailed in Note 32 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at March 31, 2023;

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2023;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023;

iv (a). The management has represented that, to the best of its knowledge and belief, as disclosed in Note 48(v) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

iv (b). The management has represented that, to the best of its knowledge and belief as disclosed in Note 48(vi) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

iv (c). Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended March 31, 2023.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on April 01, 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

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

Rakesh R. Agarwal
Partner
Membership No.: 109632
UDIN: 23109632BGXEAX9443

Place: Mumbai
Date: May 24, 2023

ANNEXURE A

Annexure A referred to in paragraph 17 of the Independent Auditor's Report of even date to the members of Asian Energy Services Limited on the standalone financial statements for the year ended 31 March 2023

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

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

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment and right of use assets were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment and Right of Use assets or intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.

(ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) As disclosed in Note 16 to the accompanying standalone financial statements, the Company has a working capital limit in excess of 500 Lakhs sanctioned by bank based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such bank and such returns/statements are in agreement with the books of account of the Company for the respective periods which were subjected to audit/review, except for the following:

(₹ in Lakhs)

Name of the bank	Working capital limit sanctioned	Nature of current assets offered as security	Quarter ended	Amount disclosed as per return	Amount as per books of accounts	Difference
Union Bank of India	7,000.00	Lien on fixed deposits and counter indemnity, hypothecation of stock and book debts	December 2022	6,773.93	7,656.47	(882.54)
Union Bank of India	7,000.00	Lien on fixed deposits and counter indemnity, hypothecation of stock and book debts	March 2023	6,614.02	6,558.66	55.36

ANNEXURE A (Contd.)

(iii) (a) The Company has not provided any guarantee or given any security to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. The Company has provided loans to one (1) subsidiary and one (1) other party during the year and has made investments in one (1) subsidiary and mutual funds during the year, as per details given below:

Particulars	Loans (₹ in Lakhs)	Investments (₹ in Lakhs)
Aggregate amount granted during the year:		
- Subsidiary	1.43	20.40
- Others (investments pertain to mutual fund units)	1,200.00	1,400.00
Balance outstanding as at balance sheet date in respect of above cases:		
- Subsidiary	1.43	20.40
- Others (investments pertain to mutual fund units)	900.00	1,300.00

(b) In our opinion, and according to the information and explanations given to us, the investments made and terms and conditions of the grant of all loans provided are, prima facie, not prejudicial to the interest of the Company. The Company has not provided any guarantee or given any security during the year.

(c) In respect of loans granted to one (1) party by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal and interest are regular.

In respect of loans granted to one (1) subsidiary, the schedule of repayment of principal and payment of interest has been stipulated which are not due for repayment currently.

In respect of loans granted by the Company to one (1) subsidiary, the schedule of repayment of principal and payment of interest has been stipulated and principal amount is not due for repayment currently, however the receipts of interest is not regular for the following instances:

Name of the subsidiary	Amount due (Gross)	Loans (₹ in Lakhs)	Investments (₹ in Lakhs)
AOSL Petroleum Pte Limited	51.04	Within 7 days from the end of each quarter	Payment not received by the Company during the year.

(d) The total amount which is overdue for more than 90 days as at March 31, 2023 in respect of loans granted to one (1) subsidiary is as follows:

Particulars	Amount (Gross) (INR in Lakhs)	No. of Cases
Principal	Nil	Nil
Interest	47.14	13
Total	47.14	13

Reasonable steps have been taken by the Company for recovery of such interest.

(e) The Company has granted loans which had fallen due during the year and were repaid on or before the due date. Further, no fresh loans were granted to any party to settle the overdue loans.

(f) The Company has granted loans which are repayable on demand, as per details below:

Particulars	Subsidiary (INR in Lakhs)
Outstanding loans (net of allowance):	
- Repayable on demand	4.65
Percentage of loans to the total loans	0.51 %

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans and investments, as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of guarantees and security.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and

ANNEXURE A (Contd.)

the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

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

(vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilized for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance

ANNEXURE A (Contd.)

with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable to the Company.

(a) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has incurred cash losses amounting to 1,118.91 Lakhs in the current financial year but had not incurred cash losses in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

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

Rakesh R. Agarwal
Partner
Membership No.: 109632
UDIN: 23109632BGXEAX9443

Place: Mumbai
Date: May 24, 2023

ANNEXURE B

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

1. In conjunction with our audit of the standalone financial statements of **Asian Energy Services Limited** ('the Company') as at and for the year ended **March 31, 2023,** we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisation of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

ANNEXURE B (Contd.)

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at March 31, 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Rakesh R. Agarwal
Partner
Membership No.: 109632
UDIN: 23109632BGXEAX9443

Place: Mumbai
Date: May 24, 2023

Standalone Balance Sheet

as at March 31, 2023

(All amounts in Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3A	8,720.90	9,924.07
Intangible assets	3B	3.30	28.10
Right of use assets	4	299.13	365.02
Financial assets			
Investment in subsidiaries	5	673.95	653.55
Investment in joint ventures	5	-	-
Investment other than above	5A	623.42	600.00
Loans	6	4.65	196.75
Other financial assets	7	1,143.09	461.13
Income tax assets (net)	8	287.08	291.26
Deferred tax assets (net)		-	-
Other non-current assets	9	253.00	234.07
		12,008.52	**12,753.95**
Current assets			
Financial assets			
Current investments	9A	1,314.93	-
Trade receivables	10	6,558.66	5,176.56
Cash and cash equivalents	11	1,663.82	2,695.45
Bank balances other than above	12	964.98	2,226.55
Loans	6	916.43	200.64
Other financial assets	7	254.18	899.03
Unbilled work in progress (contract assets)	13	-	2,099.70
Other current assets	14	1,525.64	1,079.33
		13,198.64	**14,377.26**
Total assets		**25,207.16**	**27,131.21**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	3,769.37	3,769.37
Other equity		15,587.17	18,428.55
		19,356.54	**22,197.92**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	259.47	252.20
Lease liabilities	17	104.29	15.50
Provisions	20	35.77	60.20
Deferred tax liabilities (net)	21	-	16.92
Other non-current liabilities	19	101.99	90.00
		501.52	**434.82**
Current liabilities			
Financial liabilities			
Borrowings	16	1,653.28	480.86
Lease liabilities	17	659.47	951.71
Trade payables	22		
- 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	18	194.12	100.00
Provisions	20	2.02	17.33
Other current liabilities	19	1,409.06	75.94
		5,349.10	**4,498.47**
Total equity and liabilities		**25,207.16**	**27,131.21**

The accompanying notes and other explanatory information forms an integral part of these standalone financial statements.

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

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

Rakesh R. Agarwal
Partner
Membership No.: 109632

Place: Mumbai
Date: May 24, 2023

For and on behalf of the Board of Directors

Ashutosh Kumar
Whole Time Director & Chief Executive Officer
(DIN-06918508)

Nayan Mani Borah
Chairman
(DIN-00489006)

Shweta Jain
Company Secretary
(ACS- 23368)

Nirav Talati
Chief Financial Officer

Place : Mumbai
Date: May 24, 2023

Standalone Statement of Profit and Loss

for the year ended March 31, 2023

(All amounts in Lakhs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
INCOME :			
Revenue from operations	23	10,987.03	25,413.86
Other income	24	385.49	1,395.30
Total income		**11,372.52**	**26,809.16**
EXPENSES :			
Project related expense	25	7,499.03	14,501.69
Employee benefits expense	26	2,812.78	2,153.19
Finance costs	27	247.77	81.18
Depreciation and amortization expense	28	1,776.30	1,716.46
Other expenses	29	1,772.92	1,892.52
Total expenses		**14,108.80**	**20,345.04**
Profit/(loss) before exceptional item and tax		**(2,736.28)**	**6,464.12**
Exceptional item - loss	30	(208.50)	-
Profit/(loss) before tax		**(2,944.78)**	**6,464.12**
Tax expense			
(a) Current tax :-			
- current year	8.2	-	331.12
- earlier year	8.2	-	(162.08)
(b) Deferred tax charge/ (credit)	21	(16.92)	16.92
Total tax expense (a+b)		**(16.92)**	**185.96**
Net profit/ (loss) for the year (A)		**(2,927.86)**	**6,278.16**
Other comprehensive income:			
Items not to be re-classified subsequently to profit & loss (net of tax)			
- Gain/ (loss) on fair value of defined benefit plans		59.74	(32.83)
- Changes in fair value of investments through other comprehensive income		23.42	-
Other comprehensive income/ (loss) for the year, net of tax (B)		**83.16**	**(32.83)**
Total comprehensive income/ (loss) for the year, net of tax (A+B)		**(2,844.70)**	**6,245.33**
Earnings/ (loss) per equity share of face value of ₹ 10 each	31		
Basic (in ₹)		(7.77)	16.59
Diluted (in ₹)		(7.77)	16.59

The accompanying notes and other explanatory information forms an integral part of these standalone financial statements.

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

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

Rakesh R. Agarwal
Partner
Membership No.: 109632

Place: Mumbai
Date: May 24, 2023

For and on behalf of the Board of Directors

Ashutosh Kumar
Whole Time Director & Chief Executive Officer
(DIN-06918508)

Nayan Mani Borah
Chairman
(DIN-00489006)

Shweta Jain
Company Secretary
(ACS- 23368)

Nirav Talati
Chief Financial Officer

Place : Mumbai
Date: May 24, 2023

Standalone Statement of Cash Flow
for the year ended March 31, 2023

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit/ (loss) before tax		**(2,944.78)**		**6,464.12**
Adjustments for non cash items and items considered separately:				
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 30)	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	
		1,876.19		**437.91**
Operating profit/ (loss) before working capital changes		**(1,068.59)**		**6,902.03**
Adjustments for changes in working capital:				
(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	
		1,314.77		**(1,357.80)**
Cash generated from operating activities		**246.18**		**5,544.23**
Refund / (payment) of direct taxes (net)		53.33		87.89
Net cash generated from operating activities		**299.51**		**5,632.12**
B. CASH FLOW FROM INVESTING ACTIVITIES				
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	
Net cash used in investing activities		**(1,936.51)**		**(3,852.11)**

Standalone Statement of Cash Flow
for the year ended March 31, 2023 (Contd.)

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
C. CASH FLOW FROM FINANCING ACTIVITIES				
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)	
Net cash generated from financing activities		**605.37**		**371.70**
Net (decrease)/ increase in cash and cash equivalents (A+B+C)		**(1,031.63)**		**2,151.71**
Cash and cash equivalents at the beginning of the year		2,695.45		543.74
Cash and cash equivalents at the end of the year (Refer note 11)		**1,663.82**		**2,695.45**

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

The accompanying notes and other explanatory information forms an integral part of these standalone financial statements.

This is the Standalone Statement of Cash Flow referred to in our report of even date.

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

Rakesh R. Agarwal
Partner
Membership No.: 109632

Place: Mumbai
Date: May 24, 2023

For and on behalf of the Board of Directors

Ashutosh Kumar
Whole Time Director & Chief Executive Officer
(DIN-06918508)

Nayan Mani Borah
Chairman
(DIN-00489006)

Shweta Jain
Company Secretary
(ACS- 23368)

Nirav Talati
Chief Financial Officer

Place : Mumbai
Date: May 24, 2023

Standalone Statement of Changes in Equity

for the year ended March 31, 2023

A. Equity share capital

(All amounts in Lakhs, unless otherwise stated)

Particulars	Number of shares	Amount
Equity shares (face value of ₹ 10 each) as at March 31, 2021	**37,693,700**	**3,769.37**
Increase/ (decrease) during the year (net)	-	-
Equity shares (face value of ₹ 10 each) as at March 31, 2022	37,693,700	(3,769.37)
Increase/ (decrease) during the year (net)	-	-
Equity shares (face value of ₹ 10 each) as at March 31, 2023	**37,693,700**	**(3,769.37)**

B. Other equity

(All amounts in Lakhs, unless otherwise stated)

Particulars	Reserves and surplus				Total
	Capital reserve	Securities premium reserve	Outstanding employee stock options	Retained earnings	
As at April 01, 2021	**445.78**	**18,538.47**	**79.33**	**(6,756.28)**	**12,307.30**
Profit for the year	-	-	-	6,278.16	6,278.16
Other comprehensive loss for the year	-	-	-	(32.83)	(32.83)
Recognition of share based payment expenses for the year	-	-	7.39	-	7.39
Securities premium on shares issued during the year	-	224.13	-	-	224.13
Securities premium on equity shares held in trust under the ESOP scheme [refer note 15(g)]	-	(355.60)	-	-	(355.60)
Transfer due to lapse of employee stock options	-	-	(86.72)	86.72	-
As at March 31, 2022	**445.78**	**18,407.00**	**-**	**(424.23)**	**18,428.55**
Loss for the year	-	-	-	(2,927.86)	(2,927.86)
Other comprehensive income for the year	-	-	-	83.16	83.16
Recognition of share based payment expenses for the year	-	-	3.23	-	3.23
Share based payments to employees of Parent Company	-	-	3.38	(3.38)	-
As at March 31, 2023	**445.78**	**18,407.00**	**6.61**	**(3,272.31)**	**15,587.17**

Nature and purpose of reserves

(i) Capital reserve

The Company recognises profit or loss on purchase or cancellation (including forfeiture) of its own equity instruments to capital reserve.

(ii) Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. These reserve is utilized in accordance with the provisions of the Companies Act, 2013. In line with Ind AS 32 - Financial Instruments: Presentation, the shares of the Company held by the Asian Oilfield Services Limited Employees Welfare Trust (ESOP Trust), are deducted from the equity component.

Standalone Statement of Changes in Equity
for the year ended March 31, 2023 (Contd.)

(iii) Outstanding employee stock options

The Company has stock option schemes under which options to subscribe for the Company's shares have been granted to certain employees including key management personnel. This reserve is used to recognise the value of equity-settled share-based payments provided to employees, as part of their remuneration. The unutilized balance at the end of exercise period, is transferred to retained earnings.

(iv) Retained earnings

Retained earnings represents the accumulated profits / losses made by the Company over the years as reduced by dividends or other distributions paid to the shareholders and remeasurement gains/ loss on defined benefit plan.

The accompanying notes and other explanatory information forms an integral part of these standalone financial statements.

This is the Standalone Statement of Changes in Equity referred to in our audit report of even date.

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

Rakesh R. Agarwal
Partner
Membership No.: 109632

Place: Mumbai
Date: May 24, 2023

For and on behalf of the Board of Directors

Ashutosh Kumar
Whole Time Director & Chief Executive Officer
(DIN-06918508)

Nayan Mani Borah
Chairman
(DIN-00489006)

Shweta Jain
Company Secretary
(ACS- 23368)

Nirav Talati
Chief Financial Officer

Place : Mumbai
Date: May 24, 2023

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

Corporate INFORMATION

Asian Energy Services Limited (the "Company" or "AESL") is a Public Limited Company domiciled in India. The Company having CIN L23200MH1992PLC318353, is incorporated under the provisions of the Companies Act applicable in India and is listed on the BSE Limited and National Stock Exchange of India Limited. The Company provide services in the energy sector such as seismic data acquisition, data analysis, reservoir imaging, project handling, etc. The registered office of the Company is located at 3rd floor, Omkar Esquare, Chunabhatti Signal, Eastern Express Highway, Sion (E), Mumbai – 400022.

The standalone financial statements for the year ended March 31, 2023 were approved by the Board of Directors on May 24, 2023.

1) Significant accounting policies

a) Basis of Preparation

The standalone financial statements have been prepared to comply in all material respects with the Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules, 2015, other relevant provisions of the Act, the presentation and disclosures requirement of Division II of Schedule III to the Act (Ind AS compliant Schedule III), and the guidelines issued by the Securities and Exchange Board of India, as applicable. The accounting policies adopted in the preparation of the standalone financial statements are consistent with those followed in the previous year.

The standalone financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities, defined benefit obligations and employee share-based payments, which are measured at fair value.

The standalone financial statements are presented in Indian Rupee, which is also the Company's functional currency.

b) Operating cycle and current, non-current classification

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the Company covers the duration of the project/ contract/ service and extends up to the realization of receivables within the credit period normally applicable to the respective project/ contract/ service.

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

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

c) Foreign currency transactions and balances

Initial Recognition

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of the transaction. However, for practical reasons, the Company uses a monthly average rate if the average rate approximate is the actual rate at the date of the transactions.

Conversion

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Treatment of exchange difference

Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities of the Company are recognized as income or expense in the Statement of Profit and Loss. Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currency at year-end exchange rates are recognized in profit or loss.

d) Revenue Recognition

Ind AS 115 "Revenue from Contracts with Customers" establishes principles for reporting information about

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

the nature, amount, timing and uncertainty of revenues and cash flows arising from the contracts with the customers.

Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for variable considerations, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for variable considerations are estimated based on accumulated experience and underlying agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

Contracts where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the input method or output method, based on the nature of obligations to be performed. The Company determines the output method on the basis of direct measurements of the value of the goods/ services transferred to the customer till date relative to the value of remaining goods/services promised under the contract. The Company determines the input method on the basis of ratio of costs incurred to date to the total estimated costs at completion of performance obligation. Revenue is recognized when the Company satisfies performance obligations by transferring the promised services to its customers. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenues in excess of invoicing and conditioned on something other than the passage of time are classified as unbilled work in progress (contract assets) while invoicing in excess of revenues are classified as contract liabilities.

Revenue from providing energy services includes 2D / 3D seismic survey (including data capturing and installing vibrator points), operations & maintenance service on offshore platform and engineering and construction services in the energy sector. It is recognized on output basis and measured by milestones reached, units delivered, efforts expanded, number of shot points/kilometers covered, etc. as per the terms of contract.

Revenue from engineering and procurement services is recognized over time where the performance obligations are satisfied and where there is no uncertainty as to measurement or collectability of consideration.

Revenue from consultancy service is based on agreements/ arrangements with the customers and is recognized as and when the service is performed.

Export benefits consist of scrips issued to the Company under the relevant government schemes and are accounted on accrual basis when the conditions precedent are met and there is no significant uncertainty about the collectability.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in statement of profit and loss immediately in the period in which such costs are incurred.

Other operational revenue represents income earned from the activities incidental to the business and is recognized when the performance obligation is satisfied and right to receive the income is established as per the terms of the contract.

Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognized when the right to receive payment has been established, provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Other non-operating income is recognized as and when due or received, whichever is earlier.

e) Investment in subsidiaries and joint ventures

Investments in equity of subsidiaries and joint ventures are accounted at cost in accordance with Ind AS 27 "Separate financial statements". The Company reviews the carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is recorded in the Statement of Profit and Loss.

f) Interest in joint arrangements

As per Ind AS 111 "Joint Arrangements", investment in joint arrangement is classified as either Joint Operation or Joint Venture. The classification depends on the rights and obligations of each investor rather than legal structure of the joint arrangement. The Company classifies its joint arrangements as Joint Ventures. When the Company

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

has joint control with other parties of the arrangement and rights to the net assets of the joint arrangement, it recognizes its interest as joint venture.

g) Taxes

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

(i) Current income tax:

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

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(ii) Deferred tax:

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

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

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

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

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

The Company recognizes deferred tax liability for all taxable temporary differences, except to the extent that both of the following conditions are satisfied:

- When the Company is able to control the timing of the reversal of the temporary difference; and
- It is probable that the temporary difference will not reverse in the foreseeable future.

h) Property, Plant and Equipment

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

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

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

Depreciation on property, plant and equipment is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 as per straight line method except for certain categories of assets in respect which life has been assessed internally by management, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. The summary of such assets is presented below:

Tangible asset	Useful life
Survey & Communication equipment which includes Radios, GPS, Wireless, WRU'S, Garmin	10 to 15 years
Ground Electronics including Geophones, Recording Channels and other related equipment's	10 to 15 years
Portable Drilling Rigs used for shot-hole drilling under seismic data acquisition	5 to 15 years

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

On transition to Ind AS, the Company had elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 01, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

i) Intangible assets

Intangible assets such as computer software acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

Intangible assets are amortized over their estimated useful life of 6 years on straight line method and is recognized in the statement of profit and loss under the head "Depreciation and Amortization expense". The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

j) Cash and cash equivalents

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

k) Borrowing costs

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

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

l) Impairment of non-financial assets

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses of continuing operations are recognized in the Statement of Profit and Loss.

m) Employee stock option scheme

The Company operates equity-settled share-based remuneration plans for its employees.

All services received in exchange for the grant of any share-based payment are measured at their fair values on the grant date and is recognized as an employee expense, in the profit or loss with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The increase in equity recognized in connection with share-based payment transaction is presented as a separate component in equity. The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest. Grant date is the date when the Company and employees have shared an understanding of terms and conditions on the arrangement.

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

All share-based transactions are recognized as an expense in the statement of profit or loss except when share based transactions are done with the employees of group companies wherein the Company does not receive services. The amount attributable to such transactions are recognized directly within equity. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any adjustment to cumulative share-based compensation resulting from a revision is recognized in the current period. The number of vested options ultimately exercised by holder does not impact the expense recorded in any period. Market conditions are taken into account when estimating the fair value of the equity instruments granted.

Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being recorded as share premium.

The Company has implemented its stock option plan through creation of an Employee Benefit Trust (ESOP Trust). The Company treats ESOP Trust as its extension. The Company has advanced an interest free loan to ESOP Trust who in turn purchase shares of the Company from open market, for giving shares to employees. The balance equity shares not exercised and held by the ESOP Trust are disclosed as a reduction from the share capital and securities premium account with an equivalent adjustment to the subscription loan advanced to the ESOP Trust.

n) Leases

Company as a lessee

The Company had adopted Ind AS 116 with modified retrospective method i.e. no change to prior period standalone financial statements and has applied the standard to contracts or arrangements that were previously identified as leases applying Ind AS 17. At the commencement date of a lease, the Company recognizes a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Right-of-use assets are measured at cost, less any accumulated depreciation, impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized and lease payments made at or before the commencement date. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or a change in the lease term. The Company separately recognizes the interest expense on the lease liability as finance cost and the depreciation expense on the right-of-use asset.

The Company accounts for a lease modification as a separate lease when both of the following conditions are met:

- The modification increases the scope of the lease by adding the right to use one or more underlying assets.
- The consideration for the lease increases commensurate with the standalone price for the increase in scope and any adjustments to that stand-alone price reflect the circumstances of the particular contract.

For a lease modification that fully or partially decreases the scope of the lease the Company decreases the carrying amount of the right-of-use asset to reflect partial or full termination of the lease. Any difference between those adjustments is recognized in profit or loss at the effective date of the modification.

The Company has elected to use the exemptions proposed by the standard on lease contracts for which the lease terms ends within 12 months as of the date of initial application, and lease contracts for which the underlying asset is of low value. The Company recognizes the lease payments associated with such leases as an expense in the statement of profit and loss.

Company as a lessor

Rental income from operating leases where the Company is a lessor is recognized on a straight line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

o) Financial Instruments

Initial recognition and measurement

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

Financial assets (unless it is a trade receivable without a significant financing component) and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, other than those designated as fair value through profit or loss (FVTPL), are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in statement of profit and loss. A trade receivable without a significant financing component is initially measured at the transaction price.

i. Financial assets

All regular way purchase or sale of financial assets are recognized and derecognized on a trade date basis. Regular way purchase or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Subsequent measurement

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

a) Financial assets measured at amortized cost

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

c) Financial assets measured at fair value through other comprehensive income (FVTOCI)

Financial assets measured at amortized cost

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the instruments give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

Financial assets measured at FVTOCI

Financial assets are measured at FVTOCI if these financial assets are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets. Financial instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, dividend income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss.

Financial assets measured at FVTPL

Debt instrument

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

De-recognition

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through' arrangement; and either
  - the Company has transferred substantially all the risks and rewards of the asset, or
  - the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

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

- Debt instruments measured at amortized cost e.g., loans and bank deposits
- Trade receivables
- Other financial assets not designated as FVTPL

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

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

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

ii. Financial liabilities

Subsequent measurement

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

Financial liabilities at amortized cost

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

Financial liabilities at FVTPL

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

De-recognition

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

iii. Trade receivables

A receivable represents the Company's right to an amount of consideration under the contract with a customer that is unconditional and realizable on the due date (i.e., only the passage of time is required before payment of the consideration is due). Trade receivable without a significant financing component is initially measured at the transaction price.

iv. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per agreed terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

after the reporting period. They are recognized initially at their transaction price and subsequently measured at amortized cost using the effective interest method.

v. Offsetting financial instruments

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

p) Provisions

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

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

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

q) Contingencies

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

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

r) Employee Benefits

Liability on account of short term employee benefits is recognized on an undiscounted and accrual basis during the period when the employee renders service/ vesting period of the benefit.

Defined Contribution Plan:

The Company pays contribution to the provident fund and employee state insurance corporation which is administered by respective Government authorities. The Company has no further payment obligations once the contributions have been paid. The Contributions are recognized as employee benefit expense in the statement of profit and loss to the year it pertains.

Defined benefit plan:

Gratuity: The Company's liability towards gratuity is determined using the projected unit credit method which considers each period of service as giving rise to additional unit of benefit entitlement and measures each unit separately to build up the final obligation. The cost for past services s recognized on a straight line basis over the average period until the amended benefits become vested.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Obligation is measured at the present value of estimated future cash flows using a discount rate that is determined by reference to market yields at the Balance Sheet date on Government bonds where the currency and the terms of Government bonds are consistent with the currency and estimated term of defined benefit obligation.

s) Earnings Per Share

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

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

t) Exceptional items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

u) Segment reporting

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance of the Company. The Chief Executive Officer and Executive Director(s) of the Company are identified as CODM, who assesses the financial performance and position of the Company and makes strategic decisions.

The CODM reviews revenue and gross profit as the performance indicators and does not review the total assets and liabilities for each reportable segment. The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the Company's standalone financial statements.

v) Unforeseeable losses

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

w) Key accounting estimates and judgements

The preparation of the Company's standalone financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Management believes that the estimates used in the preparation of the standalone financial statements are prudent and reasonable. Examples of such estimates include estimation of useful lives of property plant and equipment, employee costs, assessments of recoverable amounts of deferred tax assets, trade receivables and cash generating units, provisions against litigations and contingencies. Estimates and underlying assumptions are reviewed by management at each reporting date. Actual results could differ from these estimates. Any revision of these estimates is recognized prospectively in the current and future periods.

(i) Deferred income taxes

The assessment of the probability of future taxable profit in which deferred tax assets can be utilized is based on the Company's latest approved forecast, which is adjusted for significant non-taxable profit and expenses and specific limits to the use of any unused tax loss or credit. The tax rules in the numerous jurisdictions in which the Company operates are also carefully taken into consideration. If a positive forecast of taxable profit indicates the probable use of a deferred tax asset, especially when it can be utilized without a time limit, that deferred tax asset is usually recognized in full.

(ii) Revenue recognition

Contracts with customers often include promises to transfer multiple services to a customer. Determining whether services are considered distinct performance obligations that should be accounted for separately or together requires significant judgment based on nature of the contract, ability of the service to benefit the customer on its own or together with other readily available resources and the ability of the service to be separately identifiable from other promises in the contract. Estimation relating to warranty obligation in the projects undertaken by the Company are determined based on the nature of the contract and future costs to fulfil the obligation under the warranty period.

In contracts, where percentage of completion method is followed for revenue recognition, estimation of total budgeted cost of completion is required to be made. The Company reviews forecasts of total budgeted costs in the scope of work and other payments to the extent that they are probable and they are capable of being measured at the end of each reporting period.

(iii) Useful lives of various assets

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of assets are determined by the management at the time of acquisition of asset and reviewed periodically, including at each financial year. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(iv) Current income taxes

The tax jurisdiction for the Company is India. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

(v) Accounting for defined benefit plans

In accounting for post-retirement benefits, several statistical and other factors that attempt to anticipate future events are used to calculate plan expenses and liabilities. These factors include expected discount rate assumptions and rate of future compensation increases. To estimate these factors, actuarial consultants also use estimates such as withdrawal, turnover, and mortality rates which require significant judgment. The actuarial assumptions used by the Company may differ materially from actual results in future periods due to changing market and economic conditions, regulatory events, judicial rulings, higher or lower withdrawal rates, or longer or shorter participant life spans.

(vi) Impairment

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

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

(vii) Expected credit loss

Refer note for Impairment of financial assets mentioned in accounting policy on financial instruments above.

(viii) Share based payments

Estimating fair value for share-based payment requires determination of the most appropriate valuation model. The estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them.

(ix) Fair value of financial instruments

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

2) Accounting pronouncements issued but not yet effective

Ministry of Corporate Affairs (MCA), vide notification dated March 31, 2023 has made the following key amendments to Ind AS which are effective from April 01, 2023:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The amendments define what is 'material accounting policy information' and explain how to identify when accounting policy information is material.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - The amendment clarifies how entities should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption. The amendment requires entities to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented.

Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on the standalone financial statements.

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

NOTE 3A: PROPERTY, PLANT AND EQUIPMENT

(All amounts in Lakhs, unless otherwise stated)

Particulars	Freehold land	Building	Oilfield equipment	Furniture and fixtures	Office equipment	Computer equipment	Vehicles	Vessels	Total
Gross carrying value (at deemed cost)									
As at March 31, 2021	**7.95**	**167.32**	**15,930.09**	**19.60**	**37.35**	**2,518.61**	**377.56**	**3.27**	**19,061.75**
Additions	-	-	466.23	2.52	1.58	25.12	179.94	-	675.39
Disposals	-	-	-	-	-	-	(10.74)	-	(10.74)
As at March 31, 2022	**7.95**	**167.32**	**16,396.32**	**22.12**	**38.93**	**2,543.73**	**546.76**	**3.27**	**19,726.40**
Additions	-	-	4.60	-	-	7.53	117.36	-	129.49
Disposals	-	-	-	-	-	-	-	-	-
As at March 31, 2023	**7.95**	**167.32**	**16,400.92**	**22.12**	**38.93**	**2,551.26**	**664.12**	**3.27**	**19,855.89**
Accumulated depreciation									
As at March 31, 2021	**-**	**51.19**	**5,858.18**	**19.02**	**34.04**	**2,447.65**	**60.57**	**2.38**	**8,473.03**
Additions	-	49.72	1,198.26	0.30	2.02	32.13	57.28	0.26	1,339.97
Deductions	-	-	-	-	-	-	(10.68)	-	(10.68)
As at March 31, 2022	**-**	**100.91**	**7,056.44**	**19.32**	**36.06**	**2,479.78**	**107.17**	**2.64**	**9,802.32**
Additions	-	49.72	1,172.73	0.45	0.88	37.79	70.84	0.26	1,332.67
Deductions	-	-	-	-	-	-	-	-	-
As at March 31, 2023	**-**	**150.63**	**8,229.17**	**19.77**	**36.94**	**2,517.57**	**178.01**	**2.90**	**11,134.99**
Net carrying value									
As at March 31, 2022	**7.95**	**66.41**	**9,339.88**	**2.80**	**2.87**	**63.95**	**439.59**	**0.63**	**9,924.07**
As at March 31, 2023	**7.95**	**16.69**	**8,171.75**	**2.35**	**1.99**	**33.69**	**486.11**	**0.37**	**8,720.90**

Notes:

(i) The vehicles purchased through borrowing arrangement are hypothecated towards such borrowings.

(ii) The title deeds of all the immovable properties included in property, plant and equipment, are held in the name of the Company as at the balance sheet date.

NOTE 3B: INTANGIBLE ASSETS

(All amounts in Lakhs, unless otherwise stated)

Particulars	Computer software	Total
Gross carrying value (at deemed cost)		
As at March 31, 2021	**160.47**	**160.47**
Additions	0.47	0.47
As at March 31, 2022	**160.94**	**160.94**
Additions	-	-
As at March 31, 2023	**160.94**	**160.94**
Accumulated amortization:-		
As at March 31, 2021	**107.08**	**107.08**
Amortization	25.76	25.76
As at March 31, 2022	**132.84**	**132.84**
Amortization	24.81	24.81
As at March 31, 2023	**157.65**	**157.65**
Net carrying value:-		
As at March 31, 2022	**28.10**	**28.10**
As at March 31, 2023	**3.30**	**3.30**

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

4: RIGHT OF USE ASSETS

(All amounts in Lakhs, unless otherwise stated)

Particulars	Office premise	Oilfield equipment	Total
Gross carrying value:-			
As at March 31, 2021	417.12	696.20	1,113.32
Additions	32.48	418.65	451.14
Disposals/ adjustments	(1.73)	(28.61)	(30.34)
As at March 31, 2022	**447.87**	**1,086.24**	**1,534.11**
Additions	352.93	-	352.92
Disposals/ adjustments	-	(1,086.24)	(1,086.24)
As at March 31, 2023	**800.80**	**-**	**800.81**
Accumulated depreciation:-			
As at March 31, 2021	250.90	567.46	818.36
Additions	110.36	240.37	350.73
Deductions/ adjustments	-	-	-
As at March 31, 2022	**361.26**	**807.83**	**1,169.10**
Additions	140.41	278.41	418.82
Deductions/ adjustments	-	(1,086.24)	**(1,086.24)**
As at March 31, 2023	**501.67**	**-**	**501.68**
Net carrying value :-			
As at March 31, 2022	**86.61**	**278.41**	**365.02**
As at March 31, 2023	**299.13**	**-**	**299.13**

Also refer note 33 for additional details in relation to right of use assets.

5: INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURES

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Investments in unquoted equity shares, fully paid up (carried at deemed cost) (trade)		
i) In subsidiary companies outside India		
1,000 (March 31, 2022: 1,000) : Equity shares of AOSL Petroleum Pte Limited of USD 0.735 each	0.31	0.31
3,675 (March 31, 2022: 3,675) : Equity shares of Asian Oilfield & Energy Services DMCC of AED 1,000 each (refer note 43)	620.23	620.23
ii) In subsidiary companies in India		
10,000 (March 31, 2022: 10,000) : Equity shares of AOSL Energy Services Limited of ₹ 10 each	1.00	1.00
7,400 (March 31, 2022: 7,400) : Equity shares of Optimum Oil & Gas Private Limited of ₹ 10 each	0.74	0.74
204,000 (March 31, 2022: Nil) : Equity shares of Cure Multitrade Private Limited of ₹ 10 each^	20.40	-
iii) In joint ventures in India *		
49% Share in profit/(loss) in Zuberi Asian Joint Venture	-	-
49% Share in profit/(loss) in AESL FFIL Joint Venture	-	-
	642.68	**622.28**

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Investment in subsidiaries, other than in shares		
Corporate guarantee given in favour of Asian Oilfield & Energy Services DMCC	31.27	31.27
	673.95	**653.55**
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	673.95	653.55
Aggregate amount of impairment allowance in the value of investments	-	-
Investments carried at cost	673.95	653.55
Investments carried at amortized cost	-	-
Investments carried at fair value through profit and loss	-	-

* The Company is not required to have any investment in these entities as per the respective joint venture agreements.

^ During the current year, the Company has acquired 204,000 equity shares having face value of ₹ 10 each (equivalent to 51% stake) of Cure Multitrade Private Limited ('CMPL'). Accordingly CMPL has been treated as a subsidiary of the Company w.e.f. October 03, 2022.

5A: INVESTMENTS - OTHERS

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Investments in unquoted instruments (carried at FVTOCI):		
Investments in convertible notes of Vaan Electric Moto Private Limited*^	22.50	600.00
	22.50	**600.00**
Investments in unquoted equity shares, fully paid up		
i) In private companies in India		
21,500 (March 31, 2022: Nil) equity shares of Vaan Electric Moto Private Limited of ₹ 10 each*	600.92	-
	600.92	**-**
	623.42	**600.00**
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	623.42	600.00
Aggregate amount of impairment allowance in the value of investments	-	-
Investments carried at amortized cost	-	-
Investments carried at fair value through other comprehensive income (FVTOCI)	623.42	600.00
Investments carried at fair value through profit and loss (FVTPL)	-	-

^ These notes are convertible into fixed number of equity shares as specified in the terms of agreement.

* These are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Company, thus disclosing their fair value change in profit and loss will not reflect the purpose of holding. During the current year, investments in convertible notes amounting to ₹ 578.35 Lakhs have been converted into equity shares.

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

6: LOANS

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Unsecured, considered good:		
Loans to related parties (Refer note 38)	4.65	196.75
Unsecured, credit impaired:		
Loans to related parties (Refer note 38)	208.50	-
Less : Loss allowance	(208.50)	-
	4.65	**196.75**
Current		
(Unsecured, considered good)		
Loan to other party (Refer note 3 below)	916.43	200.64
	916.43	**200.64**
Sub-classification of loans (current and non current):-		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	921.08	397.39
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	208.50	-

Note:

1. Disclosure pursuant to the Regulation 34(3) read with para A of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 186 (4) of the Companies Act, 2013:

Subsidiary companies:	Purpose	Amount outstanding		Maximum outstanding balance	
		As at March 31, 2023	As at March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
AOSL Petroleum Pte Limited	Working capital	208.50	193.83	208.50	193.83
AOSL Energy Services Limited	General corporate purpose	4.65	2.92	4.65	2.92
		213.15	**196.75**	**213.15**	**196.75**

2. Details of loans repayable on demand:

Type of borrower	Amount of loan outstanding (net of allowance)		% to the total loans	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Related parties	4.65	196.75	0.51%	49.51%

Also, interest on loans receivable from one of the subsidiaries has not been accrued in books of accounts for current year considering the financial position of such subsidiary.

3. Amount for both the reporting years represent funds deposited with a financial institution for short duration and carries fixed rate of interest.

4. There are no loans due from any director or any officer of the Company, either severally or jointly with any other person, or from any firms or private companies in which any director is a partner, a director or a member.

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

7: OTHER FINANCIAL ASSETS

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
NON-CURRENT (UNSECURED, CONSIDERED GOOD)		
In fixed deposit- with maturity of more than 12 months	628.95	451.81
Security deposits*	502.20	2.00
Interest accrued on fixed deposits	11.94	7.32
	1,143.09	**461.13**
Current (Unsecured, considered good)		
Interest accrued on fixed deposits	32.42	93.08
Security deposits*	3.04	640.76
Other receivable from related parties (refer note 38)	218.72	-
Export benefits receivable	-	165.19
	254.18	**899.03**

Note: For details of fixed deposits held as security, refer note 12.

* Security deposits are interest free non-derivative financial assets carried at amortized cost. These primarily includes deposits given against rented premises.

8. INCOME TAX ASSETS (NET)

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax receivable	287.08	291.26
	287.08	**291.26**

Note 8.1: Movement in income tax assets (net) is as follows:

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Net income tax asset at the beginning of the year	291.26	438.94
Income tax paid*	(4.18)	183.44
Income tax expense for current year	-	(331.12)
Net current income tax asset at the end of the year	**287.08**	**291.26**

** Excludes ₹ 49.15 Lakhs (March 31, 2022: ₹ 95.55 Lakhs) representing refund and interest thereon received by the Company.

Note 8.2: Income tax related to items directly recognized in the statement of profit and loss

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Current tax		
- Current year	-	331.12
- Earlier year	-	(162.08)
	-	**169.04**
Deferred tax		
Origination/ (reversal) of temporary differences	(16.92)	16.92
Total tax expense/ (credit)	**(16.92)**	**185.96**

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

Note 8.3: Reconciliation of tax expense and the profit before tax multiplied by tax rate

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit/ (loss) before tax	(2,944.78)	6,464.12
Applicable tax rate	25.17%	25.17%
Expected income tax expense/ (credit)	**(741.14)**	**1,626.89**
Expenses not deductible in determining taxable profit	541.88	503.92
Expenses deductible in determining taxable profit	(381.76)	(539.00)
Income not taxable under Income tax act, 1961	(14.71)	-
Effect of tax pertaining to earlier years	-	(162.08)
Losses carried forward/(adjusted) on which deferred tax asset is not created	595.73	-
Effect of setting off brought forward losses against current year profit	-	(1,138.09)
Effect of concessional tax rate on dividend income	-	(105.68)
Derecognition of previously recognized taxable temporary differences	(16.92)	-
Tax expense/ (credit) for the year	**(16.92)**	**185.96**

Note 8.4: The Company has prudently decided not to recognize deferred tax assets (net of liability) for the current year amounting to ₹ 617.86 Lakhs (March 31, 2022 : Nil).

Note 8.5: Note 8.5: During the year, the Company has not surrendered or disclosed any income in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Accordingly, there are no transaction which are not recorded in the books of accounts.

9. OTHER NON-CURRENT ASSETS

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	53.23	34.30
Capital advances	-	-
Balance with government authorities	199.77	199.77
	253.00	**234.07**

Note 9A: Current investments

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Unquoted and valued at fair value through profit and loss		
- Units of mutual funds	1,314.93	-
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	1,314.93	-
Aggregate amount of impairment allowance in the value of investments	-	-
Investments carried at amortized cost	-	-
Investments carried at fair value through other comprehensive income (FVTOCI)	-	-
Investments carried at fair value through profit and loss	1,314.93	-

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

10. TRADE RECEIVABLES

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured :		
Considered good:		
- Receivable from related parties (refer note 38)	3,271.75	1,683.67
- Others	3,286.91	3,492.89
Credit impaired	321.76	259.84
	6,880.42	**5,436.40**
Less: Expected credit loss allowance:	(321.76)	(259.84)
	6,558.66	**5,176.56**
Sub-classification of trade receivables		
Considered good - Secured	-	-
Considered good - Unsecured	6,558.66	5,176.56
Significant increase in credit risk	-	-
Credit impaired	321.76	259.84

Note 10.1: Movement in expected credit loss allowance :

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning	259.84	179.42
Add: Provision made during the year	61.92	80.42
Balance at the end	**321.76**	**259.84**

Notes:

1. There are no trade receivables due from any director or any officer of the Company, either severally or jointly with any other person.

2. Trade receivables due from a private company in which director of the Company is a director amounts to ₹ 2,523.52 Lakhs (March 31, 2022: ₹ 1,683.67 Lakhs).

Trade receivables ageing (excluding expected credit loss allowance)

As at March 31, 2023

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 years	
(i) Undisputed trade receivables - considered good*	3,861.27	1,664.80	1,031.09	1.50	-	-	**6,558.66**
(ii) Undisputed trade receivables - credit impaired	-	26.88	62.98	3.03	36.00	-	**128.89**
(iii) Disputed trade receivables - considered good	-	-	-	-	-	-	**-**
(iv) Disputed trade receivables - credit impaired	-	-	-	-	-	192.87	**192.87**
Total	**3,861.27**	**1,691.68**	**1,094.07**	**4.53**	**36.00**	**192.87**	**6,880.42**

* Includes unbilled trade receivables amounting to ₹ 586.75 Lakhs within the category - not due.

As at March 31, 2022

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 years	
(i) Undisputed trade receivables - considered good*	4,026.50	920.85	229.21	-	-	-	**5,176.56**
(ii) Undisputed trade receivables - credit impaired	-	30.97	-	36.00	-	-	**66.97**
(iii) Disputed trade receivables - considered good	-	-	-	-	-	-	**-**
(iv) Disputed trade receivables - credit impaired	-	-	-	-	192.87	-	**192.87**
Total	**4,026.50**	**951.82**	**229.21**	**36.00**	**192.87**	**-**	**5,436.40**

* Includes unbilled trade receivables amounting to Nil within the category - not due.

11. CASH AND CASH EQUIVALENTS

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks:		
In current accounts	1,535.94	785.79
Deposits with original maturity of less than 3 months	106.55	1,891.60
Cash on hand	21.33	18.06
	1,663.82	**2,695.45**

12. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
In fixed deposit accounts - with original maturity of more than 3 months less than 12 months*	964.98	2,226.55
	964.98	**2,226.55**
* Fixed deposits (current and non current) held as margin money or collateral against the borrowings, guarantees and other commitment.	1,689.19	1,965.25

13. UNBILLED WORK IN PROGRESS (CONTRACT ASSETS)

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good:-		
Contract assets [refer note 45(d)]	-	2,099.70
	-	**2,099.70**

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

14. OTHER CURRENT ASSETS

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with government authorities (net)	690.24	805.22
Prepaid expenses	102.28	109.11
Advance to suppliers		
-Unsecured, considered good	730.46	162.74
Employee advances		
-Unsecured, considered good	2.66	2.26
	1,525.64	**1,079.33**

15. EQUITY SHARE CAPITAL

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Authorized :		
50,000,000 (March 31, 2022: 50,000,000) equity shares ₹ 10 each	5,000.00	5,000.00
(b) Issued		
Equity shares of ₹ 10 each		
38,074,444 (March 31, 2022 : 38,074,444) equity shares ₹ 10 each	3,807.44	3,807.44
(c) Subscribed and fully paid-up		
38,074,444 (March 31, 2022: 38,074,444) equity shares ₹ 10 each	3,807.44	3,807.44
Less : 380,744 (March 31, 2022 : 380,744) equity shares held in trust for employees under ESOP Scheme [refer note (g) below]	(38.07)	(38.07)
	3,769.37	**3,769.37**

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

(All amounts in Lakhs, unless otherwise stated)

Particulars	Number of shares	Amount
Equity shares as at March 31, 2021	**37,693,700**	**3,769.37**
Add : Issued by ESOP trust on exercise of stock options	320,186	32.02
Less : Equity shares purchased by ESOP trust vide open market transactions	(320,186)	(32.02)
Movement other than above	-	-
Equity shares as at March 31, 2022	**37,693,700**	**3,769.37**
Movement during the year	-	-
Equity shares as at March 31, 2023	**37,693,700**	**3,769.37**

(b) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting except for Interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

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

Name of shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares (in Lakhs)	% of holding*	No. of shares (in Lakhs)	% of holding*
Oilmax Energy Private Limited	232.71	61.12%	225.73	59.29%

The above information is furnished as per the shareholders register as at March 31, 2023 and March 31, 2022 respectively.

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

(d) Details of equity shares held by the Holding Company

Name of shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares (in Lakhs)	% of holding*	No. of shares (in Lakhs)	% of holding*
Oilmax Energy Private Limited	232.71	61.12%	225.73	59.29%

(e) Details of equity shares held by promoters

Name of shareholder	As at March 31, 2023		As at March 31, 2022		% change during the year ended March 31, 2023^	% change during the year ended March 31, 2022
	No. of shares (in Lakhs)	% of holding*	No. of shares (in Lakhs)	% of holding*		
Oilmax Energy Private Limited	232.71	61.12%	225.73	59.29%	3.09%	-
Ritu Garg	1.25	0.33%	1.25	0.33%	-	-

* Computed excluding the equity shares held in trust for the employees under the ESOP scheme.

^ There is a change in the percentage holding as additional shares were purchased vide open market transaction during the year..

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

(g) Employee Stock Option Plan

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance stock options - available with ESOP trust towards AESL ESOP 2021 scheme (refer note below)	380,744	380,744

Notes:

(i) The balance unexercised equity shares held by the ESOP Trust at the end of the year had been reduced against the share capital as if the trust is administered by the Company itself. The securities premium related to the unexercised equity shares held by the trust at the close of the year amounting to ₹ 355.60 Lakhs (March 31, 2022 : ₹ 355.60 Lakhs) has been reduced from securities premium account and adjusted against the loan outstanding from the ESOP Trust.

(ii) The shareholders of the Company, at their meeting held on September 27, 2021 had approved the "Asian Energy Services Limited - Employee Stock Option Plan – 2021" ("AESL ESOP 2021") authorizing grant of maximum 380,744 stock options to the eligible employees. During the current year, the Company has granted 380,000 (March 31, 2022: Nil) employee stock options to the eligible employees including that of group company pursuant to such scheme.

(iii) During the current year, no stock options were exercised (March 31, 2022: 320,186 stock options).

(iv) During the current year, no equity shares of the Company were purchased by the ESOP trust vide open market transactions (March 31, 2022: 320,186 equity shares).

16. BORROWINGS

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current - at amortized cost		
Secured		
Vehicle loan (Refer note (a) below)	355.61	331.89
Less: Current maturities of long-term borrowings	(96.14)	(79.69)
	259.47	**252.20**
Current - at amortized cost		
Secured		
Working capital loan from bank (Refer note (b) below)	1,557.14	401.17
Current maturities of long term borrowings	96.14	79.69
	1,653.28	**480.86**

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

(a) Nature of security and terms of repayment of long term borrowings

The Company has availed vehicle loans. Interest rate charged is fixed at 9.90% p.a for all loans except one loan which is at fixed rate of 10% p.a. The vehicles financed through such borrowing are forming part of the property, plant and equipment and have been hypothecated for the said borrowings. The borrowings will be repaid by the Company in equal predetermined instalments over a period of 48 months from the borrowing origination date.

(b) Working capital facilities from bank

(i) Working capital loan is secured by way of lien on certain fixed deposits and counter indemnity, hypothecation of stock and book debts of the Company. The facility is also secured by way of personal security of Kapil Garg (Director), Ritu Garg (Promoter) and Aman Garg (relative of promoter and director). The interest rate applicable to the facility is computed using 1 year MCLR plus spread (11.05 % p.a. as on March 31, 2023). This loan is repayable on demand. Further, Oilmax Energy Private Limited has also provided a Corporate Guarantee to the bankers towards such working capital facilities.

(ii) The quarterly returns/statements of current assets filed by the Company with bank is in agreement with the books of accounts for all the quarters in which such returns/statements were required to be filed by the Company except for following instance:

Name of the bank	Nature of current assets offered as security	Quarter ended	Amount disclosed as per return	Amount as per books of accounts	Difference	Reason
Union Bank of India	Lien on fixed deposits and counter indemnity, hypothecation of stock and book debts	December 2022	6,773.93	7,656.47	(882.54)	The difference is due to submissions being made basis provisional financial information.
Union Bank of India	Lien on fixed deposits and counter indemnity, hypothecation of stock and book debts	March 2023	6,614.02	6,558.66	55.36	

(c) The Company has utilized the borrowings for the specific purpose for which it was obtained.

(d) The Company is not declared wilful defaulter by any bank or financial institution or lender during the year and it has complied with the applicable debt covenants, prescribed in the terms of borrowing.

(e) Net debt reconciliation:

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents	1,663.82	2,695.45
Current borrowings	(1,557.14)	(401.17)
Non-current borrowings (including current maturities)	(355.61)	(331.89)
Excess liquidity/ (net debt)	**(248.93)**	**1,962.39**

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

Particulars	Cash and cash equivalents	Non-current borrowings (including current maturities)	Current borrowings	Total
Net debt as at March 31, 2021	**543.74**	**(247.87)**	**-**	**295.87**
Cash flow (net)	2,151.71	-	-	2,151.71
Borrowings taken	-	(125.00)	(800.00)	(925.00)
Borrowings repaid	-	40.47	400.00	440.47
Interest expense	-	(31.79)	(1.52)	(33.31)
Interest paid	-	33.76	0.35	34.11
Other adjustments	-	(1.46)	-	(1.46)
Excess liquidity/ (net debt) as at March 31, 2022	**2,695.45**	**(331.89)**	**(401.17)**	**1,962.39**
Cash flow (net)	(1,031.63)	-	-	(1,031.63)
Borrowings taken	-	(80.00)	(13,970.85)	(14,050.85)
Borrowings repaid	-	55.26	12,814.88	12,870.14
Interest expense	-	(36.41)	(42.76)	(79.17)
Interest paid	-	36.41	42.76	79.17
Other adjustments	-	1.02	-	1.02
Excess liquidity/ (net debt) as at March 31, 2023	**1,663.82**	**(355.61)**	**(1,557.14)**	**(248.93)**

17. LEASE LIABILITIES

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Lease liabilities (Refer Note 33)	104.29	15.50
	104.29	**15.50**
Current		
Lease liabilities (Refer Note 33)	659.47	951.71
	659.47	**951.71**

18. OTHER FINANCIAL LIABILITIES

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Security deposit	19.62	19.62
Retention money payable	-	50.00
Employee related payables	174.50	30.38
	194.12	**100.00**

Note: There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the reporting periods.

19. OTHER LIABILITIES

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Contract liability - revenue received in advance (refer note 45)	101.99	90.00
	101.99	**90.00**
Current		
Contract liability - revenue received in advance (refer note 45)	819.92	-
Advances from customer - revenue received in advance (refer note 45)	528.96	-
Statutory dues payable	60.18	75.94
	1,409.06	**75.94**

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

20. PROVISIONS

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Gratuity (refer note 37)	35.77	60.20
	35.77	**60.20**
Current		
Gratuity (refer note 37)	2.02	17.33
	2.02	**17.33**

21. DEFERRED TAX LIABILITIES (NET)

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax liability	-	16.92
	-	**16.92**

Note: Refer note 8.4 for disclosure of unrecognized deferred tax assets (net).

Movement during the year ended March 31, 2023

Particulars	As at March 31, 2022	Credit in the Statement of Profit and Loss	Credit/(charge) in other Comprehensive Income	As at March 31, 2023
(i) Deductible temporary difference:				
Employee benefits	13.43	(13.43)	-	-
Allowance for expected credit loss	20.10	(20.10)	-	-
Impact of right of use asset and lease liabilities	151.56	(151.56)	-	-
(ii) Taxable temporary difference:				
Depreciation on property, plant and equipment and intangible assets	(202.01)	202.01	-	-
Deferred tax assets/ (liabilities) (net) (i)-(ii)	**(16.92)**	**16.92**	**-**	**-**

Movement during the year ended March 31, 2022

Particulars	As at March 31, 2021	Charge in the Statement of Profit and Loss	Credit/(charge) in other Comprehensive Income	As at March 31, 2022
(i) Deductible temporary difference:				
Employee benefits	-	13.43	-	13.43
Allowance for expected credit loss	-	20.10	-	20.10
Impact of right of use asset and lease liabilities	-	151.56	-	151.56
(ii) Taxable temporary difference:				
Depreciation on property, plant and equipment and intangible assets	-	(202.01)	-	(202.01)
Deferred tax assets/ (liabilities) (net) (i)-(ii)	**-**	**(16.92)**	**-**	**(16.92)**

22. TRADE PAYABLES

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Dues to micro and small enterprises (refer note below)	396.90	487.93
	396.90	**487.93**
Dues to others	1,034.25	2,384.70
	1,034.25	**2,384.70**
Total	**1,431.15**	**2,872.63**

Note: Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been determined based on the information as available with the Company and the details of amount outstanding due to them are as given below:

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

Particulars	As at March 31, 2023	As at March 31, 2022
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	395.30	487.93
Interest due on above	1.60	-
(b) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Trade payables ageing:

As at March 31, 2023

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 years	
(i) Undisputed dues - MSME*	103.70	286.40	6.80	-	-	396.90
(ii) Undsiputed dues - Others*	877.72	133.37	23.16	-	-	1,034.25
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**981.42**	**419.77**	**29.96**	**-**	**-**	**1,431.15**

* Includes unbilled trade payables of ₹ 530.51 Lakhs in the category - not due.

As at March 31, 2022

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 years	
(i) Undisputed dues - MSME*	104.37	383.56	-	-	-	**487.93**
(ii) Undsiputed dues - Others*	2,084.71	299.38	0.61	-	-	**2,384.70**
(iii) Disputed dues - MSME	-	-	-	-	-	**-**
(iv) Disputed dues - Others	-	-	-	-	-	**-**
Total	**2,189.08**	**682.94**	**0.61**	**-**	**-**	**2,872.63**

* Includes unbilled trade payables of ₹ 593.85 Lakhs in the category - not due.

23. REVENUE FROM OPERATIONS

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sale of services :		
Revenue from energy services	10,895.25	24,977.42
Revenue from consultancy services	-	147.25
Other operating income :		
Export incentives	-	206.60
Liabilities/provision write back	91.78	73.55
Scrap sales	-	9.04
	10,987.03	**25,413.86**

Note: For disclosures as per Ind AS 115, refer note 45.

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

24. OTHER INCOME

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest income on financial assets measured at amortized cost	221.94	154.19
Interest income on income tax refund	49.16	109.13
Interest income on overdue trade receivables	77.81	-
Gain on mutual fund investments	14.93	-
Dividend income from subsidiary	-	1,112.78
Profit on sale of property, plant and equipment (net)	-	1.06
Miscellaneous income	21.65	18.14
	385.49	**1,395.30**

25. PROJECT RELATED EXPENSES

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sub-contracting charges	2,461.82	7,436.32
Stores and consumables consumed	2,468.24	2,332.84
Camp establishment and maintenance	174.82	271.46
Machinery hire charges (refer note 33)	16.92	64.88
Vehicle hire charges (refer note 33)	890.60	775.51
Fuel rig expenses	84.84	511.47
Labour charges	441.01	2,110.24
Freight expenses	87.18	197.17
Power and fuel	48.44	34.26
License expenses	17.00	71.31
Repairs and maintenance		
- plant and machinery	301.10	78.87
Technical consultancy charges	392.11	77.03
Other operational expenses	114.95	540.33
	7,499.03	**14,501.69**

26. EMPLOYEE BENEFITS EXPENSE

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus (including managerial remuneration)	2,614.05	1,760.81
Contribution to provident and other funds (refer note 37.2.ii)	132.76	142.92
Gratuity expense (refer note 37.2.i)	21.14	20.52
Share based payments to employees (refer note 37.2.iii)	3.23	7.39
Staff welfare expenses	41.60	221.55
	2,812.78	**2,153.19**

27. FINANCE COSTS

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense on:		
- borrowings carried at amortized cost	79.17	33.81
- delayed payment of statutory dues	5.36	0.30
- lease liabilities (refer note 33)	18.60	15.57
- delayed payment to micro, small and medium enterprises vendors	1.60	-
Bank charges*	143.04	31.50
	247.77	**81.18**

* primarily includes guarantee commission and other charges.

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

28. DEPRECIATION AND AMORTIZATION EXPENSE

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on property, plant and equipment (refer note 3A)	1,332.67	1,339.97
Amortization on intangible assets (refer note 3B)	24.81	25.76
Depreciation on right of use assets (refer note 4)	418.82	350.73
	1,776.30	**1,716.46**

29. OTHER EXPENSES

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Advertisement and business promotion expenses	55.68	93.64
Rent (refer note 33)	128.08	134.44
Rates and taxes	168.37	15.69
Travelling and conveyance	283.97	320.90
Printing and stationery	16.51	14.86
Membership and subscription charges	1.58	4.43
Telephone and internet expenses	8.80	10.75
Insurance	66.19	65.66
Security expenses	54.91	55.42
Legal and professional charges (refer note below)	694.96	785.73
Directors sitting fees (refer note 38)	8.35	9.40
Repairs and maintenance		
- building	10.65	47.38
- others	16.82	52.39
Provision for doubtful debts (refer note 10.1)	61.92	80.42
Net loss on foreign currency transactions	53.50	72.96
Corporate social responsibility expenses (refer note 40)	60.72	19.04
Miscellaneous expenses	81.91	109.41
	1,772.92	**1,892.52**

NOTE:

Details of payments to auditors (excluding indirect taxes)	Year ended March 31, 2023	Year ended March 31, 2022
As auditor:		
Statutory audit including limited reviews	34.00	31.00
Certification and other matters	3.52	7.62
Re-imbursement of expenses	1.64	0.34
	39.16	**38.96**

30. EXCEPTIONAL ITEM

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Provision created towards loan given to a subsidiary including accrued interest thereon	(208.50)	-
	(208.50)	**-**

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

31. EARNINGS PER SHARE (EPS)

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit/(loss) attributable to equity holders of the Company for basic and diluted earnings used as numerator - (A) (in Lakhs)	(2,927.86)	6,278.16
Weighted average number of equity shares outstanding during the year for Basic EPS - (B)	37,693,700	37,849,435
Add: Effect of potential equity shares which are dilutive	-	-
Weighted average number of equity shares outstanding during the year for Diluted EPS - (C)	37,693,700	37,849,435
Basic earnings/(losses) per share (₹) - (A)/(B) (face value ₹ 10 each)	(7.77)	16.59
Diluted earnings/(losses) per share (₹) - (A)/(C) (face value ₹ 10 each)	(7.77)	16.59

32. CONTINGENT LIABILITIES

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
1. Claims against the Company not acknowledged as debt:		
(a) Labour law matter*	7.78	7.78
	7.78	**7.78**

*In relation to termination of services of an employee in earlier year.

2. Other monies for which the Company is contingently liable:

   (b) The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Due to numerous interpretation issues relating to the applicability of SC judgement for the past period, if any, the impact is not ascertainable at present and consequently no effect has been given in the financial statements.

   It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of pending resolution of the respective proceedings, as it is determined only on receipt of judgements/decisions pending with various authorities.

33. DISCLOSURES PERTAINING TO IND AS 116 - LEASES

The Company has lease contracts for its office premises and oilfield equipment. Generally, the Company is restricted from assigning the leased assets. The Company's obligation under its leases are secured by the lessor's title to leased assets.

1. Recognition and derecognition

Right-of-use assets:

(i) The Company has de-recognized right-of-use assets of Nil (March 31, 2022: ₹ 30.34 Lakhs) during the year on account of changes in terms of the lease arrangements.

(ii) The net carrying value of right-of-use assets as at March 31, 2023 amounts to ₹ 299.13 Lakhs (March 31, 2022: ₹ 365.02 Lakhs) and has been disclosed separately in note 4 to the standalone financial statements.

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

Lease liabilities:

(i) The movement in lease liabilities is as follows :

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	967.21	867.61
Add : Addition during the year	218.30	415.13
Add : Interest on lease liabilities	18.60	15.57
Less : Payment of lease liabilities	(496.17)	(326.00)
Add : Other adjustments	55.82	(5.10)
Closing balance	**763.76**	**967.21**
Non current	104.29	15.50
Current	659.47	951.71

(ii) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023:

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
0-1 year	662.67	1,106.06
1-5 years	119.00	16.00
5 years and above	-	-
Total	**781.67**	**1,122.06**

2. The Company has recognized the following expenses in the Statement of Profit and Loss:

(i) Depreciation expense from right-of-use assets of ₹ 418.82 Lakhs (March 31, 2022: ₹ 350.73 Lakhs) (Refer note 4).

(ii) Interest on lease liabilities of ₹ 18.60 Lakhs (March 31, 2022: ₹ 15.57 Lakhs) (Refer note 27).

(iii) Expense amounting to ₹ 1,035.60 Lakhs (March 31, 2022: ₹ 974.83 Lakhs) related to leases of low-value assets and leases with less than twelve months of lease term. These have been included under machine hire charges, vehicle hire charges and rent expenses (Refer note 25 and note 29).

3. The total net cash outflow for the payment of lease liability and interest is ₹ 496.17 Lakhs (March 31, 2022: ₹ 326.00 Lakhs).

34. FAIR VALUE MEASUREMENTS

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

Fair value hierarchy

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

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

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

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

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

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

(All amounts in Lakhs, unless otherwise stated)

As at March 31, 2023	Financial instruments by category				Fair value hierarchy
	FVTPL	FVTOCI	Amortized cost	Total carrying value	
Financial assets:					
Investment in subsidiaries	-	-	673.95	**673.95**	
Investment in mutual funds	1,314.93	-	-	**1,314.93**	Level 1
Investments other than above	-	623.42	-	**623.42**	Level 3
Trade receivables	-	-	6,558.66	**6,558.66**	
Cash and cash equivalents	-	-	1,663.82	**1,663.82**	
Other bank balances	-	-	964.98	**964.98**	
Loans	-	-	921.08	**921.08**	
Other financial assets	-	-	1,397.27	**1,397.27**	
Total	**1,314.93**	**623.42**	**12,179.76**	**14,118.11**	
Financial liabilities:					
Borrowings	-	-	1,912.75	**1,912.75**	
Lease liabilities	-	-	763.76	**763.76**	
Trade payables	-	-	1,431.15	**1,431.15**	
Other financial liabilities	-	-	194.12	**194.12**	
Total	**-**	**-**	**4,301.78**	**4,301.78**	

(All amounts in Lakhs, unless otherwise stated)

As at March 31, 2022	Financial instruments by category				Fair value hierarchy
	FVTPL	FVTOCI	Amortized cost	Total carrying value	
Financial assets:					
Investment in subsidiaries	-	-	653.55	**653.55**	
Investment in mutual funds	-	-	-	**-**	Level 1
Investments other than above	-	600.00	-	**600.00**	Level 3
Trade receivables	-	-	5,176.56	**5,176.56**	
Cash and cash equivalents	-	-	2,695.45	**2,695.45**	
Other bank balances	-	-	2,226.55	**2,226.55**	
Loans	-	-	397.39	**397.39**	
Other financial assets	-	-	1,360.15	**1,360.15**	
Total	**-**	**600.00**	**12,509.65**	**13,109.65**	
Financial liabilities:					
Borrowings	-	-	733.06	**733.06**	
Lease liabilities	-	-	967.21	**967.21**	
Trade payables	-	-	2,872.63	**2,872.63**	
Other financial liabilities	-	-	100.00	**100.00**	
Total	**-**	**-**	**4,672.90**	**4,672.90**	

Fair value of financial assets and liabilities measured at amortized cost

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

The fair value of security deposit has been calculated based on the cash flows discounted using an estimate of current lending rate.

The fixed deposit and non-current borrowing are with highly rated banks and financial institution at fair interest rate, and their carrying values approximates fair value.

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

Fair value of financial assets measured at FVTPL

The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at reporting date.

Fair value of financial assets at FVTOCI

The fair value of investments carried at FVTOCI is determined, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. The fair value of these investments is categorised as Level 3 because the shares are neither listed on an exchange and there were no recent observable arm's length transactions in the shares.

There are no transfers in either level during the reporting periods.

35. FINANCIAL RISK MANAGEMENT

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

Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. The Company is exposed to credit risk from loans and advances to related parties, trade receivables, bank deposits and other financial assets.

Bank deposits are placed with reputed banks / financial institutions. Hence, there is no significant credit risk on such fixed deposits.

The Company does not have significant credit risk from loans given considering these are provided to related parties or to financial institution for shorter duration. Mutual fund investments are made in liquid and overnight plans of renowned asset management company only. The credit risk associated with bank, security deposits and mutual fund investments is relatively low.

The Company trades with recognized and credit worthy third parties. The Company periodically assesses the financial reliability of the counter party, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

Credit risk on trade receivables is limited as the Company's customer base majorly includes reputed and large corporate groups and public sector enterprises. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. Also, generally the Company does not enter into sales transaction with customers having credit loss history. In addition, trade receivable balances are monitored on an on-going basis with the result that the Company's exposure to bad debts is not significant. In case of trade receivables due from related parties and in case of disputed trade receivables, the Company performs individual credit risk assessment and creates expected credit loss allowance (ECL) based on internal assessment. Further, the Company computes ECL on undisputed trade receivables at each reporting date, based on provision matrix which is prepared considering historically observed overdue rate over expected life of trade receivables and is adjusted for forward-looking estimates.

The following table provides information about the exposure to credit risk and expected credit loss rate for trade receivables:

Ageing bucket	Expected credit loss rate		Gross carrying amount *	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Less than 180 days	0.67% to 4.24%	0.26% to 2.14%	5,552.95	4,978.32
180 to 365 days	11.45% to 33.50%	7.39% to 33.50%	1,094.07	229.21
365 to 1095 days	67.00%	67.00%	40.53	228.87
More than 1095 days	100.00%	100.00%	192.87	-

* Includes disputed trade receivables amounting to ₹ 192.87 Lakhs (March 31, 2022 : ₹ 192.87 Lakhs).

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

a) Movement in the loss allowances on financial and other assets (excluding trade receivables) is as under:

Reconciliation of loss allowance on loans, other financial assets and other assets:

Particulars	Amount
Loss allowance as at March 31, 2021	-
Add: Additional provision during the year	-
Less: Write - off	-
Loss allowance as at March 31, 2022	-
Add: Additional provision during the year*	208.50
Less: Write - off	-
Loss allowance as at March 31, 2023	**208.50**

* The same has been disclosed as an exceptional item in the statement of profit and loss, refer note 30.

b) For reconciliation of loss allowance on trade receivables, refer note 10.1

Liquidity risk

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

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

Maturities of financial liabilities :

The tables below analyze the Company's financial liabilities into relevant maturity groupings based on the maturities for all non-derivative financial liabilities. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. For contractual maturities of lease liabilities, refer note 33.

As at March 31, 2023	on demand	less than 12 months	1-2 years	2-4 years	Total
Borrowings	1,557.14	96.14	85.28	174.19	**1,912.75**
Trade payables	-	1,431.15	-	-	**1,431.15**
Other financial liabilities	-	194.12	-	-	**194.12**
	1,557.14	**1,721.41**	**85.28**	**174.19**	**3,538.02**

As at March 31, 2022	on demand	less than 12 months	1-2 years	2-4 years	Total
Borrowings	401.17	79.69	78.86	173.34	**733.06**
Trade payables	-	2,872.63	-	-	**2,872.63**
Other financial liabilities	-	100.00	-	-	**100.00**
	401.17	**3,052.32**	**78.86**	**173.34**	**3,705.69**

Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and net asset value (NAV) of mutual fund units will affect the Company's income or the value of its holdings of financial instruments.

Mutual fund price risk

The value of unquoted mutual fund investments measured at fair value through profit and loss as at March 31, 2023 is ₹ 1,314.93 Lakhs (March 31, 2022: Nil). A 10% change in value for year ended March 31, 2023 would result in an impact of ₹ 131.49 Lakhs (March 31, 2022: Nil).

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. Foreign exchange risk arises from recognized assets and liabilities denominated in a currency that is not the Companies functional currency. The Companies operations in foreign currency creates natural foreign currency hedge. This results in insignificant net open foreign currency exposures considering the volumes and operations of the Company.

The Companies exposure to foreign currency risk at the end of the reporting period expressed in functional currency, are as follows:

(All amounts in Lakhs, unless otherwise stated)

Particulars		As at March 31, 2023		As at March 31, 2022	
Financial assets	**Currency unit**	**Foreign Currency**	**INR**	**Foreign Currency**	**INR**
Loans	USD	-	-	2.29	173.63
Other financial assets	USD	-	-	0.27	20.20
			-		**193.83**
Financial liabilities					
Trade payables	USD	0.45	37.26	-	-
Lease liabilities	USD	6.84	562.67	10.22	774.47
			599.93		774.47
Net exposure			**(599.93)**		**(580.64)**

Note: The Company has not entered into any hedging contract for the above exposure.

Sensitivity:

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from financial instruments denominated in USD:

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023			Year ended March 31, 2022		
	Movement in Rate	Impact on profit/ loss before tax, increase by*	Impact on Other Equity*	Movement in rate	Impact on profit/ loss before tax, increase by*	Impact on Other Equity*
USD	8.46%	(50.73)	(50.73)	3.13%	(18.17)	(18.17)

*Holding all other variables constant

An equal and opposite impact would be experienced in the event of decrease by a similar percentage.

Interest rate risk

This refers to risk to Company's cash flow and profits on account of movement in market interest rates.

For the Company the interest risk arises mainly from interest bearing borrowings which are at floating interest rates. To mitigate interest rate risk, the Company closely monitors market interest and as appropriate makes use of hedged products and optimise borrowing mix / composition.

Interest rate risk exposure

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Variable rate borrowings	1,557.14	401.17
Fixed rate borrowings	355.61	331.89
Total	**1,912.75**	**733.06**

Note: The above amounts are based on contractual liabilities as at balance sheet date.

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

Below is the sensitivity of profit before tax and other equity to change in interest rates:

(All amounts in Lakhs, unless otherwise stated)

Particulars	Movement in Rate	Year ended March 31, 2023	Year ended March 31, 2022
Positive impact in statement of profit and loss before tax	2.70%	42.04	2.01

An equal and opposite impact would be experienced in the event of an opposite change in interest rate by a similar percentage.

The above calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

36. CAPITAL MANAGEMENT

The Company objectives when managing capital are to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal structure to reduce the cost of capital. In order to maintain or adjust the Capital structure, the Company may adjust the amounts of dividends paid to shareholders, return capital to shareholders, issue new shares or sell new assets to reduce debt. The Company does not have externally imposed capital requirements.

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Total borrowings	1,912.75	733.06
Total equity	19,356.54	22,197.92
Debt to equity ratio (in times)	**0.10**	**0.03**

Note: In the long run, the Company's strategy is to maintain a gearing ratio within acceptable range as deemed appropriate by board of directors, which at present is to have less than 0.50.

37. EMPLOYEE BENEFITS

1. Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, incentives and allowances, short terms compensated absences, etc., and the expected cost of bonus, ex-gratia are recognized in the year in which the employee renders the related service.

2. Long term employee benefits

(i) Defined benefit plan

Gratuity (funded) :

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

A. Obligations and assets

Movement in the present value of projected benefit obligation for gratuity

(All amounts in Lakhs, unless otherwise stated)

Particulars	March 31, 2023	March 31, 2022
At the beginning of the year	84.99	31.98
Interest cost	6.10	2.17
Current service cost	15.66	18.97
Benefit paid	(0.17)	(0.93)
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	1.84	-
Actuarial (gains)/losses on obligations - due to change in financial assumptions	(0.18)	(0.95)
Actuarial (gains)/losses on obligations - due to experience adjustment	(61.45)	33.75
At the end of the year	**46.79**	**84.99**

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

(All amounts in Lakhs, unless otherwise stated)

Particulars	March 31, 2023	March 31, 2022
Movement in the fair value plan assets :		
Opening fair value of plan assets	8.60	8.94
Expected return on plan assets	0.62	0.67
Fund management charges (FMC)	-	(0.05)
Benefits paid	(0.17)	(0.93)
Actuarial gains /(losses)	(0.05)	(0.03)
Closing fair value of plan assets	**9.00**	**8.60**
Actual return on plan assets:		
Expected return on plan assets	0.62	0.61
Actuarial (losses)/ gains on plan assets	(0.05)	(0.03)
Actual return on plan assets	**0.57**	**0.58**

B. Amount recognized in the statement of profit and loss

(All amounts in Lakhs, unless otherwise stated)

Particulars	March 31, 2023	March 31, 2022
Interest cost (net of actual return on plan assets)	5.48	1.56
Current service cost	15.66	18.96
Net impact as employee benefit expenses in profit and loss	**21.14**	**20.52**
Actuarial (gains)/losses on obligations - due to change in financial assumptions	(0.18)	(0.95)
Actuarial (gains)/losses on obligations - due to experience	(61.45)	33.75
Actuarial (gains)/losses on obligations - due to demographic assumption	1.84	-
Actuarial (gains)/ losses on plan assets	0.05	0.03
Net impact as other comprehensive (income)/ loss	**(59.74)**	**32.83**

C. Amount recognized in the balance sheet

(All amounts in Lakhs, unless otherwise stated)

Particulars	March 31, 2023	March 31, 2022
Present value of obligations as at year end	46.79	84.99
Fair value of plan assets as at year end	(9.00)	(8.60)
Variation on account of opening balances of plan assets	-	1.14
Net liability recognized	**37.79**	**77.53**
Current asset/(liability)	(2.02)	(17.33)
Non-current asset/(liability)	(35.77)	(60.20)
Asset information		
Group scheme of Life Insurance Corporation of India	100%	100%
Expected employer's Contribution for the next year	22.38	26.23
Other information		
Number of active members	295	118
Weighted average duration of the projected benefit obligation for gratuity	13.25 years	3.38 years

D. The defined benefit obligations shall mature after year end as follows:

(All amounts in Lakhs, unless otherwise stated)

Particulars	March 31, 2023	March 31, 2022
1st following year	17.65	15.07
2nd following year	0.88	19.75
3rd following year	1.04	10.89
4th following year	1.42	4.72
5th following year	1.23	3.53
6 years and onwards	22.54	13.69

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

E. Assumptions

The actuarial calculations used to estimate commitments and expenses in respect of gratuity is based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expense:

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rate of discounting - Indicative Government security referenced rate of interest	7.36%	7.18%
Rate of salary increase	5.00%	5.00%
Rate of employee turnover	5.00%	25.00%
Mortality rate during employment	Indian Assured Lives Mortality (2012-14) Ultimate table	Indian Assured Lives Mortality (2012-14) Ultimate table

F. Sensitivity

The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Discount rate (0.5% Movement Increase)	(1.57)	(1.24)
Discount rate (0.5% Movement Decrease)	1.69	1.28
Future salary growth (0.5% Movement Increase)	1.72	1.30
Future salary growth (0.5% Movement Decrease)	(1.61)	(1.27)

The sensitivity analyzes above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the method (Projected Unit Credit Method) used to calculate the liability recognized in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period. Sensitivities due to mortality and turnover are not material and hence impact of change due to these not calculated.

(ii) Defined contribution plan

Provident fund and employee's state insurance corporation

The Company pays fixed contribution to the provident fund, employee's state insurance corporation entities and labour welfare fund in relation to several state plans and insurances for individual employees. This fund is administered by the respective Government authorities, and the Company has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognized as an expense in the year that related employee services are received.

Company's contribution to defined contribution plan recognized as employee benefit expenses is as below:

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Employer's contribution towards Provident Fund (PF)	113.26	93.57
Additional contribution towards PF	11.16	30.45
Employer's contribution towards Employee's State Insurance Corporation (ESIC)	8.31	14.55
Employers contribution towards Labour welfare fund (LWF)	0.03	4.35
	132.76	**142.92**

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

(iii) Share-based payment transactions

The shareholders of the Company, at their meeting held on September 27, 2021 had approved the "Asian Energy Services Limited - Employee Stock Option Plan – 2021" ("AESL ESOP 2021") authorising grant of not exceeding 3,80,744 stock options to the eligible employees. During the current year, the Company has granted 380,000 (March 31, 2022: Nil) employee stock options convertible into equivalent equity shares to the eligible employees including that of group company pursuant to such scheme. The details of activity under the ESOP schemes are summarized below:

(All amounts in Lakhs, unless otherwise stated)

Particulars	AOSL ESOP 2021
Date of approval by the shareholders	September 27, 2021
Options granted	380,000
Exercise price per share	114
Conditions attached:	
- Vesting period	1 year from the grant date
- Other conditions	Exercise of vested options would be done any time before the termination of the services of the employee through resignation, retirement or otherwise.

Note:

Impact of employee stock options outstanding is anti-dilutive in nature for the reporting period and therefore it is not considered for calculating dilutive earnings per share.

The expense recognized for employee services received during the year is shown in the following table:

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Total expense arising from equity-settled share-based payment transactions	6.61	7.39
	6.61	**7.39**
-Out of the above		
Recognized in statement of profit and loss	3.23	7.39
Recognized in other equity in relation to stock options given to employees of group company	3.38	-
Total	**6.61**	**7.39**

Movements during the year in share options:

(All amounts in Lakhs, unless otherwise stated)

Particulars	AESL ESOP 2021 (Numbers in Lakhs)	AOSL ESOP 2019 (Numbers in Lakhs)
Outstanding as at March 31, 2021	-	3.36
Less: Options lapsed/ forfeited	-	(0.16)
Less: Options exercised during the year	-	(3.20)
Outstanding as at March 31, 2022	-	-
Add: Options granted during the year	3.80	-
Less: Options lapsed/ forfeited	-	-
Less: Options exercised during the year	-	-
Outstanding as at March 31, 2023	**3.80**	**-**

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

Aggregate share options available with Key management personnel (in numbers): 72,736 (March 31, 2022 : Nil).

The following tables list the inputs to the models used for the employees' stock option plan

(All amounts in Lakhs, unless otherwise stated)

Particulars	AESL ESOP 2021
Exercise price (₹)	114.00
Fair value per option	12.46
Grant date	08-Feb-23
Vesting date	08-Feb-24
Expiry date	08-Feb-25
Dividend yield (%)	-
Expected price volatility (%)	48.65%
Risk–free interest rate (%)	7.12%
Expected life of share options (years)	2.00
Share price at grant date (₹)	73.35
Model used	Black Scholes

Weighted average remaining contractual life of options is 1.93 years as on March 31, 2023 (March 31, 2022: Not applicable).

Impact of employee stock options outstanding is anti-dilutive in nature for the reporting period and therefore it is not considered for calculating dilutive earnings per share.

Expected volatility has been based on an evaluation of the historical volatility of the Company's share price, particularly over the historical period commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behaviour.

38. RELATED PARTY DISCLOSURES

A. Name of related parties

a) Holding Company

Oilmax Energy Private Limited

b) Subsidiary Company

AOSL Petroleum Pte Limited

Asian Oilfield & Energy Services DMCC

AOSL Energy Service Limited

Optimum Oil & Gas Private Limited

Cure Multitrade Private Limited (from October 03, 2022)

Ivorene Oil Services Nigeria Limited (from October 03, 2022) (Step-down subsidiary

c) Joint Ventures

Zuberi Asian Joint Venture (operations commenced from May 04, 2022)

AESL FFIL Joint Venture (operations commenced from October 20, 2022)

d) Individuals having significant influence over the Company by virtue of owning indirect interest in the voting power

Ms. Ritu Garg - Promoter of the Company

e) Key Management Personnel (KMP)/ Directors

Mr. Ashutosh Kumar - Chief Executive Officer and Whole Time Director

Mr. Nayan Mani Borah – Independent Director (Chairman)

Mr. Rabi Narayan Bastia - Non Executive Director

Mr. Kadayam Ramanathan Bharat - Independent Director (upto May 06, 2022)

Ms. Anusha Mehta - Independent Director

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

Mr. Devesh Bhargava – Independent Director (upto June 30, 2021)

Mr. Mukesh Jain – Non Executive Director

Mr. Nirav Talati - Chief Financial Officer

Mr. Kapil Garg - Non-executive Director

Mr. Brij Mohan Bansal - Independent Director

Ms. Shweta Jain - Company Secretary

f) Entities on which KMP & its relative have significant influence

Anirit Agro Hub LLP

Anirit Agritech Private Limited

B. Transactions with related parties :

S. No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
1	**Holding Company**		
	Sale of services	1,408.98	1,666.37
	Interest income on overdue trade receivables	77.81	-
2	**Subsidiaries**		
	i. Asian Oilfield & Energy Services DMCC		
	Payment of lease liability	389.17	205.81
	Dividend received	-	1,112.78
	ii. AOSL Energy Service Limited		
	Loan advanced	1.43	0.45
	Interest on loan advanced	0.30	0.20
	iii. Cure Multitrade Private Limited		
	Investment in equity shares	20.40	-
3	**Joint Ventures**		
	i. Zuberi Asian Joint Venture		
	Sale of services (including revenue received in advance)	2,718.25	-
	Amount paid on behalf of related party	140.40	-
	ii. AESL FFIL Joint Venture		
	Amount paid on behalf of related party	2.06	-
4	**Entities on which KMP & its relative have significant influence**		
	i. Anirit Agro Hub LLP		
	Amount paid on behalf of related party and its reimbursement	1.20	-
	ii. Anirit Agritech Private Limited		
	Amount paid on behalf of related party and its reimbursement	1.34	-
5	**i. Remuneration to KMP^**		
	Ashutosh Kumar	212.98	139.60
	Shweta Vaibhav Jain	15.06	13.65
	Nirav Talati	66.07	46.51
		294.11	**199.76**
	ii. Directors sitting fees :		
	Nayan Borah	2.30	1.70
	Devesh Bhargava	-	0.50
	Anusha Mehta	1.60	2.10
	Kadayam Bharat	-	1.10
	Rabi Bastia	1.20	1.10
	Mukesh Jain	1.20	1.15
	Brij Mohan Bansal	2.05	1.75
		8.35	**9.40**

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

S. No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
	iii. Reimbursement of expenses :		
	Ashutosh Kumar	2.84	2.49
	Rabi Bastia	0.40	1.46
	Nirav Talati	1.26	0.63
		4.50	**4.58**
	iv. Professional fees:		
	Mukesh Jain	62.00	48.50
	v. Rent expense*		
	Kapil Garg	42.00	46.00
	Ritu Garg	42.00	46.00
	vi. Security deposits given by the Company towards premises taken on lease*		
	Kapil Garg	-	200.00
	Ritu Garg	-	200.00

C. Balances with related parties:

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	**Holding Company - Oilmax Energy Private Limited**		
	Trade receivables	2,523.52	1,683.67
	Other current financial assets	76.26	-
	Other current assets	1.00	-
2	**Subsidiary - AOSL Petroleum Pte Limited**		
	Unsecured loans given and interest thereon**	208.50	193.83
3	**Subsidiary - Asian Oilfield & Energy Services DMCC**		
	Payable towards lease liability*	436.89	774.46
4	**Subsidiary - AOSL Energy Services Limited**		
	Unsecured loan given and interest thereon	4.65	2.92
5	**Joint venture - Zuberi Asian Joint Venture**		
	Trade receivables	748.23	-
	Other current financial assets	140.40	-
6	**Joint venture - AESL FFIL Joint Venture**		
	Other current financial assets	2.06	-
7	**Payable to KMP**		
	Ashutosh Kumar	0.31	-
	Mukesh Jain	4.50	4.50
8	**Security deposits given by the Company towards premises taken on lease***		
	Kapil Garg	300.00	300.00
	Ritu Garg	300.00	300.00

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

D. Other outstanding arrangement:

Kapil Garg and Ritu Garg have provided personal security towards working capital loan availed by the Company.

The Holding Company has also provided a Corporate Guarantee to the bankers towards working capital facilities availed by the Company. The amount outstanding towards such borrowings is ₹ 1,557.14 Lakhs as on March 31, 2023 (March 31, 2022 : ₹ 401.17 Lakhs).

^ The figures does not include provision for gratuity since it is actuarially determined for the Company as a whole. Further, 72,736 stock options were granted to KMP during the year.

* The figures are based on contractual arrangement executed and does not include the impact of Ind AS adjustments.

** Provision towards outstanding loan and interest accrued thereon aggregating ₹ 208.50 Lakhs has been made during the current year.

Notes:

The closing amount pertaining to investment made in subsidiaries and joint ventures is not considered as a part of disclosure on outstanding balance due from subsidiaries.

39. UN-HEDGED FOREIGN CURRENCY EXPOSURES:

For un-hedged foreign currency exposure, refer section 'Foreign currency risk' under Note 35 - Financial Risk Management.

40. CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The Board of Directors of the Company had constituted CSR Committee. The details for CSR activities are as follows:

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
i) Gross amount required to be spent by the Company during the year	60.72	18.98
ii) Amount spent during the year on:		
a) Construction/acquisition of any asset	-	-
b) On purposes other than (a) above	60.72	19.04

iii) Nature of CSR activities includes promoting education, healthcare, eradicating hunger, poverty and malnutrition, empowering women and rural development projects.

iv) The Company did not wish to carry forward the excess amount spent during the previous year.

v) The Company does not have any ongoing projects as on March 31, 2023.

vi) There is no unspent amount of CSR activities as on March 31, 2023.

vii) During the year, there is no related party transaction in relation to CSR expenditure.

41. EVENTS OCCURRING AFTER THE REPORTING PERIOD

No adjusting or significant non-adjusting events have occurred between March 31, 2023 and the date of authorisation of these standalone financial statements.

42. SEGMENT INFORMATION

(a) The Company publishes standalone financial statements along with the consolidated financial statements. Accordingly, as per Ind AS 108 'Operating Segments', no disclosures related to the segments are presented in these standalone financial statements.

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

(b) Revenue from external customers i.e., outside Group entities:

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
India	7,587.92	23,458.30
Outside India	-	-
Total	**7,587.92**	**23,458.30**

(c) Revenue from sale of services derived from the major external customers is as follows:

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from top customer	4,735.72	10,203.13
Revenue from top three customers	8,418.14	18,075.91

(d) For the year ended March 31, 2023 - four (March 31, 2022: four) customer, individually accounted for more than 10% of the revenue.

(e) Non-current assets*

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
India	9,276.33	10,551.26
Outside India	-	-

*Excluding financial assets and tax assets.

43. EXPLANATION IN RELATION TO INVESTMENT IN A SUBSIDIARY - ADMCC

As at March 31, 2023, the Company has an investment of ₹ 651.50 Lakhs (March 31, 2022 : ₹ 651.50 Lakhs) in its wholly owned subsidiary company, Asian Oilfield and Energy Services DMCC ('ADMCC'). Also, the Company has payable of ₹ 436.89 Lakhs (USD 531,391) as on March 31, 2023 [March 31, 2022: ₹ 774.47 Lakhs (USD: 1,021,627)] to ADMCC. In the current year, ADMCC has incurred losses amounting to ₹ 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 ₹ 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. As at March 31, 2023, 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 recognized in the standalone financial statements.

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

44. ANALYTICAL RATIOS

(All amounts in Lakhs, unless otherwise stated)

Sr. No	Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% Variance	Explanation for variance in ratio by more than 25%
1	Current ratio (in times)	Current assets	Current liabilities	2.47	3.20	(22.80%)	Not applicable
2	Debt - equity ratio (in times)	Borrowings	Total equity	0.10	0.03	199.23%	Increase is because of a new vehicle loan and working capital loan availed during the year and losses incurred in current year.
3	Debt service coverage ratio (in times)	Net profit/ (loss) before tax + depreciation and amortization + interest expense on borrowings carried at amortized cost	Principal and interest repayment of long-term borrowings	0.00	110.14	(100%)	Decrease is primarily because in previous year, the Company had earned profits whereas in the current year, the Company has incurred losses.
4	Return on equity ratio (%)	Net profit/(loss) after taxes	Average total equity	-14.09%	34.80%	(140.50%)	Decrease is primarily because in previous year, the Company had earned profits whereas in the current year, the Company has incurred losses.
5	Inventory Turnover ratio	Revenue from operations	Average inventory	-	31570.01	(100%)	The Company does not have any inventory during the year hence this ratio is reduced by 100%.
6	Trade receivable turnover ratio (in times)	Revenue from operations	Average trade receivable	1.87	4.59	(59.22%)	Decrease is because of reduction in revenue from operations in the current year.
7	Trade payable turnover ratio (in times)	Project related expenses	Average trade payables	3.48	4.22	(17.46%)	Not applicable
8	Net capital turnover ratio (in times)	Revenue from operations	Current assets – Current liabilities	1.24	3.82	(67.56%)	Decrease is because of reduction in revenue from operations in the current year.
9	Net profit/ (loss) ratio (%)	Net profit/ (loss) after taxes	Revenue from operations	(0.27)	0.25	(207.87%)	Decrease is because of reduction in revenue from operations in the current year and the Company has incurred losses in the current year.
10	Return on capital employed (%)	Earnings/ (losses) before finance cost and taxes	Tangible net worth + total borrowings + deferred tax liability	(0.12)	0.29	(140.98%)	Decrease is primarily because in previous year, the Company had earned profits whereas in the current year, the Company has incurred losses.
11	Return on investment (%)	Net profit/(loss) after taxes	Total assets	(11.62%)	23.14%	(150.20%)	Decrease is primarily because in previous year, the Company had earned profits whereas in the current year, the Company has incurred losses.

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

45. DISCLOSURE AS PER IND AS 115 - REVENUE FROM CONTRACTS WITH CUSTOMERS

a) Reconciliation of revenue from sale of services with the contracted price

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Contracted price	10,907.24	25,214.67
Less: variable consideration	-	-
Less: warranty obligation included in the supply	(11.99)	(90.00)
Sale of services	**10,895.25**	**25,124.67**

b) Revenue based on performance obligations

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
As services are rendered (over the period of time)	10,895.25	24,977.42
Upon completion of services (at a point in time)	-	147.25
	10,895.25	**25,124.67**

c) Recognized revenue earned from:

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Related parties*	3,307.33	1,666.37
Others	7,587.92	23,458.30
	10,895.25	**25,124.67**

* As per contractual arrangement, billing is done amounting to ₹ 4,127.23 Lakhs for the year ended March 31, 2023 (March 31, 2022: ₹ 1,666.37 Lakhs) which has been dislcosed as transactions with related parties under note 38.

d) Contract balances

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables (net carrying value)	6,558.66	5,176.56
Unbilled work in progress - contract assets	-	2,099.70
Advance from customer	528.96	-
Contract liability*	921.91	90.00

*Revenue recognized during the year from contract liability is Nil (March 31, 2022: Nil).

e) Movement in contract assets and contract liability

(All amounts in Lakhs, unless otherwise stated)

Particulars	Contract Assets	Contract Liability and customer advances
Balance as on April 01, 2021	3,057.30	-
Net increase/(decrease)	(957.60)	90.00
Balance as on March 31, 2022	2,099.70	90.00
Net increase/(decrease)	(2,099.70)	1,360.87
Balance as on March 31, 2023	**-**	**1,450.87**

Note: Decrease in contract assets is primarily due to lower revenue recognition as compared to progress billing during the year in certain projects, whereas increase in contract liabilities is due to higher progress billing as compared to revenue recognition during the year in certain other projects.

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

f) Cost to obtain or fulfil the contract:

(i) Amount of amortization recognized in Statement of Profit and Loss during the year : Nil (March 31, 2022: Nil)

(ii) Amount recognized as contract assets in relation to cost incurred for obtaining contract as at March 31, 2023 : Nil (March 31, 2022: Nil)

g) In the normal course of business, the payment terms given to majority of the customers ranges from 30 to 60 days.

46. CODE ON SOCIAL SECURITY, 2020

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period in which the Code becomes effective.

47. INVESTMENT IN JOINT VENTURES

(All amounts in Lakhs, unless otherwise stated)

Name of the joint venture	Location	Ownership interest	Activity commenced from
Zuberi Asian Joint Venture ('ZA JV')	India	49.00%	May 04, 2022
AESL FFIL Joint Venture ('AF JV')	India	49.00%	October 20, 2022

Both the above joint ventures are engaged in the business of providing engineering, procurement and construction services, and related services. It has been established as a separate entity (Association of Persons) and the Company has a proportionate residual interest in the net assets of the joint ventures. The Company is not required to have any investment in these entities as per the joint venture agreement. The summarised financial information of the joint ventures is given below:

(All amounts in Lakhs, unless otherwise stated)

Particulars	ZA JV March 31, 2023	AF JV March 31, 2022
Total assets	1,040.97	2.07
Total equity	54.70	-
Total liabilities	986.27	2.07
Total revenue	2,995.71	-
Profit before tax for the period	217.01	-
Profit after tax for the period	123.77	-
Dividends received by the Company	-	-

Note: As the activities of both the joint ventures commenced during the current year, figures for previous year are Nil and are not presented separately above.

48. OTHER STATUTORY INFORMATION AS PER SCHEDULE III TO THE ACT

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with Companies whose name has been struck off from the register of Companies.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with registrar of Companies beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual currency during the year.

(v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

(vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) The Company has complied with number of layers prescribed under section 2(87) of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

These are the summary of significant accounting policies and other explanatory information referred to in our report of even date.

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

Rakesh R. Agarwal
Partner
Membership No.: 109632

Place: Mumbai
Date: May 24, 2023

For and on behalf of the Board of Directors

Ashutosh Kumar
Whole Time Director & Chief Executive Officer
(DIN-06918508)

Nayan Mani Borah
Chairman
(DIN-00489006)

Shweta Jain
Company Secretary
(ACS- 23368)

Nirav Talati
Chief Financial Officer

Place : Mumbai
Date: May 24, 2023

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ASIAN ENERGY SERVICES LIMITED

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

1. We have audited the accompanying consolidated financial statements of **Asian Energy Services Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its joint ventures, as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at **March 31, 2023**, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and joint ventures except for the possible effects of the matters described in the Basis for Qualified Opinion Section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('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 of the consolidated state of affairs of the Group and its joint ventures, as at March 31, 2023, and their consolidated loss (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Qualified Opinion

3. With respect to the matters stated in Note 42(i) and Note 42(ii) to the accompanying consolidated financial statements, following qualifications have been included in the auditor's report dated May 09, 2023 on the annual financial statements of Asian Oilfield & Energy Services DMCC ('ADMCC'), a wholly owned subsidiary of the Holding Company, audited by an independent firm registered in Dubai, United Arab Emirates and reproduced by us as under:

a. "The Company's only customer M/s Amni 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 03, 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 07, 2021 to amicably solve the matter. Such suspension of termination, after multiple extensions had been extended only till May 31, 2022. Therefore, the suspension of termination period had expired on May 31, 2022.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 USD 4,653,712/- remains unconfirmed as on reporting date. However management has represented that the same are recoverable & reserve for impairment of accounts receivable of USD 500,000/- is sufficient to cover for doubtful debts, if any. The account receivable of USD 4,653,712/- will get reduced by USD 2,577,744/- on account of novation of one of the subcontractor, whereas novation terms have been agreed and waiting for execution and conclusion of novation deed."

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

b. "Property, plant & equipment lying in Nigeria, of carrying value USD 778,354/- are stated at cost has not been physically verified and has not been tested for impairment."

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

INDEPENDENT AUDITOR'S REPORT (Contd.)

4. 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 Consolidated Financial Statements section of our report. We are independent of the Group and its joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 16 of the Other Matter section below, is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matter

5. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and joint ventures, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
6. In addition to the matters described in the Basis for Qualified Opinion Section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition by the Holding Company Revenue for the Holding Company consists primarily of Oilfield and related services provided in the Energy sector and is recognized in accordance with the accounting policy described in Note 1(e) to the accompanying consolidated financial statements. Refer Note 23 and Note 45 to the accompanying consolidated financial statements for details of revenue recognized during the year. Ind AS 115, Revenue from Contracts with Customers, ('Ind AS 115') requires management to make certain key judgments relating to identifying contracts with customers, performance obligations involved in contracts and revisions thereto, determining transaction price which involves variable consideration elements including estimation of levy of liquidated damages or penalty or warranty claims by its customers, allocation of the transaction price to such performance obligations and satisfaction of performance obligations. The Holding Company recognizes revenue from 2D / 3D seismic survey (including data capturing and installing vibrator points) and operations & maintenance service on offshore platform upon imparting of services and revenue from engineering and construction services is recognized over time when the performance obligations are satisfied, which is determined in accordance with the arrangement with the customers. We have identified recognition of revenue as key audit matter since: 1) Significance of management judgement and estimate involved as mentioned above, and the materiality of amounts involved, and 2) Significant auditor attention required to audit revenue recorded during the year which has been identified as a significant risk as per the requirements of Standards of Auditing.	Our audit procedures around revenue recognition included, but were not restricted to, the following: a) Obtained the understanding of the revenue and receivable business process and assessed the appropriateness of the accounting policy adopted by the Holding Company for revenue recognition in accordance with Ind AS 115. b) Evaluated the design and implementation, and tested the operating effectiveness of the key internal controls around revenue recognition including controls around contract approvals, invoice approval, determining the amount of variable consideration and recording of receipt. c) Performed substantive testing by selecting a sample of continuing and new contracts entered with customers during the year and performed following procedures: i. Analyzed the contracts and identified distinct performance obligations in such contracts. ii. Compared these performance obligations with those identified and recorded by the Holding Company. iii. Considered the terms of the contracts to determine the transaction price and any variable consideration elements including levy of liquidated damages and, penalty and warranty claims. d) Reviewed the allowance/ provision for expected liquidated damages, penalty and warranty obligation, created by the management on the invoicing done for the various projects from time-to-time, where contract milestones were not met. e) Where projects are sub-contracted, reviewed the terms of agreement between the Holding Company and its sub- contractor to support management's assessment in applicable cases that liquidated damages and penalty, if any charged, would be recoverable from such sub-contractor in case of any delay to the extent of work subcontracted. f) Performed test of details on a sample of revenue transactions recorded during the year, including specific periods before and after the year-end. For the samples selected, inspected supporting documents, including contracts and related amendments for revisions to performance obligations or price terms, daily progress reports, and invoices to ensure that the correct amount of revenue is recorded in the correct period. g) Evaluated the appropriateness and adequacy of the disclosures made in the consolidated financial statements for revenue recorded during the year

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

7. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis Report and Director's Report, but does not include the consolidated financial statements and our auditor's report thereon. The Management Discussion and Analysis Report and Director's Report are expected to be made available to us after the date of this auditor's report.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   When we read the Management Discussion and Analysis Report and Director's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its joint ventures 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. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors/ management of the companies included in the Group covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds

INDEPENDENT AUDITOR'S REPORT (Contd.)

and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

9. In preparing the consolidated financial statements, the respective Board of Directors/ management of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures 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 intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

10. The respective Board of Directors/ management are also responsible for overseeing the financial reporting process of the companies included in the Group and of its joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of 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 ability of the Group and its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

- Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities or business activities

INDEPENDENT AUDITOR'S REPORT (Contd.)

within the Group, and its joint ventures, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, 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.

13. 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.

14. 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.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

16. We did not audit the annual financial statements / financial information of five (5) subsidiaries, whose financial statements/ financial information (before eliminating inter-company transactions and balances) reflects total assets of 5,872.89 Lakhs and net assets of (1,398.26) Lakhs as at March 31, 2023, total revenues of 98.17 Lakhs and net cash outflows amounting to 52.33 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of 61.10 Lakhs for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of two (2) joint ventures, whose annual financial statements / financial information have not been audited by us. These annual financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries and joint ventures, are based solely on the reports of the other auditors.

Further, of these subsidiaries, three (3) subsidiaries are located outside India whose annual financial statements/ financial information 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 on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of such subsidiaries located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 16 above, on separate financial statements of the subsidiaries, we report that the Holding Company, incorporated in

INDEPENDENT AUDITOR'S REPORT (Contd.)

India whose financial statements have been audited under the Act has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that one (1) subsidiary company incorporated in India whose financial statements have been audited under the Act has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary company. Further, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to five (5) subsidiary companies and two (2) joint ventures since none of such entities is a public company as defined under section 2(71) of the Act.

18. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 16 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.

19. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:

   a) We have sought and except for the matters described in the Basis for Qualified Opinion Section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the possible effects of the matters described in paragraph 3(a) and paragraph 3(b) of the Basis for Qualified Opinion Section with respect to the financial statements of ADMCC, a subsidiary of the Holding Company;

   c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

   d) Except for the possible effects of the matters described in the Basis for Qualified Opinion Section, in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

   e) The matters described in paragraph 3(a) and 3(b) of the Basis for Qualified Opinion Section in our opinion, may have an adverse effect on the functioning of ADMCC, a subsidiary Company;

   f) On the basis of the written representations received from the directors of the Holding Company and its subsidiary companies and taken on record by the Board of Directors of the Holding Company and its subsidiary companies, and the reports of the statutory auditors of its subsidiary companies covered under the Act, none of the directors of the Group companies covered under the Act are disqualified as on March 31, 2023 from being appointed as a director in terms of section 164(2) of the Act.

   g) The qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 3(a) and 3(b) of the Basis for Qualified Opinion Section with respect to ADMCC, a subsidiary of the Holding Company;

   h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure 2' wherein we have expressed an unmodified opinion; and

   i) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the

INDEPENDENT AUDITOR'S REPORT (Contd.)

reports of the other auditors on separate financial statements and other financial information of the subsidiaries incorporated in India whose financial statements have been audited under the Act:

i. Except for the possible effects of the matters described in paragraph 3(a) and 3(b) of the Basis for Qualified Opinion Section, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as at March 31, 2023, as detailed in Note 32 to the consolidated financial statements;

ii. The Holding Company and its subsidiary companies covered under the Act did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2023;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies covered under the Act, during the year ended March 31, 2023.

iv (a). The respective managements of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief as disclosed in Note 48(iv) to the accompanying consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any such subsidiary companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

iv (b). The respective managements of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief as disclosed in the Note 48(v) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any such subsidiary companies shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

iv (c). Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Holding Company and its subsidiary companies have not declared or paid any dividend during the year ended March 31, 2023.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all

INDEPENDENT AUDITOR'S REPORT (Contd.)

companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on April 01, 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

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

Rakesh R. Agarwal
Partner
Membership No.: 109632
UDIN: 23109632BGXEAY2763
Place: Mumbai
Date: May 24, 2023

ANNEXURE 1

List of subsidiaries included in the consolidated financial statements

1. Asian Oilfield & Energy Services DMCC
2. AOSL Petroleum Pte Limited
3. AOSL Energy Services Limited
4. Optimum Oil & Gas Private Limited
5. Cure Multitrade Private Limited (from October 03, 2022)
6. Ivorene Oil Services Nigeria Limited (from October 03, 2022)

List of joint ventures included in the consolidated financial statements

1. Zuberi - Asian Joint Venture (from May 04, 2022)
2. AESL FFIL Joint Venture (from October 20, 2022)

ANNEXURE 2

Annexure 2 to the Independent auditor's report of even date to the members of Asian energy Services limited on the consolidated financial statements for the year ended 31 march 2023

1. In conjunction with our audit of the consolidated financial statements of **Asian Energy Services Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its joint ventures, as at and for the year ended **March 31, 2023,** we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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

3. Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or

ANNEXURE 2

Annexure 2 to the Independent auditor's report of even date to the members of Asian energy Services limited on the consolidated financial statements for the year ended 31 march 2023

disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion and based on the consideration of the report of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to consolidated financial statements and such controls were operating effectively as at March 31, 2023, based on the internal financial controls with reference to financial statements criteria established by the Holding Company and its subsidiary companies, as aforesaid, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

9. We did not audit the internal financial controls with reference to financial statements in so far as it relates to two (2) subsidiary companies, which are companies covered under the Act, whose financial statements (before eliminating inter-company transactions and balances) reflect total assets of 907.98 lakhs and net assets of 3.87 lakhs as at March 31, 2023, total revenues of 24.50 lakhs and net cash flows amounting to 15.60 lakhs for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies, have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

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

Rakesh R. Agarwal
Partner
Membership No.: 109632
UDIN: 23109632BGXEAY2763
Place: Mumbai
Date: May 24, 2023

Consolidated Balance Sheet

as at March 31, 2023

(All amounts in Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3A	9,268.26	11,043.18
Intangible assets	3B	6.67	68.37
Right of use asset	3C	299.13	86.61
Investment in joint ventures accounted for using equity method	4A	61.10	-
Financial assets			
Investments	4B	623.42	610.00
Other financial assets	6	1,143.29	463.85
Income tax assets (net)	7	287.08	291.26
Deferred tax assets (net)	7	-	-
Other non-current assets	8	253.00	234.07
		11,941.95	**12,797.34**
Current assets			
Financial assets			
Current investments	8A	1,314.93	-
Trade receivables	9	10,672.56	11,133.31
Cash and cash equivalents	10	1,726.65	2,795.48
Bank balances other than above	11	964.98	2,226.55
Loans	5	916.43	200.64
Other financial assets	6	260.87	901.90
Unbilled work in progress (contract assets)	12	-	2,157.44
Other current assets	13	1,873.51	1,608.10
		17,729.93	**21,023.42**
Total assets		**29,671.88**	**33,820.76**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	3,769.37	3,769.37
Other equity		16,175.88	20,406.90
Equity attributable to the owners of the Holding Company		19,945.25	24,176.27
Non-controlling interest	47	2.09	-
		19,947.34	**24,176.27**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	15	259.47	252.20
Lease liabilities	16	104.29	15.50
Other financial liabilities	17	-	11.20
Provisions	19	35.77	60.20
Deferred tax liabilities (net)	20	-	16.92
Other non-current liabilities	18	101.99	90.00
		501.52	**446.02**
Current liabilities			
Financial liabilities			
Borrowings	15	1,654.38	480.86
Lease liabilities	16	96.81	59.00
Trade payables	21		
- total outstanding dues of micro and small enterprises		397.00	487.93
- total outstanding dues of trade payables other than micro and small enterprises		4,009.88	6,650.87
Other financial liabilities	17	195.63	100.00
Provisions	19	120.24	128.19
Current tax liabilities	22	1,339.26	1,215.64
Other current liabilities	18	1,409.82	75.98
		9,223.02	**9,198.47**
Total equity and liabilities		**29,671.88**	**33,820.76**

The accompanying notes and other explanatory information forms an integral part of these Consolidated Financial Statements.

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

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

Rakesh R. Agarwal
Partner
Membership No.: 109632

Place: Mumbai
Date: May 24, 2023

For and on behalf of the Board of Directors

Ashutosh Kumar
Whole Time Director & Chief Executive Officer
(DIN-06918508)

Nayan Mani Borah
Chairman
(DIN-00489006)

Shweta Jain
Company Secretary
(ACS- 23368)

Nirav Talati
Chief Financial Officer

Place : Mumbai
Date: May 24, 2023

Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

(All amounts in Lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
INCOME :			
Revenue from operations	23	10,995.14	26,047.11
Other income	24	409.69	282.84
Total income		**11,404.83**	**26,329.95**
EXPENSES :			
Project related expense	25	8,122.17	15,254.59
Employee benefits expense	26	2,859.33	2,187.15
Finance costs	27	246.36	80.92
Depreciation and amortization expense	28	2,197.04	2,768.81
Other expenses	29	1,890.63	1,971.41
Total expenses		**15,315.53**	**22,262.88**
Profit/ (loss) before share of profit/ (loss) from joint ventures, exceptional item and tax		**(3,910.70)**	**4,067.07**
Share of profit from joint ventures		61.10	-
Profit/(loss) before exceptional item and tax		**(3,849.60)**	**4,067.07**
Exceptional items - loss	30	(606.85)	-
Profit/ (loss) before tax		**(4,456.45)**	**4,067.07**
Tax expense			
(a) Current tax :-			
- Current year	7.2	4.69	331.12
- Earlier year	7.2	-	(162.08)
(b) Deferred tax charge/ (credit)	20	(16.92)	16.92
Total tax expense (a+b)		**(12.23)**	**185.96**
Net profit/ (loss) for the year (A)		**(4,444.22)**	**3,881.11**
Other comprehensive income			
Items not to be re-classified subsequently to statement of profit and loss			
(a) Items not to be re-classified subsequently to statement profit and loss (net of tax):			
- Gain/ (loss) on fair value of defined benefit plans		59.74	(32.83)
- Changes in fair value of investments through other comprehensive income		23.42	-
(b) Items to be re-classified subsequently to statement of profit and loss (net of tax):			
- Exchange differences on translation of financial statements of foreign operations		118.30	108.36
Other comprehensive income for the year, net of tax (B)		**201.46**	**75.53**
Total comprehensive income/ (loss) for the year, net of tax (A+B)		**(4,242.76)**	**3,956.64**
Net profit/ (loss) for the year attributable to:-			
(a) Owners of the Holding Company		(4,435.70)	3,881.11
(b) Non-controlling interest		(8.52)	-
Other comprehensive income/(loss) attributable to:			
(a) Owners of the Holding Company		201.46	75.53
(b) Non-controlling interest		-	-
Total comprehensive income/ (loss) attributable to			
(a) Owners of the Holding Company		(4,234.24)	3,956.64
(b) Non-controlling interest		(8.52)	-
Earnings/ (loss) per equity share of face value of ₹ 10 each	31		
Basic (in ₹)		(11.77)	10.25
Diluted (in ₹)		(11.77)	10.25

The accompanying notes and other explanatory information forms an integral part of these Consolidated Financial Statements.

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

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

Rakesh R. Agarwal
Partner
Membership No.: 109632

Place: Mumbai
Date: May 24, 2023

For and on behalf of the Board of Directors

Ashutosh Kumar
Whole Time Director & Chief Executive Officer
(DIN-06918508)

Nayan Mani Borah
Chairman
(DIN-00489006)

Shweta Jain
Company Secretary
(ACS- 23368)

Nirav Talati
Chief Financial Officer

Place : Mumbai
Date: May 24, 2023

Consolidated Statement of Cash Flow
for the year ended March 31, 2023

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit/(loss) before tax		**(4,456.45)**		**4,067.07**
Adjustments for non cash items and items considered separately:				
Depreciation and amortization expense	2,197.04		2,768.81	
Interest expense	93.62		43.80	
Interest income	(348.91)		(263.39)	
Liabilities/provision written back	(99.89)		(73.55)	
Exceptional item	606.85		-	
Share of profit from joint ventures	(61.10)		-	
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	2.20		7.78	
Gain on mutual fund investments	(14.93)		-	
Sundry balances written off	151.44		2.70	
Employee stock option expense	3.23		7.39	
		2,591.47		**2,572.90**
Operating profit/ (loss) before working capital changes		**(1,864.98)**		**6,639.97**
Adjustments for changes in working capital:				
(Increase)/decrease in trade receivables	6.03		1,258.11	
(Increase)/ decrease in other current and other non current assets	(574.71)		71.14	
(Increase)/decrease in other financial assets	(74.44)		-	
(Increase)/decrease in unbilled work in progress (contract assets)	2,097.60		955.85	
(Investment in)/redemption of fixed deposit	1,261.57		(2,111.74)	
Increase/ (Decrease) in trade and other payables	(2,621.63)		(2,081.62)	
Increase/ (Decrease) in provisions	27.36		56.72	
Increase/(Decrease) in other liability	1,425.73		(64.89)	
		1,547.51		**(1,916.43)**
Cash generated from / (used in) operating activities		**(317.47)**		**4,723.54**
Refund/ (payment) of direct taxes (net)		53.33		87.89
Net cash generated from/ (used in) operating activities		**(264.14)**		**4,811.43**
B. CASH FLOW FROM INVESTING ACTIVITIES				
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	-		(2.19)	
Investment in convertible notes	-		(600.00)	
Investment in equity shares	-		(10.00)	
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		-	
Interest income received	179.12		69.41	
Net cash used in investing activities		**(1,917.54)**		**(4,976.63)**

Consolidated Statement of Cash Flow
for the year ended March 31, 2023 (Contd.)

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
C. CASH FLOW FROM FINANCING ACTIVITIES				
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	(92.55)		(110.21)	
Interest paid on borrowings	(79.16)		(29.07)	
Interest paid on lease liabilities	(14.45)		(14.45)	
Net cash generated from financing activities		**994.55**		**578.08**
Net (decrease)/increase in cash and cash equivalents (A+B+C)		**(1,187.13)**		**412.88**
Cash and cash equivalents at the beginning of the year		2,795.48		2,274.24
Effect of foreign exchange difference		118.30		108.36
Cash and cash equivalents at the end of the year (Refer note 10)		**1,726.65**		**2,795.48**

The accompanying notes and other explanatory information forms an integral part of these Consolidated Financial Statements.

This is the Consolidated Statement of Cash Flow referred to in our report of even date.

The accompanying notes and other explanatory information forms an integral part of these Consolidated Financial Statements.

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

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

Rakesh R. Agarwal
Partner
Membership No.: 109632

Place: Mumbai
Date: May 24, 2023

For and on behalf of the Board of Directors

Ashutosh Kumar
Whole Time Director & Chief Executive Officer
(DIN-06918508)

Nayan Mani Borah
Chairman
(DIN-00489006)

Shweta Jain
Company Secretary
(ACS- 23368)

Nirav Talati
Chief Financial Officer

Place : Mumbai
Date: May 24, 2023

Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

A. Equity share capital

(All amounts in Lakhs, unless otherwise stated)

Particulars	Number of shares	Amount
Equity shares (face value of ₹ 10 each) as at April 01, 2021	**37,693,700**	**3,769.37**
Increase/ (decrease) during the year (net)	-	-
Equity shares (face value of ₹ 10 each) as at March 31, 2022	**37,693,700**	**3,769.37**
Increase/ (decrease) during the year (net)	-	-
Equity shares (face value of ₹ 10 each) as at March 31, 2023	**37,693,700**	**3,769.37**

B. Other equity

(All amounts in Lakhs, unless otherwise stated)

Particulars	Reserves and surplus				Other reserves	Total	Non-controlling interest (NCI)
	Capital reserve	Securities premium	Outstanding employee stock options	Retained earnings	Foreign currency translation reserve		
	Equity attributable to the owners of the Holding Company						
As at March 31, 2021	**445.78**	**18,538.47**	**79.23**	**(2,910.84)**	**421.69**	**16,574.33**	**-**
Profit for the year	-	-	-	3,881.11	-	3,881.11	-
Other comprehensive income for the year	-	-	-	(32.83)	-	(32.83)	-
Recognition of share based expenses for the year	-	-	7.39	-	-	7.39	-
Securities premium on shares issued during the year	-	224.13	-	-	-	224.13	-
Securities premium on equity shares held in trust under the ESOP scheme [refer note 14(g)]	-	(355.60)	-	-	-	(355.60)	-
Transfer due to lapse of employee stock options			(86.62)	86.62	-	-	-
Exchange differences on translation of financial statements of foreign operations	-	-	-	-	108.36	108.36	-
As at March 31, 2022	**445.78**	**18,407.00**	**-**	**1,024.06**	**530.05**	**20,406.90**	**-**
Loss for the period	-	-	-	(4,435.70)	-	(4,435.70)	(8.52)
Pre-acquisition profit on acquisition of a subsidiary	-	-	-	-	-	-	10.61
Other comprehensive income for the year	-	-	-	83.16	-	83.15	-
Recognition of share based payment expenses for the year	-	-	3.23	-	-	3.23	-
Share based payments to employees of Parent Company	-	-	3.38	(3.38)	-	-	-
Exchange differences on translation of financial statements of foreign operations	-	-	-	-	118.30	118.30	-
As at March 31, 2023	**445.78**	**18,407.00**	**6.61**	**(3,331.86)**	**648.35**	**16,175.88**	**2.09**

Nature and purpose of reserves

(i) Capital reserve

The Holding Company recognises profit or loss on purchase or cancellation (including forfeiture) of its own equity instruments to capital reserve. It further includes gain from business acquisitions.

Consolidated Statement of Changes in Equity

for the year ended March 31, 2023(Contd.)

(ii) Securities premium

Securities premium reserve is used to record the premium on issue of shares. These reserve is utilized in accordance with the provisions of the Companies Act, 2013. In line with Ind AS 32 - Financial Instruments: Presentation, the shares of the Holding Company held by the Asian Oilfield Services Limited Employees Welfare Trust (ESOP Trust), are deducted from the equity component.

(iii) Outstanding employee stock options

The Holding Company has stock option schemes under which options to subscribe for the Holding Company's shares have been granted to certain employees including key management personnel. This reserve is used to recognise the value of equity-settled share-based payments provided to employees, as part of their remuneration. The unutilized balance at the end of exercise period, is transferred to retained earnings.

(iv) Retained earnings

Retained earnings represents the accumulated profits / losses made by the Group over the years as reduced by dividends or other distributions paid to the shareholders and remeasurement gains/ loss on defined benefit plan.

(v) Foreign currency translation reserve

Foreign currency translation reserve represent the unrealized gains and losses on account of translation of foreign subsidiaries into the presentation currency of the Holding Company.

The accompanying notes and other explanatory information forms an integral part of these Consolidated Financial Statements.

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

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

Rakesh R. Agarwal
Partner
Membership No.: 109632

Place: Mumbai
Date: May 24, 2023

For and on behalf of the Board of Directors

Ashutosh Kumar
Whole Time Director & Chief Executive Officer
(DIN-06918508)

Nayan Mani Borah
Chairman
(DIN-00489006)

Shweta Jain
Company Secretary
(ACS- 23368)

Nirav Talati
Chief Financial Officer

Place : Mumbai
Date: May 24, 2023

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

Corporate information

Asian Energy Services Limited (the "Company" or the "Holding Company" or "AESL") is a Public Limited Company domiciled in India. The Company having CIN L23200MH1992PLC318353, is incorporated under the provisions of the Companies Act applicable in India and is listed on the BSE Limited and National Stock Exchange of India Limited. The Holding Company, together with its subsidiaries (hereafter, the "Group") provide services in the Energy sector such as seismic data acquisition, data analysis, reservoir imaging, project handling, operation and maintenance of production facilities, etc. The registered office of the Holding Company is located at 3rd floor, Omkar Esquare, Chunabhatti Signal, Eastern Express Highway, Sion (E), Mumbai – 400022.

The consolidated financial statements for the year ended March 31, 2023 were approved by the Board of Directors on May 24, 2023.

1) Significant Accounting Policies

a) Basis of Preparation

The consolidated financial statements have been prepared to comply in all material respects with the Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules, 2015, other relevant provisions of the Act, the presentation and disclosures requirement of Division II of Schedule III to the Act (Ind AS compliant Schedule III), and the guidelines issued by Securities Exchange Board of India, as applicable. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities, defined benefit obligations and employee share-based payments, which are measured at fair value.

The consolidated financial statements are presented in Indian Rupee, which is also the Holding Company's functional currency.

b) Principles of consolidation

The consolidated financial statements have been prepared on the following basis:

Subsidiaries

Subsidiaries are the entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date the control ceases. The acquisition method of accounting is used to account for business combination by the Group. The Group combines the separate financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, contingent liability, equity, income and expenses. Intergroup transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interest (NCI)

NCI represents part of the total comprehensive income and net assets of subsidiaries which is not attributable, directly or indirectly, to the Holding Company. NCI are measured initially at their proportionate share of the acquiree's identifiable net assets or fair value at the date of acquisition.

Joint arrangements

As per Ind AS 111 "Joint Arrangements", investment in joint arrangement is classified as either Joint Operation or Joint Venture. The classification depends on the rights and obligations of each investor rather than legal structure of the joint arrangement. The Company classifies its joint arrangements as Joint Ventures. When the Company has joint control with other parties of the arrangement and rights to the net assets of the joint arrangement, it recognizes its interest as joint venture.

Joint ventures

When the Group has, with other parties joint control of the arrangement and right to net assets of the joint arrangement, it recognizes its interest as joint venture. Interests in joint ventures are accounted for using the equity method, after initially being recognized at cost in the consolidated balance sheet.

The results, assets and liabilities of joint venture and associates are incorporated in the consolidated financial statements using equity method of accounting after making necessary adjustments to achieve uniformity in application of accounting policies, wherever applicable. An investment in associate or joint venture is initially recognized at cost and adjusted thereafter to recognize the Group's share of profit or loss and other comprehensive income of the joint venture. The carrying amount of the equity accounted investments are tested for impairment in accordance with the policy.

Equity method

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income ("OCI"). Dividends received or receivable from joint ventures are recognized as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Change in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests or reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity. When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit and loss. The fair value becomes the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in OCI in respect of that entity are reclassified to profit or loss as if the Group had directly disposed of the related assets and liabilities. If the ownership interest in a joint venture is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in OCI are reclassified to profit or loss where appropriate.

Consistency in accounting policy

The financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's separate financial statements in preparing the financial statements to ensure conformity with the Group's accounting policies, wherever necessary and practicable.

Other explanatory notes

Notes to the consolidated financial statements represent notes involving items which are considered material and are accordingly disclosed. Materiality for the purpose is assessed in relation to the information contained in the financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary and/or a Holding Company having no bearing on the true and fair view of the Group's position or results, has not been disclosed in these consolidated financial statements.

c) Operating cycle and current, non-current classification

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the guidance regarding operating cycle stated in the Schedule III to the Act. Operating cycle for the business activities covers the duration of the project/ contract/ service and extends up to the realization of receivables within the credit period normally applicable to the respective project./ contract/ service.

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

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

All other assets are classified as non-current.

A liability is current when:

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

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

  All other liabilities are classified as non-current.

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

d) Foreign currency transactions and balances

Initial Recognition

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of the transaction. However, for practical reasons, the Group uses a monthly average rate if the average rate approximate is the actual rate at the date of the transactions.

Conversion

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Treatment of Exchange Difference

Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities of the Group are recognized as income or expense in the Statement of Profit and Loss. Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currency at year-end exchange rates are recognized in profit or loss.

Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

1. assets and liabilities are translated at the closing rate at the date of the balance sheet
2. income, expenses and cash flow items are translated at average exchange rates for the respective periods; and
3. All resulting exchange differences are recognized in OCI.

When a subsidiary is disposed off, in full or partial, the relevant amount is transferred to the Statement of Profit and Loss. However, when change in the Holding Company's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and borrowings and other financial instrument designated as hedges of such investment, are recognized in OCI and accumulated in the equity (as exchange difference on translation of financial statements of foreign operations) except to the extent that the exchange difference are allocated to NCI. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing exchange rate.

e) Revenue Recognition

Ind AS 115 "Revenue from Contracts with Customers" establishes principles for reporting information about the nature, amount, timing and uncertainty of revenues and cash flows arising from the contracts with the customers.

Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for variable considerations, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for variable considerations are estimated based on accumulated experience and underlying agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

Contracts where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the input method or output method, based on the nature of obligations to be performed. The Group determines the output method on the basis of direct measurements of the value of the goods/ services transferred to the customer till date relative to the value of remaining goods/services promised under the contract. The Group determines the input method on the basis of ratio of costs incurred to date to the total estimated costs at completion of performance obligation. Revenue is recognized when the Group

satisfies performance obligations by transferring the promised services to its customers. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenues in excess of invoicing and conditioned on something other than the passage of time are classified as unbilled work in progress (contract assets) while invoicing in excess of revenues are classified as contract liabilities.

Revenue from providing energy services includes 2D / 3D seismic survey (including data capturing and installing vibrator points), operations & maintenance service on offshore platform in the energy sector. It is recognized on output basis and measured by milestones reached, units delivered, efforts expanded, number of shot points/kilometers covered, etc. as per the terms of contract.

Revenue from engineering and procurement services is recognized over time when the performance obligations are satisfied and where there is no uncertainty as to measurement or collectability of consideration from the customer.

Revenue from consultancy service is based on agreements/ arrangements with the customers and is recognized as and when the service is performed.

Export benefits consist of scrips issued to the Group under the relevant government schemes and are accounted on accrual basis when the conditions precedent are met and there is no significant uncertainty about the collectability.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in statement of profit and loss immediately in the period in which such costs are incurred.

Other operational revenue represents income earned from the activities incidental to the business and is recognized when the performance obligation is satisfied and right to receive the income is established as per the terms of the contract.

Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognized when the right to receive payment has been established, provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

Other non-operating income is recognized as and when due or received, whichever is earlier.

f) Taxes

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

(i) Current income tax:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act/ Rules of the respective jurisdiction. The current tax is calculated using tax rates that have been enacted or substantively enacted, at the end of the reporting period in the countries where the Company and its subsidiaries operate and generate taxable income.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(ii) Deferred tax:

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

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

The Group recognizes deferred tax liability for all taxable temporary differences associated with investments in subsidiaries and associates, except to the extent that both of the following conditions are satisfied:

- When the Group is able to control the timing of the reversal of the temporary difference; and
- It is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax liabilities on undistributed earnings of the Group subsidiaries have not been provided as such

earnings are deemed to be reinvested in the business and the Group is able to control the timing of the reversals of temporary di erences associated with these investments.

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

g) Property, Plant and Equipment

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

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

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except for certain categories of assets of the Holding Company and a subsidiary in respect which life has been assessed internally by management, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. The summary of such assets of a subsidiary is presented below:

Tangible Assets	Useful life
Survey & Communication equipment which includes Radios, GPS, Wireless, WRU'S, Garmin	10 to 15 years
Ground Electronics including Geo-phones, Recording Channels and other related equipment's	10 to 15 years
Portable Drilling Rigs used for shot-hole drilling under seismic data acquisition	5 to 15 years
Oilfield equipment	5 to 9 years
Vehicles	10 years
Office equipment	6 to 16 years

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

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 01, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

h) Intangible assets

Intangible assets such as computer software acquired separately are measured on initial recognition at cost.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

Intangible assets are amortized over their estimated useful life of 6 years on straight line method and is recognized in the statement of profit and loss under the head "Depreciation and Amortization expense". The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

i) Cash and cash equivalents

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

j) Borrowing costs

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

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

k) Impairment of non-financial assets

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses of continuing operations are recognized in the Statement of Profit and Loss.

l) Employee stock option scheme

The Group operates equity-settled share-based remuneration plans for its employees.

All services received in exchange for the grant of any share-based payment are measured at their fair values on the grant date and is recognized as an employee expense, in the profit or loss with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The increase in equity recognized in connection with share-based payment transaction is presented as a separate component in equity. The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest.

Grant date is the date when the Group and employees have shared an understanding of terms and conditions on the arrangement.

All share-based transactions are recognized as an expense in the consolidated statement of profit or loss except when share based transactions are done with the employees of group companies wherein the Company does not receive services. The amount attributable to such transactions are recognized directly within equity. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any adjustment to cumulative share-based compensation resulting from a revision is recognized in the current period. The number of vested options ultimately exercised by holder does not impact the expense recorded in any period. Market conditions are taken into account when estimating the fair value of the equity instruments granted.

Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being recorded as share premium.

The Holding Company has implemented its stock option plan through creation of an Employee Benefit Trust (ESOP Trust). The Holding Company treats ESOP Trust as its extension. The Holding Company has advanced an interest free loan to ESOP Trust who in turn purchase shares of AOSL from the open market, for giving shares to employees. The balance equity shares not exercised and held by the ESOP Trust are disclosed as a reduction from the share capital and securities premium account with an equivalent adjustment to the subscription loan advanced to the ESOP Trust.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

m) Leases

Group as a lessee

The Group had adopted Ind AS 116 with modified retrospective method i.e. no change to prior period financial statements and has applied the standard to contracts or arrangements that were previously identified as leases applying Ind AS 17. At the commencement date of a lease, the Group recognizes a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Right-of-use assets are measured at cost, less any accumulated depreciation, impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized and lease payments made at or before the commencement date. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or a change in the lease term. The Group separately recognizes the interest expense on the lease liability as finance cost and the depreciation expense on the right-of-use asset.

The Group accounts for a lease modification as a separate lease when both of the following conditions are met:

- The modification increases the scope of the lease by adding the right to use one or more underlying assets.
- The consideration for the lease increases commensurate with the standalone price for the increase in scope and any adjustments to that stand-alone price reflect the circumstances of the particular contract.

For a lease modification that fully or partially decreases the scope of the lease, the Group decreases the carrying amount of the right-of-use asset to reflect partial or full termination of the lease. Any difference between those adjustments is recognized in profit or loss at the effective date of the modification.

The Group has elected to use the exemptions proposed by the standard on lease contracts for which the lease terms ends within 12 months as of the date of initial application, and lease contracts for which the underlying asset is of low value. The Group recognizes the lease payments associated with such leases as an expense in the statement of profit and loss.

Group as a lessor

Rental income from operating leases where the Group is a lessor is recognized on a straight line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

n) Financial Instruments

Initial recognition and measurement

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

Financial assets (unless it is a trade receivable without a significant financing component) and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, other than those designated as fair value through profit or loss (FVTPL), are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in statement of profit and loss. A trade receivable without a significant financing component is initially measured at the transaction price.

i. Financial assets

All regular way purchase or sale of financial assets are recognized and derecognized on a trade date basis. Regular way purchase or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

Subsequent measurement

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

a) Financial assets measured at amortized cost

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

c) Financial assets measured at fair value through other comprehensive income (FVTOCI)

Financial assets measured at amortized cost

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the instruments give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

Financial assets measured at FVTOCI

Financial assets are measured at FVTOCI if these financial assets are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets. Financial instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, dividend income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss.

Financial assets measured at FVTPL

Debt instrument

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVTOCI or FVTPL. The Group makes such election on an instrument-by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - the Group has transferred substantially all the risks and rewards of the asset, or
  - the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

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

- Debt instruments measured at amortized cost e.g., loans and bank deposits
- Trade receivables
- Other Financial assets not designated as FVTPL

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

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

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

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

ii. Financial liabilities

Subsequent measurement

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

Financial liabilities at amortized cost

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

Financial liabilities at FVTPL

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

De-recognition

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

iii. Trade receivables

A receivable represents the Group's right to an amount of consideration under the contract with a customer that is unconditional and realizable on the due date (i.e., only the passage of time is required before payment of the consideration is due). Trade receivable without a significant financing component is initially measured at the transaction price.

iv. Trade and other payables

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

v. Offsetting financial instruments

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

o) Provisions

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

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

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

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

p) Contingencies

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

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

q) Employee benefits

Liability on account of short term employee benefits is recognized on an undiscounted and accrual basis during the period when the employee renders service/ vesting period of the benefit.

Defined Contribution Plan

Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare fund and superannuation scheme are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Group's provident fund contribution, in respect of certain employees of the Company and its Indian subsidiaries is made to a government administered fund, and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Group has no further obligations beyond the monthly contributions.

Defined Benefit Plan

Gratuity: The Group's liability towards gratuity is determined using the projected unit credit method which considers each period of service as giving rise to additional unit of benefit entitlement and measures each unit separately to build up the final obligation. The Cost for past services s recognized on a straight line basis over the average period until the amended benefits become vested.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Obligation is measured at the present value of estimated future cash flows using a discount rate that is determined by reference to market yields at the Balance Sheet date on Government bonds where the currency and the terms of Government bonds are consistent with the currency and estimated term of defined benefit obligation.

r) Earnings Per Share

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

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

s) Exceptional items

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

t) Segment reporting

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance of the Group. The Chief Executive Officer and Executive Director(s) are identified as CODM of the Group, who assesses the financial performance and position of the Group and makes strategic decisions.

The CODM reviews revenue and gross profit as the performance indicators and does not review the total assets and liabilities for each reportable segment. The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

that are used in preparation of the Group's consolidated financial statements.

u) Unforeseeable losses

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

v) Key accounting estimates and judgements

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Examples of such estimates include estimation of useful lives of property plant and equipment, employee costs, assessments of recoverable amounts of deferred tax assets, trade receivables and cash generating units, provisions against litigations and contingencies. Estimates and underlying assumptions are reviewed by management at each reporting date. Actual results could differ from these estimates. Any revision of these estimates is recognized prospectively in the current and future periods.

(i) Deferred income taxes

The assessment of the probability of future taxable profit in which deferred tax assets can be utilized is based on the respective entity's latest approved forecast, which is adjusted for significant non-taxable profit and expenses and specific limits to the use of any unused tax loss or credit. The tax rules in the numerous jurisdictions in which the Group operates are also carefully taken into consideration. If a positive forecast of taxable profit indicates the probable use of a deferred tax asset, especially when it can be utilized without a time limit, that deferred tax asset is usually recognized in full.

(ii) Business combinations

The Company uses the acquisition method of accounting to account for business combinations. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date, determining whether control is transferred from one party to another and whether acquisition constitute a business or asset acquisition. Control exists when the Company is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

(iii) Revenue recognition

Contracts with customers often include promises to transfer multiple services to a customer. Determining whether services are considered distinct performance obligations that should be accounted for separately or together requires significant judgment based on nature of the contract, ability of the service to benefit the customer on its own or together with other readily available resources and the ability of the service to be separately identifiable from other promises in the contract. Estimation relating to warranty obligation in the projects undertaken by the Company are determined based on the nature of the contract and future costs to fulfill the obligation under the warranty period.

In contracts, where percentage of completion method is followed for revenue recognition, estimation of total budgeted cost of completion is required to be made. The Group reviews forecasts of total budgeted costs in the scope of work and other payments to the extent that they are probable and they are capable of being measured at the end of each reporting period.

(iv) Useful lives of various assets

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of assets are determined by the management at the time of acquisition of asset and reviewed periodically, including at each financial year. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology

(v) Current income taxes

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

(vi) Expected credit loss

Refer note for Impairment of financial assets mentioned in accounting policy on financial instruments above.

(vii) Accounting for defined benefit plans

In accounting for post-retirement benefits, several statistical and other factors that attempt to anticipate future events are used to calculate plan expenses and liabilities. These factors include expected discount rate assumptions and rate of future compensation increases. To estimate these factors, actuarial consultants also use estimates such as withdrawal, turnover, and mortality rates which require significant judgment. The actuarial assumptions used by the Group may differ materially from actual results in future periods due to changing market and economic conditions, regulatory events, judicial rulings, higher or lower withdrawal rates, or longer or shorter participant life spans.

(viii) Impairment

An impairment loss is recognized for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount to determine the recoverable amount, management estimates expected future cash flows from each asset or cash generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary, and may cause significant adjustments to the Group's assets.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

(ix) Share based payments

Estimating fair value for share-based payment requires determination of the most appropriate valuation model. The estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them.

(x) Fair value of financial instruments

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

2) Accounting pronouncements issued but not yet effective

Ministry of Corporate Affairs (MCA), vide notification dated March 31, 2023 has made the following key amendments to Ind AS which are effective from April 01, 2023:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The amendments define what is 'material accounting policy information' and explain how to identify when accounting policy information is material.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - The amendment clarifies how entities should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption. The amendment requires entities to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented.

Based on preliminary assessment, the Group does not expect these amendments to have any significant impact on the Consolidated Financial Statements.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

NOTE 3A: PROPERTY, PLANT AND EQUIPMENT

Description	Freehold land	Building	Oilfield equipment	Furniture and fixtures	Office equipment	Computer equipment	Vehicles	Vessels	Total
Gross carrying value (at deemed cost)									
As at March 31, 2021	**7.95**	**167.32**	**22,476.68**	**38.06**	**48.31**	**2,601.85**	**480.54**	**3.49**	**25,824.20**
Additions	-	-	466.23	2.52	1.58	25.12	179.94	-	675.39
Disposals	-	-	-	-	-	-	(10.74)	-	(10.74)
Adjustments (foreign exchange difference)	-	-	75.12	-	-	0.01	0.06	-	75.19
As at March 31, 2022	**7.95**	**167.32**	**23,018.03**	**40.58**	**49.89**	**2,626.98**	**649.80**	**3.49**	**26,564.04**
Additions	-	-	4.60	-	-	7.52	117.36	-	129.48
Disposals	-	-	-	-	-	-	-	-	-
Adjustments (foreign exchange difference)	-	-	102.89	-	-	-	-	-	102.89
As at March 31, 2023	**7.95**	**167.32**	**23,125.52**	**40.58**	**49.89**	**2,634.50**	**767.16**	**3.49**	**26,796.41**
Accumulated depreciation									
As at March 31, 2021	-	51.13	10,102.88	37.54	44.94	2,531.17	162.72	2.59	12,932.97
Additions	-	49.72	2,434.90	0.30	2.02	32.54	57.28	0.26	2,577.02
Deductions	-	-	-	-	-	-	(10.68)	-	(10.68)
Adjustments (foreign exchange difference)	-	-	15.56	-	-	-	6.00	-	21.56
As at March 31, 2022	-	100.85	12,553.34	37.84	46.96	2,563.71	215.32	2.84	15,520.86
Additions	-	49.72	1,832.37	0.45	0.88	37.79	70.84	0.26	1,992.31
Deductions	-	-	-	-	-	-	-	-	-
Adjustments (foreign exchange difference)	-	-	14.98	-	-	-	-	-	14.98
As at March 31, 2023	**-**	**150.57**	**14,400.69**	**38.29**	**47.84**	**2,601.50**	**286.16**	**3.10**	**17,528.15**
Net carrying value									
As at March 31, 2022	**7.95**	**66.47**	**10,464.69**	**2.74**	**2.93**	**63.27**	**434.48**	**0.65**	**11,043.18**
As at March 31, 2023	**7.95**	**16.75**	**8,724.83**	**2.29**	**2.05**	**33.00**	**481.00**	**0.39**	**9,268.26**

Notes:

(i) The vehicles purchased through borrowing arrangement are hypothecated towards such borrowings availed by the Holding Company.

NOTE 3B: INTANGIBLE ASSETS

(All amounts in Lakhs, unless otherwise stated)

Description	Computer software's	Total
Gross carrying value (at deemed cost)		
As at March 31, 2021	**467.51**	**467.51**
Additions	0.47	0.47
Adjustments	11.24	11.24
As at March 31, 2022	**479.22**	**479.22**
Additions	-	-
Adjustments	-	-
As at March 31, 2023	**479.22**	**479.22**
Accumulated amortization		
As at March 31, 2021	**338.73**	**338.73**
Amortization	62.60	62.60
Adjustments	9.52	9.52
As at March 31, 2022	410.85	**410.85**
Amortization	64.32	**64.32**
Adjustments	(2.61)	(2.61)
As at March 31, 2023	**472.55**	**472.55**
Net carrying value		
As at March 31, 2022	68.37	68.37
As at March 31, 2023	**6.67**	**6.67**

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

NOTE 3C: RIGHT OF USE ASSETS

(All amounts in Lakhs, unless otherwise stated)

Particulars	Office premise	Total
Gross carrying value:-		
As at March 31, 2021	**417.11**	**417.11**
Additions	79.92	79.92
Disposals/ adjustments	(30.34)	(30.34)
As at March 31, 2022	**466.69**	**466.69**
Additions	352.93	352.93
Disposals/ adjustments	-	-
As at March 31, 2023	**819.62**	**819.62**
Accumulated depreciation:-		
As at March 31, 2021	**250.89**	**250.89**
Additions	129.19	129.19
Deductions/ adjustments	-	-
As at March 31, 2022	**380.08**	**380.08**
Additions	140.41	140.41
Deductions/ adjustments	-	-
As at March 31, 2023	**520.49**	**520.49**
Net carrying value :-		
As at March 31, 2022	**86.61**	**86.61**
As at March 31, 2023	**299.13**	**299.13**

Also refer note 33 for additional details in relation to right of use assets.

4A. INVESTMENT IN JOINT VENTURE ACCOUNTED FOR USING EQUITY METHOD

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current (At cost and unquoted)		
Investments in joint ventures *		
49% Share in profit/(loss) in Zuberi Asian Joint Venture	-	-
49% Share in profit/(loss) in AESL FFIL Joint Venture	-	-
Share in profit from joint ventures		
Zuberi Asian Joint Venture	61.10	-
AESL FFIL Joint Venture	-	-
	61.10	**-**
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	61.10	-
Aggregate amount of impairment allowance in the value of investments	-	-
Investments carried at cost	61.10	-
Investments carried at fair value through other comprehensive income (FVTOCI)	-	-
Investments carried at fair value through profit and loss	-	-

* The Holding Company is not required to have any investment in these entities as per the respective joint venture agreements. Also refer note 46 for additional details.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

4B. NON-CURRENT INVESTMENTS

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Investments in unquoted instruments (carried at FVTOCI):		
Investments in convertible notes of Vaan Electric Moto Private Limited*^	22.50	600.00
	22.50	**600.00**
Investments in unquoted equity shares, fully paid up (carried at FVTOCI)		
21,500 (March 31, 2022: Nil) equity shares of Vaan Electric Moto Private Limited of ₹ 10 each*	600.92	-
1,00,000 (March 31, 2022: 1,00,000) equity shares of Vaan Group and Holding Limited of USD 0.13 each*	10.00	10.00
Less: Impairment allowance on investments in Vaan Group and Holding Limited	(10.00)	-
	600.92	**10.00**
	623.42	**610.00**
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	623.42	610.00
Aggregate amount of impairment allowance in the value of investments	10.00	-
Investments carried at amortized cost	-	-
Investments carried at fair value through other comprehensive income (FVTOCI)	623.42	610.00
Investments carried at fair value through profit and loss	-	-

^ These notes are convertible into fixed number of equity shares as specified in the terms of agreement.

* These are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Company, thus disclosing their fair value change in profit and loss will not reflect the purpose of holding. During the current year, investment in convertible notes amounting to ₹ 578.35 Lakhs have been converted into equity shares.

5: LOANS

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Current (Unsecured, considered good)		
Loans to other party (refer note below)	916.43	200.64
	916.43	**200.64**
Sub-classification of loans (current and non current):-		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	916.43	200.64
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-

Note:

1. Amount for both the reporting years represents loan given to a financial institution for short duration and yield fixed interest rate.
2. There are no loans due from any director or any officer of the Holding Company, either severally or jointly with any other person, or from any firms or private companies in which any director is a partner, a director or a member.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

6: OTHER FINANCIAL ASSETS

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
NON-CURRENT (UNSECURED, CONSIDERED GOOD)		
In fixed deposit - with maturity of more than 12 months	628.95	451.81
Security deposits*	502.40	4.72
Interest accrued on deposits	11.94	7.32
	1,143.29	**463.85**
Current (Unsecured, considered good)		
Interest accrued on fixed deposits	32.42	93.07
Security deposits*	9.73	643.64
Other receivable from related parties (refer note 40)^	218.72	-
Export benefits receivable	-	165.19
	260.87	**901.90**

Note: For details of fixed deposits held as security, refer note 11.

^ Towards reimbursement of expenses and interest on overdue trade receivables.

* Security deposits are interest free non-derivative financial assets carried at amortized cost. These primarily includes deposits given against rented premises.

7. INCOME TAX ASSETS (NET)

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax receivable	287.08	291.26
	287.08	**291.26**

The following table provides the details of income tax assets and liabilities:

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax receivable	287.08	291.26
Current tax liability (refer note 22)	1,339.26	1,215.64
Net balance	**(1,052.18)**	**(924.38)**

7.1 Movement in income tax assets/(liability) for the year is as follows:

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Net income tax assets/ (liability) at the beginning of the year	(924.38)	(739.78)
Income tax (paid)/ refund *	(4.18)	146.52
Income tax expense for current year	(4.69)	(331.12)
Exchange difference adjustment	(118.93)	-
Net income tax assets/ (liability) at the end of the year	**(1,052.18)**	**(924.38)**

** Excludes ₹ 49.15 Lakhs (March 31, 2022: ₹ 58.63 Lakhs) representing refund and interest thereon received by the Group..

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

7.2 Income tax related to items directly recognized in the statement of profit and loss

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Current tax (a)		
-Current year	4.69	331.12
-Earlier year	-	(162.08)
	4.69	**169.04**
Deferred tax (b)		
Origination/ (reversal) of temporary differences	(16.92)	16.92
Total tax expense/ (credit) (a+b)	**(12.23)**	**185.96**

Note 7.3: Reconciliation of tax expense and the profit before tax multiplied by tax rate

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit/ (loss) before tax	(4,456.45)	4,067.07
Applicable tax rate	25.17%	25.17%
Expected income tax expense/ (credit)	(1,121.60)	1,023.60
Expenses not deductible in determining taxable profit	541.88	503.92
Expenses deductible in determining taxable profit	2.85	(539.30)
Income not taxable under Income tax act, 1961	(14.71)	-
Effect of tax pertaining to prior years	-	(162.08)
Losses carried forward/(adjusted) on which deferred tax is not created	596.27	0.30
Effect of concessional tax rate on dividend income	-	(105.68)
Effect of setting off brought forward losses against current year profit	-	(534.80)
Derecognition of previously recognized taxable temporary differences	(16.92)	-
Tax expense/ (credit) for the year	**(12.23)**	**185.96**

Note 7.4: The Group has prudently decided not to recognize deferred tax assets (net of liability) for the current year amounting to ₹ 618.40 Lakhs (March 31, 2022 : Nil).

Note 7.5 : During the year, Group has not surrendered or disclosed any income in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Accordingly, there are no transaction which are not recorded in the books of accounts.

8. OTHER NON-CURRENT ASSETS

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	53.23	34.30
Balance with government authorities	199.77	199.77
	253.00	**234.07**

8A. CURRENT INVESTMENTS

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Unquoted and valued at fair value through profit and loss		
- Units of mutual funds	1,314.93	-
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	1,314.93	-
Aggregate amount of impairment allowance in the value of investments	-	-
Investments carried at amortized cost	-	-
Investments carried at fair value through other comprehensive income (FVTOCI)	-	-
Investments carried at fair value through profit and loss	1,314.93	-

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

9. TRADE RECEIVABLES

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured :		
Considered good		
- Receivable from related party (refer note 40)	3,271.75	1,683.67
- Others	7,400.81	9,449.64
Credit impaired	714.56	259.84
	11,387.12	**11,393.15**
Less: Expected credit loss allowance	(714.56)	(259.84)
	10,672.56	**11,133.31**
Sub-classification of trade receivables		
Considered good - Secured	-	-
Considered good - Unsecured	10,672.56	11,133.31
Significant increase in credit risk	-	-
Credit impaired	714.56	259.84

Note: There are no trade receivables due from any director or any officer of the Company, either severally or jointly with any other person. Trade receivables due from a private company in which director of the Company is a director amounts to ₹ 2,523.52 Lakhs (March 31, 2022: ₹ 1,683.67 Lakhs).

Note 9.1: Movement in expected credit loss allowance:

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning	259.84	179.42
Add: Provision made during the year*	454.72	80.42
Less: Written off during the year	-	-
Balance at the end	**714.56**	**259.84**

* Out of this, ₹ 392.80 Lakhs has been disclosed as an exceptional item for the year ended March 31, 2023 (March 31, 2022: Nil). Refer note 30.

Trade receivables ageing (excluding expected credit loss allowance)

As at March 31, 2023

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 years	
(i) Undisputed trade receivables - considered good*	3,861.27	1,664.80	1,031.09	733.33	3,382.07	-	**10,672.56**
(ii) Undisputed trade receivables - credit impaired	-	26.88	62.98	3.03	428.80	-	**521.69**
(iii) Disputed trade receivables - considered good	-	-	-	-	-	-	**-**
(iv) Disputed trade receivables - credit impaired	-	-	-	-	-	192.87	**192.87**
Total	**3,861.27**	**1,691.68**	**1,094.07**	**736.36**	**3,810.87**	**192.87**	**11,387.12**

* Includes unbilled trade receivables amounting to ₹ 586.75 Lakhs within the category - not due.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

As at March 31, 2022

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 years	
(i) Undisputed trade receivables - considered good*	4,026.49	1,565.21	229.22	-	-	-	**5,820.92**
(ii) Undisputed trade receivables - credit impaired	-	30.97	-	36.00	-	-	**66.97**
(iii) Disputed trade receivables - considered good	-	-	30.41	438.50	4,843.47	-	**5,312.39**
(iv) Disputed trade receivables - credit impaired	-	-	-	-	192.87	-	**192.87**
Total	**4,026.49**	**1,596.18**	**259.63**	**474.50**	**5,036.34**	**-**	**11,393.15**

* Includes unbilled trade receivables amounting to Nil within the category - not due.

10. CASH AND CASH EQUIVALENTS

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks		
In current accounts	1,597.39	885.78
Deposits with original maturity of less than 3 months	106.55	1,891.60
Cash on hand	22.71	18.10
	1,726.65	**2,795.48**

Note: For details of deposits held as security, refer note 11.

11. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
In fixed deposit accounts - with original maturity of more than 3 months less than 12 months*	964.98	2,226.55
	964.98	**2,226.55**
*Fixed deposits (current and non current) held as margin money or collateral against the borrowings, guarantees and other commitment.	1,689.19	1,965.25

12. UNBILLED WORK IN PROGRESS (CONTRACT ASSETS)

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Contract assets (refer note 45)	59.83	2,157.44
Less: Impairment allowance (refer note 30)	(59.83)	-
	-	**2,157.44**

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

13. OTHER CURRENT ASSETS

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with government authorities (net)	721.79	832.41
Prepaid expenses	227.59	518.54
Advance to suppliers		
Unsecured, considered good	919.91	254.88
Unsecured, considered doubtful	154.22	-
Less: Impairment allowance (refer note 30)	(154.22)	-
	919.91	**254.88**
Employee advances		
Unsecured, considered good	4.22	2.27
	1,873.51	**1,608.10**

14. EQUITY SHARE CAPITAL

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Authorised :		
50,000,000 (March 31, 2022: 50,000,000) equity shares ₹ 10 each	5,000.00	5,000.00
(b) Issued		
Equity shares of ₹ 10 each		
38,074,444 (March 31, 2022 : 38,074,444) equity shares ₹ 10 each	3,807.44	3,807.44
(c) Subscribed and fully paid-up		
Equity shares of ₹ 10 each		
38,074,444 (March 31, 2022: 38,074,444) equity shares ₹ 10 each	3,807.44	3,807.44
Less : 380,744 (March 31, 2022 : 380,744) equity shares held in trust for employees under ESOP scheme [refer note (g) below]	(38.07)	(38.07)
	3,769.37	**3,769.37**

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

(All amounts in Lakhs, unless otherwise stated)

Particulars	Number of shares	Amount
Equity shares as at March 31, 2021 (Net off 380,744 equity shares held by ESOP trust)	**37,693,700**	**3,769.37**
Add : Issued by ESOP trust on exercise of stock options	320,186	32.02
Less : Equity shares purchased by ESOP trust vide open market transactions	(320,186)	(32.02)
Movement other than above	-	-
Equity shares as at March 31, 2022	**37,693,700**	**3,769.37**
Movement during the year	-	-
Equity shares as at March 31, 2023	37,693,700	3,769.37

(b) Terms and rights attached to equity shares

The Holding Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The Holding Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except for interim dividend. In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

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

Name of shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares (in Lakhs)	% of holding*	No. of shares (in Lakhs)	% of holding*
Oilmax Energy Private Limited	232.71	61.12%	225.73	59.29%

The above information is furnished as per the shareholders register as at March 31, 2023 and March 31, 2022 respectively.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

(d) Details of equity shares held by the Parent Company

Name of shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares (in Lakhs)	% of holding*	No. of shares (in Lakhs)	% of holding*
Oilmax Energy Private Limited	232.71	61.12%	225.73	59.29%

(e) Details of equity shares held by promoters of the Holding Company

Name of shareholder	As at March 31, 2023		As at March 31, 2022		% change during the year ended March 31, 2023^	% change in the year
	No. of shares (in Lakhs)	% of holding*	No. of shares (in Lakhs)	% of holding*		
Oilmax Energy Private Limited	232.71	61.12%	225.73	59.29%	3.09%	-
Ritu Garg	1.25	0.33%	1.25	0.33%	-	-

* Computed excluding the equity shares held in trust for the employees under the ESOP scheme.

^ There is a change in the percentage holding as additional shares were purchased vide open market transaction during the year.

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

(g) Employee Stock Option Plan

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance stock options - available with ESOP Trust towards ESOP scheme 2021 (refer note below)	380,744	380,744

Notes:

(i) The balance unexercised equity shares held by the ESOP Trust at the end of the year had been reduced against the share capital as if the trust is administered by the Holding Company itself. The securities premium related to the unexercised equity shares held by the trust at the close of the year amounting to ₹ 355.60 Lakhs (March 31, 2022 : ₹ 355.60 Lakhs) has been reduced from securities premium account and adjusted against the loan outstanding from the ESOP Trust.

(ii) The shareholders of the Holding Company, at their meeting held on September 27, 2021 had approved the "Asian Energy Services Limited - Employee Stock Option Plan – 2021" ("AESL ESOP 2021") authorising grant of not exceeding 380,744 stock options to the eligible employees. During the current year, the Holding Company has granted 380,000 (March 31, 2022 : Nil) employee stock options to the eligible employees including that of group company pursuant to such scheme.

(iii) During the current year, no stock options were exercised (March 31, 2022: 320,186 stock options).

(iv) During the current year, no equity shares of the Holding Company were purchased by the ESOP trust vide open market transactions (March 31, 2022: 320,186 equity shares).

15. BORROWINGS

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current - at amortized cost		
Secured		
Vehicle loan (Refer note (a) below)	355.61	331.89
Less: Current maturities of long-term borrowings	(96.14)	(79.69)
	259.47	**252.20**

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Current - at amortized cost		
Secured		
Working capital loan from bank (Refer note (b) below)	1,557.14	401.17
Current maturities of long term borrowings	96.14	79.69
Unsecured and interest free		
Others (Refer note (c) below)	1.10	-
	1,654.38	**480.86**

(a) Nature of security and terms of repayment of long term borrowings

The Holding Company has availed vehicle loans. Interest rate charged is fixed at 9.90% p.a. for all loans except one loan which is at fixed rate of 10% p.a. The vehicles financed through such borrowing are forming part of the property, plant and equipment and have been hypothecated for the said borrowings. The borrowings will be repaid by the Holding Company in equal predetermined instalments over a period of 48 months from the borrowing origination date.

(b) Working capital facilities from bank:

(i) Working capital loan is secured by way of lien on certain fixed deposits and counter indemnity, hypothecation of stock and book debts of the Holding Company. The facility is also secured by way of personal security of Kapil Garg (Director), Ritu Garg (Promoter) and Aman Garg (relative of promoter and director). The interest rate applicable to the facility is computed using 1 year MCLR plus spread (11.05 % p.a. as at March 31, 2023). This loan is repayable on demand. Further, Oilmax Energy Private Limited has also provided corporate guarantee to the Bankers towards such working capital facilities.

(ii) The quarterly returns/statements of current assets filed by the Holding Company with bank is in agreement with the books of accounts for all the quarters in which such returns/statements were required to be filed by the Holding Company except for following instances:

Name of the bank	Nature of current assets offered as security	Quarter ended	Amount disclosed as per return	Amount as per books of accounts	Difference	Reason
Union Bank of India	Lien on fixed deposits and counter indemnity, hypothecation of stock and book debts	December 2022	6,773.93	7,656.47	(882.54)	The difference is due to sub-missions being made basis provisional financial information.
Union Bank of India	Lien on fixed deposits and counter indemnity, hypothecation of stock and book debts	March 2023	6,614.02	6,558.66	55.36	

Note: Apart from Holding Company, none of the entities within the Group have taken borrowings from banks/financial institution and hence they not required to file any quarterly returns/ statements.

(c) Represents loan taken by a subsidiary from its Director. The same is interest free and repayable on demand.

(d) The Group has utilized the borrowings for the specific purpose for which it was obtained.

(e) The Holding Company or any other entity in the Group is not declared wilful defaulter by any bank or financial institution or lender during the year and it has complied with the applicable debt covenants, prescribed in the terms of borrowing.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

(f) Net debt reconciliation:

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents	1,726.65	2,795.48
Current borrowings	(1,558.24)	(401.17)
Non-current borrowings (including current maturities)	(355.61)	(331.89)
Excess liquidity/ (net debt)	**(187.20)**	**2,062.42**

Particulars	Cash and cash equivalents	Non-current borrowings (including current maturities)	Current borrowings	Total
Net debt as at March 31, 2021	**2,274.24**	**(247.87)**	**-**	**2,026.37**
Cash flow (net)	412.88	-	-	412.88
Borrowings taken	-	(125.00)	(800.00)	(925.00)
Borrowings repaid	-	40.47	400.00	440.47
Interest expense	-	(32.03)	(1.52)	(33.55)
Interest paid	-	28.72	0.35	29.07
Effect of other adjustments including foreign exchange difference	108.36	3.82	-	112.18
Excess liquidity/ (net debt) as at March 31, 2022	**2,795.48**	**(331.89)**	**(401.17)**	**2,062.42**
Cash flow (net)	(1,187.13)	-	-	(1,187.13)
Borrowings taken	-	(80.00)	(13,970.85)	(14,050.85)
Borrowings repaid	-	55.26	12,814.88	12,870.14
Interest expense	-	(36.40)	(42.76)	(79.16)
Interest paid	-	36.40	42.76	79.16
Effect of other adjustments including foreign exchange difference	118.30	1.02	(1.10)	118.22
Excess liquidity/ (net debt) as at March 31, 2023	**1,726.65**	**(355.61)**	**(1,558.24)**	**(187.20)**

16. LEASE LIABILITIES

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Lease liabilities (refer note 33)	104.29	15.50
	104.29	**15.50**
Current		
Lease liabilities (refer note 33)	96.81	59.00
	96.81	**59.00**

17. OTHER FINANCIAL LIABILITIES

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Employee related payables	-	11.20
	-	**11.20**
Current		
Security deposit	19.62	19.62
Retention money payable	-	50.00
Employee related payables	176.01	30.38
	195.63	**100.00**

Note: There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group during the reporting periods.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

18. OTHER LIABILITIES

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Contract liability - revenue received in advance (refer note 45)	101.99	90.00
	101.99	**90.00**
Current		
Contract liability - revenue received in advance (refer note 45)	819.92	-
Advances from customer - revenue received in advance (refer note 45)	528.95	-
Statutory dues payable	60.95	75.98
	1,409.82	**75.98**

19. PROVISIONS

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Provision for employee benefits - Gratuity (refer note 37)	35.77	60.20
	35.77	**60.20**
Current		
Provision for settlement of litigation*	118.22	110.86
Provision for employee benefits - Gratuity (refer note 37)	2.02	17.33
	120.24	**128.19**

* Represents provision created towards dispute with a former employee in a subsidiary. The movement for both the reporting period is on account of exchange rate differences..

20. DEFERRED TAX LIABILITIES (NET)

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax liabilities (net)	-	16.92
	-	**16.92**

Note: Refer note 7.4 for disclosure of unrecognized deferred tax assets (net).

Movement during the year ended March 31, 2023

Particulars	As at March 31, 2022	Credit in the Statement of Profit and Loss	Credit/(charge) in Other Comprehensive income	As at March 31, 2023
(i) Deferred tax assets:				
Employee benefits	13.43	(13.43)		
Allowance for expected credit loss	20.10	(20.10)		
Impact of right of use asset and lease liabilities	151.56	(151.56)		
Total deferred tax assets	**185.09**	**(185.09)**		
(ii) Deferred tax liabilities:				
Depreciation on property, plant and equipment and intangible assets	202.01	(202.01)		
Total deferred tax liabilities	**202.01**	**(202.01)**		
Deferred tax liabilities (net) (ii) - (i)	**16.92**	**(16.92)**		

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

Movement during the year ended March 31, 2022

Particulars	As at March 31, 2021	Credit in the Statement of Profit and Loss	Credit/(charge) in Other Comprehensive income	As at March 31, 2022
(i) Deferred tax assets:				
Employee benefits	-	13.43	-	13.43
Allowance for expected credit loss	-	20.10	-	20.10
Impact of right of use asset and lease liabilities	-	151.56	-	151.56
Total deferred tax assets	**-**	**185.09**	**-**	**185.09**
(ii) Deferred tax liabilities:				
Depreciation on property, plant and equipment and intangible assets	-	202.01	-	202.01
Total deferred tax liabilities	**-**	**202.01**	**-**	**202.01**
Deferred tax liabilities (net) (ii) - (i)	**-**	**16.92**	**-**	**16.92**

21. TRADE PAYABLES

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro and small enterprises	397.00	487.93
	397.00	**487.93**
Total outstanding dues of trade payables other than micro and small enterprises	4,009.88	6,650.87
	4,009.88	**6,650.87**
Total trade payables	**4,406.88**	**7,138.80**

As at March 31, 2023

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 years	
(i) Undisputed dues - MSME	103.80	286.40	6.80	-	-	397.00
(ii) Undisputed dues - Others*	1,227.11	156.05	23.16	1,925.57	677.99	4,009.88
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**1,330.91**	**442.45**	**29.96**	**1,925.57**	**677.99**	**4,406.88**

* Includes unbilled trade payables of ₹ 930.42 Lakhs in the category - not due.

As at March 31, 2022

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 years	
(i) Undisputed dues - MSME	104.37	383.56	-	-	-	**487.93**
(ii) Undisputed dues - Others*	2,038.50	523.22	2,500.88	1,576.90	11.37	**6,650.87**
(iii) Disputed dues - MSME	-	-	-	-	-	**-**
(iv) Disputed dues - Others	-	-	-	-	-	**-**
Total	**2,142.87**	**906.78**	**2,500.88**	**1,576.90**	**11.37**	**7,138.80**

* Includes unbilled trade payables of ₹ 604.14 Lakhs in the category - not due.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

22. CURRENT TAX LIABILITIES

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Current tax payable	1,339.26	1,215.64
	1,339.26	**1,215.64**

23. REVENUE FROM OPERATIONS

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sale of service :		
Revenue from energy services	10,895.25	24,977.42
Revenue from consultancy service	-	780.60
Other operating income :		
Export incentives	-	206.60
Liabilities/provision written back	99.89	73.45
Scrap sales	-	9.04
	10,995.14	**26,047.11**

Note: For disclosures as per Ind AS 115, refer note 45.

24. OTHER INCOME

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest income on financial assets measured at amortized cost	221.64	154.27
Interest income on income tax refund	49.16	109.13
Interest income on overdue trade receivables (refer note 40)	77.81	-
Gain on mutual fund investments	14.93	-
Profit on sale of property, plant and equipment (net)	-	1.06
Miscellaneous income	46.15	18.38
	409.69	**282.84**

25. PROJECT RELATED EXPENSES

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2023
Sub-contracting charges	2,477.17	7,436.22
Stores and consumables	2,468.24	2,332.84
Camp establishment and maintenance	174.82	271.46
Machinery hire charges (refer note 33)	16.92	64.88
Vehicle hire charges (refer note 33)	890.60	775.51
Fuel rig expenses	84.84	511.47
Labour charges	441.01	2,110.24
Freight expenses	87.18	197.17
Power and fuel	48.44	34.26
License expenses	21.13	74.82
Repairs and maintenance		
- plant and machinery	301.10	78.87
Technical consultancy charges	995.77	826.52
Other operational expenses	114.95	540.33
	8,122.17	**15,254.59**

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

26. EMPLOYEE BENEFITS EXPENSE

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus (including managerial remuneration)	2,659.49	1,792.54
Contribution to provident and other funds [refer note 37.2.(ii)]	132.76	142.92
Gratuity expense [refer note 37.2.(i)]	21.14	20.52
Share based payment expenses [refer note 37.2.(iii)]	3.23	7.39
Staff welfare expenses	42.71	223.78
	2,859.33	**2,187.15**

27. FINANCE COSTS

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense on:		
- borrowings carried at amortized cost	79.16	33.55
- delayed payment of statutory dues	5.36	0.30
- lease liabilities (refer note 33)	14.45	9.96
- delayed payment to micro, small and medium enterprises vendors	1.60	-
Bank charges*	145.79	37.11
	246.36	**80.92**

* primarily includes guarantee commission and other charges.

28. DEPRECIATION AND AMORTIZATION EXPENSE

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on property, plant and equipment (refer note 3A)	1,992.31	2,577.02
Amortization on intangible assets (refer note 3B)	64.32	62.60
Depreciation on right of use assets (refer note 3C)	140.41	129.19
	2,197.04	**2,768.81**

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

29. OTHER EXPENSES

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Advertisement and business promotion expenses	55.68	93.64
Rent (refer note 33)	131.65	137.85
Rates and taxes	32.67	15.69
Travelling and conveyance	290.13	320.91
Printing and stationery	17.44	15.45
Membership and subscription charges	1.58	4.43
Telephone and internet expenses	11.48	10.80
Insurance	66.35	66.25
Security expenses	54.91	55.42
Legal and professional charges	781.60	841.78
Directors sitting fees (refer note 40)	8.35	9.40
Repairs and maintenance:		
- building	10.65	47.36
- others	16.82	52.39
Provision for doubtful debts (refer note 9.1)	61.92	80.42
Net loss on foreign currency transactions	8.51	48.31
Corporate social responsibility expenses	60.72	19.04
Miscellaneous expenses	280.17	152.27
	1,890.63	**1,971.41**

30. EXCEPTIONAL ITEMS

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Impairment of trade receivables on account of termination of contract with a customer (refer note 9.1)	392.80	-
Impairment of unbilled work in progress (contract assets) on account of termination of contract with a customer (refer note 12)	59.83	-
Impairment of advances given to suppliers in relation to a contract which has been terminated (refer note 13)	154.22	-
	606.85	**-**

31. EARNINGS PER SHARE (EPS)

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit/ (loss) attributable to equity holders for basic and diluted earnings used as numerator - (A) (in Lakhs)	(4,435.70)	3,881.11
Weighted average number of equity shares outstanding during the year for Basic EPS - (B)	37,693,700	37,849,435
Add: Effect of potential equity shares which are dilutive	-	-
Weighted average number of equity shares outstanding during the year for Diluted EPS - (C)	37,693,700	37,849,435
Basic earnings/ (losses) per share (in ₹) - (A)/(B) (face value ₹ 10 each)	(11.77)	10.25
Diluted earnings/ (losses) per share (in ₹) - (A)/(C) (face value ₹ 10 each)	(11.77)	10.25

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

32. CONTINGENT LIABILITIES

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
1. Claims against the Group not acknowledged as debt:		
(a) Labour law matter*	7.78	7.78
(b) Employee visa guarantee	0.62	0.62
	8.40	**8.40**

* In relation to termination of services of an employee in earlier year.

2. Other monies for which the Group is contingently liable:

The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & Others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Due to numerous interpretation issues relating to the applicability of SC judgement for the past period, if any, the impact is not ascertainable at present and consequently no effect has been given in the consolidated financial statements.

It is not practicable for the Group to estimate the timing of cash outflows, if any, in respect of pending resolution of the above proceedings, as it is determined only on receipt of judgements/decisions pending with various authorities.

33. DISCLOSURES PERTAINING TO IND AS 116 - LEASES

The Group has lease contracts for its office premises. Generally, the Group is restricted from assigning the leased assets. The Group's obligation under its leases are secured by the lessor's title to leased assets.

1. Recognition and derecognition

Right-of-use assets:

(i) The Group has de-recognized right-of-use assets of Nil (March 31, 2022: ₹ 30.34 Lakhs) during the year on account of changes in terms of the lease arrangements.

(ii) The net carrying value of right-of-use assets as at March 31, 2023 amounts to ₹ 299.13 Lakhs (March 31, 2022: ₹ 86.61 Lakhs) and has been disclosed separately in Note 3C to the consolidated financial statements.

Lease liabilities:

(i) The movement in lease liabilities is as follows :

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	74.50	167.94
Add : Addition during the year	218.30	79.92
Add : Interest on lease liabilities	14.45	9.96
Less : Payment of lease liabilities including interest	(107.00)	(124.66)
Add/(less) : Others	0.85	(58.66)
Closing balance	**201.10**	**74.50**
Non-current	104.29	15.50
Current	96.81	59.00

(ii) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023:

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
0-1 year	100.00	66.27
1-5 years	119.00	16.00
5 years and above	-	-
Total	**219.00**	**82.27**

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

2. The Group recognized following expenses in the Statement of Profit and Loss:

(i) Depreciation expense from right-of-use assets of ₹ 140.41 Lakhs (March 31, 2022: ₹ 129.19 Lakhs).

(ii) Interest on lease liabilities of ₹ 14.45 Lakhs (March 31, 2022: ₹ 9.96 Lakhs)

(iii) Expenses amounting to ₹ 1,039.17 Lakhs (March 31, 2022: ₹ 978.24 Lakhs) pertaining to leases of low-value assets and leases with less than twelve months of lease term has been included under machinery hire charges, vehicle hire charges and rent expenses (Refer notes 25 and 29).

3. The total net cash outflow for the payment of lease liability and interest is ₹ 107.00 Lakhs (March 31, 2022: ₹ 124.66 Lakhs).

34. FAIR VALUE MEASUREMENTS

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

Fair value hierarchy

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

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

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

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

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

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

(All amounts in Lakhs, unless otherwise stated)

As at March 31, 2023	Financial instruments by category				Fair value hierarchy
	FVTPL	FVTOCI	Amortized cost	Total Carrying value	
Financial assets					
Investments	-	623.42	-	623.42	
Investments in mutual fund	1,314.93	-	-	1,314.93	Level 1
Trade receivables	-	-	10,672.56	10,672.56	Level 3
Cash and cash equivalents	-	-	1,726.65	1,726.65	
Other bank balances	-	-	964.98	964.98	
Loans	-	-	916.43	916.43	
Other financial assets	-	-	1,404.16	1,404.16	
Total	**1,314.93**	**623.42**	**15,684.78**	**17,623.13**	
Financial liabilities					
Borrowings	-	-	1,913.85	1,913.85	
Trade payables	-	-	4,406.88	4,406.88	
Lease liabilities	-	-	201.10	201.10	
Other financial liabilities	-	-	195.63	195.63	
Total	**-**	**-**	**6,717.46**	**6,717.46**	

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs, unless otherwise stated)

As at March 31, 2022	Financial instruments by category				Total carrying value
	FVTPL	FVTOCI		Amortized cost	
Financial assets					
Investments	-	610.00	-	610.00	Level 3
Investments in mutual funds	-	-	-	-	Level 1
Trade receivables	-	-	11,133.31	11,133.31	
Cash and cash equivalents	-	-	2,795.48	2,795.48	
Other bank balances	-	-	2,226.55	2,226.55	
Loans	-	-	200.64	200.64	
Other financial assets	-	-	1,365.75	1,365.75	
Total financial assets	**-**	**610.00**	**17,721.73**	**18,331.73**	
Financial liabilities					
Borrowings	-	-	733.06	733.06	
Trade payables	-	-	7,138.80	7,138.80	
Lease liabilities	-	-	74.50	74.50	
Other financial liabilities	-	-	111.20	111.20	
Total financial liabilities	**-**	**-**	**8,057.56**	**8,057.56**	

Fair value of financial assets and liabilities measured at amortized cost

The carrying amounts of trade receivable, investment in subsidiaries, cash and cash equivalents, other bank balances, loans, current security deposit, trade payables and other current financial liabilities are considered to be the same as their fair values, due to their short term nature.

The fair value of security deposit has been calculated based on the cash flows discounted using an estimate of current lending rate.

The fixed deposit and non-current borrowing are with highly rated banks and financial institution at fair interest rate, and their carrying values approximates fair value.

Fair value of financial assets measured at FVTPL

The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at reporting date.

Fair value of financial assets at FVTOCI

The fair value of investments carried at FVTOCI is determined, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. The fair value of these investments is categorised as Level 3 because the shares are neither listed on an exchange and there were no recent observable arm's length transactions in the shares.

There are no transfers in either level during the reporting periods.

35. FINANCIAL RISK MANAGEMENT

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

Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. The Group is exposed to credit risk from loans and advances to related parties, trade receivables, bank deposits and other financial assets.

Bank deposits are placed with reputed banks / financial institutions. Hence, there is no significant credit risk on such fixed deposits.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

The Group does not have significant credit risk from loans given considering these are provided to financial institution for shorter duration. Mutual fund investments are made in liquid and overnight plans of renowned asset management company only. The credit risk associated with bank, security deposits and mutual fund investments is relatively low.

The entities forming part of the Group trades with recognized and credit worthy third parties. The entities forming part of the Group periodically assesses the financial reliability of the counter party, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

Credit risk on trade receivables is limited as the Group's customer base majorly includes reputed and large corporate groups and public sector enterprises. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. Also, generally the Group does not enter into sales transaction with customers having credit loss history. In addition, trade receivable balances are monitored on an on-going basis with the result that the Group's exposure to bad debts is not significant. The Group computes expected credit loss allowance (ECL) on undisputed trade receivables at each reporting date, based on provision matrix which is prepared considering historically observed overdue rate over expected life of trade receivables and is adjusted for forward-looking estimates. Further, in case of trade receivables due from related parties and in case of disputed trade receivables, the Group performs individual credit risk assessment and creates allowance based on such internal assessment.

The following table provides information about the exposure to credit risk and expected credit loss rate for trade receivables:

Ageing bucket	Expected credit loss rate		Gross carrying amount*	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Less than 180 days	0.67% to 4.24%	0.26% to 2.14%	5,552.95	5,622.67
180 to 365 days	11.45% to 33.50%	7.39% to 33.50%	1,094.07	259.63
365 to 1095 days	67.00%	67.00%	4,547.23	5,510.85
More than 1095 days	100.00%	100.00%	192.87	-

* Includes disputed trade receivables amounting to ₹ 3,607.92 Lakhs (March 31, 2022 : ₹ 5,505.26 Lakhs)

a) **Movement in the allowances for financial and other assets (excluding trade receivables) is as under:**

Reconciliation of loss allowance provision for loans, other financial assets and other assets:

Particulars	Amount
Loss allowance as at March 31, 2021	-
Add: Additional provision during the year	-
Less: Write - off	-
Loss allowance as at March 31, 2022	-
Add: Additional provision during the year*	214.05
Less: Write - off	-
Loss allowance as at March 31, 2023	214.05

* The same has been disclosed as an exceptional item in the statement of profit and loss, refer note 30.

b) **For reconciliation of loss allowance for trade receivables, refer note 9.1.**

Liquidity risk

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

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

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Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

Maturities of financial liabilities :

The tables below analyze the Group's financial liabilities into relevant maturity groupings based on the contractual maturities for all non-derivative financial liabilities. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. For contractual maturities of lease liabilities, refer note 33.

As at March 31, 2023	On demand	Less than 1 year	1-2 years	2-4 years	Total
Borrowings	1,558.24	96.14	85.28	174.19	**1,913.85**
Trade payables	-	4,406.88	-	-	**4,406.88**
Other financial liabilities	-	195.63	-	-	**195.63**
	1,558.24	**4,698.65**	**85.28**	**174.19**	**6,516.36**

As at March 31, 2022	on demand	Less than 1 Year	1-2 years	2-4 years	Total
Borrowings	401.17	79.69	78.86	173.34	733.06
Trade payables	-	7,138.80	-	-	7,138.80
Other financial liabilities	-	100.00	11.20	-	111.20
	401.17	**7,318.49**	**90.06**	**173.34**	**7,983.06**

Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and net asset value (NAV) of mutual fund units will affect the Group's income or the value of its holdings of financial instruments.

Mutual fund price risk

The value of unquoted mutual fund investments measured at fair value through profit and loss as at March 31, 2023 is ₹ 1,314.93 Lakhs (March 31, 2022: Nil). A 10% change in price for year ended March 31, 2023 would result in an impact of ₹ 131.49 Lakhs (March 31, 2022: Nil).

Foreign exchange risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar. Foreign exchange risk arises from recognized assets and liabilities denominated in a currency that is not the functional currency of the respective entities forming part of the Group. The Group operations in foreign currency creates natural foreign currency hedge. This results in insignificant net open foreign currency exposures considering the volumes and operations of the Group.

The Group's significant exposure to foreign currency risk at the end of the reporting period expressed in functional currency, are as follows:

(All amounts in Lakhs, unless otherwise stated)

As at March 31, 2023	In USD	In ₹	In Other currency *	In ₹	Total (₹)
Financial assets					
Trade receivables	-	-	-	-	-
Cash and cash equivalents	0.06	5.13	0.02	0.85	5.98
Other financial assets	-	-	0.08	1.83	1.83
	0.06	**5.13**	**0.10**	**2.68**	**7.81**
Financial liabilities					
Borrowings (including current maturities of long term borrowings)	-	-	-	-	-
Trade payables	9.38	771.51	0.25	9.60	781.11
Other financial liabilities	0.12	9.85	0.07	1.51	11.36
	9.50	**781.36**	**0.32**	**11.11**	**792.47**
Net exposure	**(9.44)**	**(776.23)**	**(0.22)**	**(8.43)**	**(784.66)**

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs, unless otherwise stated)

As at March 31, 2022	In USD	In ₹	In Other currency *	In ₹	Total (₹)
Financial assets					
Trade receivables	-	-	-	-	-
Cash and cash equivalents	-	-	0.02	0.43	0.43
Loans	-	-	-	-	-
Other financial assets	-	-	0.04	0.90	0.90
	-	**-**	**0.06**	**1.33**	**1.33**
Financial liabilities					
Borrowings (including current maturities of long term borrowings)	-	-	-	-	-
Trade payables	-	-	0.22	4.50	4.50
Other financial liabilities	-	-	0.54	11.20	11.20
	-	**-**	**0.76**	**15.70**	**15.70**
Net exposure	**-**	**-**	**(0.70)**	**(14.37)**	**(14.37)**

* Other currency include Arab Emirates Dirham, Singapore Dollar and Pound sterling which are individually immaterial.

Note: The Group has not entered into any hedging contract for the above exposure.

Sensitivity:

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated in USD

(All amounts in Lakhs, unless otherwise stated)

Currency	Year ended March 31, 2023			Year ended March 31, 2022		
	Movement in rate	Impact on profit/ loss before tax, increase by*	Impact on other equity*	Movement in rate	Impact on profit/ loss before tax, increase by*	Impact on other equity*
USD	8.46%	(65.63)	(65.63)	3.13%	-	-

* Holding all other variables constant

An equal and opposite impact would be experienced in the event of decrease by a similar percentage.

Interest rate risk

This refers to risk to Group's cash flow and profits on account of movement in market interest rates.

For the Group, the interest risk arises mainly from interest bearing borrowings which are at floating interest rates. To mitigate interest rate risk, the Group closely monitors market interest and as appropriate makes use of hedged products and optimise borrowing mix / composition.

Interest rate risk exposure

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Variable rate borrowings	1,557.14	401.17
Fixed rate borrowings	355.61	331.89
Total	**1,913.85**	**733.06**

Note: The above amounts are based on contractual liabilities as at balance sheet date.

(All amounts in Lakhs, unless otherwise stated)

Sensitivity	Movement in Rate	Year ended March 31, 2023	Year ended March 31, 2022
Sensitivity			
Below is the sensitivity of profit before tax and other equity to decrease in interest rates:			
Positive impact in statement of profit and loss before tax	2.70%	42.04	2.01

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

An equal and opposite impact would be experienced in the event of an increase in interest rate by a similar percentage.

The above calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

36. CAPITAL MANAGEMENT

The Group objectives when managing capital are to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal structure to reduce the cost of capital. In order to maintain or adjust the Capital structure, the Group may adjust the amounts of dividends paid to shareholders, return capital to shareholders, issue new shares or sell new assets to reduce debt. The Group does not have externally imposed capital requirements.

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Total borrowings	1,913.85	733.06
Total equity	19,947.34	24,176.27
Debt to equity ratio (in times)	**0.10**	**0.03**

Note: In the long run, the Group's strategy is to maintain a gearing ratio within acceptable range as deemed appropriate by board of directors, which at present is to have less than 0.50.

37. EMPLOYEE BENEFITS

1. Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, incentives and allowances, short terms compensated absences, etc., and the expected cost of bonus, ex-gratia are recognized in the year in which the employee renders the related service.

2. Long term employee benefits

(i) Defined benefit plan

Gratuity (funded) :

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

A. Obligations and assets

Movement in the present value of projected benefit obligation for gratuity

(All amounts in Lakhs, unless otherwise stated)

Particulars	March 31, 2023	March 31, 2022
At the beginning of the year	84.99	31.98
Interest cost	6.10	2.17
Current service cost	15.66	18.97
Benefit paid	(0.17)	(0.93)
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	1.84	-
Actuarial (gains)/losses on obligations - due to change in financial assumptions	(0.18)	(0.95)
Actuarial (gains)/losses on obligations - due to experience adjustment	(61.45)	33.75
At the end of the year	**46.79**	**84.99**

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs, unless otherwise stated)

Particulars	March 31, 2023	March 31, 2022
Movement in the fair value of plan assets :		
Opening fair value of plan assets	8.60	8.94
Difference in Opening Fund	-	-
Expected return on plan assets	0.62	0.67
Fund management charges (FMC)		(0.05)
Benefits paid	(0.17)	(0.93)
Actuarial gains / (losses)	(0.05)	(0.03)
Closing fair value of plan assets	**9.00**	**8.60**
Actual return on plan assets:		
Expected return on plan assets	0.62	0.61
Actuarial [losses]/ gains on plan assets	(0.05)	(0.03)
Actual return on plan assets	**0.57**	**0.58**

B. Amount recognized in the statement of profit and loss

(All amounts in Lakhs, unless otherwise stated)

Particulars	March 31, 2023	March 31, 2022
Interest cost (net of actual return on plan assets)	5.48	1.56
Current service cost	15.66	18.96
Net impact as employee benefit expenses in profit and loss	**21.14**	**20.52**
Actuarial (gains)/losses on obligations - due to change in financial assumptions	(0.18)	(0.95)
Actuarial (gains)/losses on obligations - due to experience	(61.45)	33.75
Actuarial (gains)/losses on obligations - due to experience adjustment	1.84	-
Actuarial (gains)/ losses on plan assets	0.05	0.03
Net impact as other comprehensive (income)/ loss	**(59.74)**	**32.83**

C. Amount recognized in the balance sheet

(All amounts in Lakhs, unless otherwise stated)

Particulars	March 31, 2022	March 31, 2021
Present value of obligations as at year end	46.79	84.99
Fair value of plan assets as at year end	(9.00)	(8.60)
Variation on account of opening balances of plan assets	-	1.14
Net liability recognized	**37.79**	**77.53**
Current asset/(liability)	(2.02)	(17.33)
Non-current asset/(liability)	(35.77)	(60.20)
Asset information		
Group Scheme of Life Insurance Corporation of India	100%	100%
Expected Employer's Contribution for the next year	22.38	26.23
Other information		
Number of active members	295	118
Weighted average duration of the projected benefit obligation for gratuity	13.25 years	3.38 years

D. The defined benefit obligations shall mature after year end as follows:

(All amounts in Lakhs, unless otherwise stated)

Particulars	March 31, 2023	March 31, 2022
1st following year	17.65	15.07
2nd following year	0.88	19.75
3rd following year	1.04	10.89
4th following year	1.42	4.72
5th following year	1.23	3.53
6 years and onwards	22.54	13.69

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

E. Assumptions

The actuarial calculations used to estimate commitments and expenses in respect of gratuity is based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expense:

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rate of discounting - Indicative Government security referenced rate of interest	7.36%	7.18%
Rate of salary increase	5.00%	5.00%
Rate of employee turnover	5.00%	25.00%
Mortality rate during employment	Indian Assured Lives Mortality (2012-14) Ultimate table	Indian Assured Lives Mortality (2012-14) Ultimate table

F. Sensitivity

The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Discount Rate (0.5% Movement Increase)	(1.57)	(1.24)
Discount Rate (0.5% Movement Decrease)	1.69	1.28
Future Salary Growth (0.5% Movement Increase)	1.72	1.30
Future Salary Growth (0.5% Movement Decrease)	(1.61)	(1.27)

The sensitivity analyzes above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the method (Projected Unit Credit Method) used to calculate the liability recognized in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period. Sensitivities due to mortality and turnover are not material and hence impact of change due to these not calculated.

(ii) Defined contribution plan

Provident fund, employee's state insurance corporation and labour welfare fund

The Group pays fixed contribution to the provident fund, employee's state insurance corporation entities and labour welfare fund in relation to several state plans and insurances for individual employees residing in India. This fund is administered by the respective Government authorities, and the Group has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognized as an expense in the year that related employee services are received.

Contribution to defined contribution plan recognized as employee benefit expenses:

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Employer's contribution towards Provident Fund (PF)	113.26	93.57
Additional contribution towards PF	11.16	30.45
Employer's contribution towards Employee's State Insurance Corporation (ESIC)	8.31	14.55
Employer's contribution towards Labour Welfare Fund (LWF)	0.03	4.35
	132.76	**142.92**

(iii) Share-based payment transactions

The shareholders of the Holding Company, at their meeting held on September 27, 2021 had approved the "Asian Energy Services Limited - Employee Stock Option Plan – 2021" ("AESL ESOP 2021") authorising grant of not exceeding 3,80,744 stock options to the eligible employees. During the current year, the Holding Company has granted 380,000 (March 31, 2022: Nil) employee stock options convertible into equivalent equity shares to the eligible employees including that of group company pursuant to such scheme. The details of activity under the ESOP schemes are summarized below:

(All amounts in Lakhs, unless otherwise stated)

Particulars	AESL ESOP 2021
Date of approval by shareholders	September 27, 2021
Options granted	380,000
Exercise price	114
Conditions attached:	
- Vesting period	1 years from grant date.
- Other conditions	Exercise of vested options would be done any time before the termination of the services of the employee through resignation, retirement or otherwise.

The expense recognized for employee services received during the year is as under:

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Expense arising from equity-settled share-based payment transactions	6.61	7.39
	6.61	**7.39**
-Out of the above		
Recognized in the statement of profit and loss	3.23	7.39
Recognized in other equity	3.38	-
Total	**6.61**	**7.39**

Movements during the year in share options :

(All amounts in Lakhs, unless otherwise stated)

Particulars	AOSL ESOP 2021 (Numbers in Lakhs)	AOSL ESOP 2019 (Numbers in Lakhs)
Outstanding as at March 31, 2021	-	3.36
Less: Options lapsed/ forfeited	-	(0.16)
Less: Options exercised during the year	-	(3.20)
Outstanding as at March 31, 2022	-	-
Add: Options granted during the year	3.80	-
Outstanding as at March 31, 2023	-	-

Aggregate share options available with Key management personnel (in numbers): 72,736 (March 31, 2022 : Nil).

The following are the inputs to the models used for the employees' stock option plan:

(All amounts in Lakhs, unless otherwise stated)

Particulars	AESL ESOP 2021
Exercise price (₹)	114.00
Fair value per option	12.46
Grant date	08-Feb-23
Vesting date	08-Feb-24
Expiry date	08-Feb-25
Dividend yield (%)	-
Expected price volatility (%)	48.65%
Risk–free interest rate (%)	7.12%
Expected life of share options (years)	2.00
Share price at grant date (₹)	73.35
Model used	Black Scholes

Weighted average remaining contractual life of options is 1.93 years as on March 31, 2023 (March 31, 2022: Not applicable).

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

Impact of employee stock options outstanding is anti-dilutive in nature for the reporting period and therefore it is not considered for calculating dilutive earnings per share.

Expected volatility has been based on an evaluation of the historical volatility of the Holding Company's share price, particularly over the historical period commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behaviour.

38. SUBSIDIARIES AND JOINT VENTURES CONSIDERED IN THE CONSOLIDATED FINANCIAL STATMENTES:

Name of the entity	Principal activities	Country of Incorporation	With effect from	% ownership interest	
				As at March 31, 2023	As at March 31, 2022
Asian Oilfield & Energy Services DMCC ("ADMCC")	Oil & Gas Services	United Arab Emirates	July 30, 2012	100.00	100.00
AOSL Petroleum Pte Limited	Oil & Gas Services	Singapore	July 23, 2008	100.00	100.00
AOSL Energy Services Limited	Oil & Gas Services	India	September 29, 2018	100.00	100.00
Optimum Oil & Gas Private Limited	Oil & Gas Services	India	November 30, 2019	74.00	74.00
Ivorene Oil Services Nigeria Limited (step down subsidiary)	Oil & Gas Services	Nigeria	October 03, 2022	Refer note below	-
Cure Multitrade Private limited	Oil & Gas Services	India	October 03, 2022	51.00	-
Zuberi Asian Joint Venture*	Oil, Gas and energy services	India	May 04, 2022	49.00	-
AESL FFIL Joint Venture*	Oil, Gas and energy services	India	October 20, 2022	49.00	-

*Investments in these joint ventures have been accounted for using equity method.

Note: Cure Multitrade Private Limited has 100.00 % ownership interest in Ivorene Oil Services Nigeria Limited.

39. SEGMENT INFORMATION

The Group is primarily engaged into the business of providing services in energy sector. The Chief Operating Decision Maker (CODM) measures the Group's performance indicators by the sectors in which the customers have their presence.

The operating segments of the Group are:

(i) Oil and Gas - consists of services provided to customers having their presence in oil and gas sector.

(ii) Mineral and other energy sectors - consists of services provided to customers having their presence in coal, power and other energy sectors.

The following table presents revenue and results regarding the Group's business segments:

I. Segment revenue from operations

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) Oil and gas	6,322.12	18,887.37
(b) Mineral and other energy sectors	4,673.02	7,159.74
Total	**10,995.14**	**26,047.11**

II. Segment results

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) Oil and gas	(29.52)	5,452.08
(b) Mineral and other energy sectors	672.70	3,295.86
Total	**643.18**	**8,747.94**
Less : Depreciation and amortization expenses	2,197.04	2,768.81
Add : Other income	409.69	282.84
Less : Finance costs	246.36	80.92
Less : Other unallocable expenses	2,520.17	2,113.98
Profit/ (loss) before share of profit from joint ventures, exceptional items and tax	**(3,910.70)**	**4,067.07**
Add : Share of profit from joint ventures	61.10	-
Less : Exceptional items (refer note 30)	(606.85)	-
Profit/ (loss) before tax	**(4,456.45)**	**4,067.07**

III. Geographical segment analysis

(a) Revenue from sale of services derived from external customers i.e. outside group entities and joint ventures

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
India	7,587.92	23,747.38
Outside India	-	633.35
Total	**7,587.92**	**24,380.73**

(b) Non-current assets excluding financial assets and tax assets

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
India	9,337.43	10,688.25
Outside India	550.74	857.11
Total	**9,888.17**	**11,545.37**

IV. Revenue from sale of services derived from the major external customers is as follows:

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from top customer	4,735.72	10,203.13
Revenue from top three customers	8,418.14	18,075.91

V. For the year ended March 31, 2023, four (March 31, 2022: four) customer, individually accounted for more than 10% of the revenue.

VI. The CODM does not review assets and liabilities for each operating segment separately, hence segment disclosures relating to total assets and liabilities, capital expenditure and depreciation and amortization, have not been furnished.

VII. Segment results represents the profit before depreciation and amortization, finance costs and tax expense earned by each segment without allocation of other income and unallocable costs.

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

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

40. RELATED PARTY DISCLOSURES

A. Name of the related party and nature of the related party relationship :

a) Parent Company

Oilmax Energy Private Limited

b) Joint ventures

Zuberi Asian Joint Venture (operations commenced from May 04, 2022)

AESL FFIL Joint Venture (operations commenced from October 20, 2022)

c) Individuals having control or significant influence over the Group by virtue of owning indirect interest in the voting power

Ms. Ritu Garg - Promoter of the Holding Company

d) Key Management Personnel (KMP)/ Directors

Mr. Ashutosh Kumar - Chief Executive Officer and Whole Time Director

Mr. Nayan Mani Borah - Independent Director (Chairman)

Mr. Rabi Narayan Bastia - Non Executive Director

Mr. Kadayam Ramanathan Bharat - Independent Director (upto May 06, 2022)

Ms. Anusha Mehta - Independent Director

Mr. Devesh Bhargava - Independent Director (upto June 30, 2021)

Mr. Mukesh Jain - Non Executive Director

Mr. Nirav Talati - Chief Financial Officer

Mr. Kapil Garg - Non-executive Director

Mr. Brij Mohan Bansal - Independent Director

Ms. Shweta Jain - Company Secretary

e) Entities on which KMP and its relative have significant influence

Anirit Agro Hub LLP

Anirit Agritech Private Limited

B. Transactions with related parties :

Sr.No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
1	**Parent Company - Oilmax Energy Private Limited**		
	Sale of services	1,408.98	1,666.37
	Interest income on overdue trade receivables	77.81	-
2	**Joint Ventures**		
	i. Zuberi Asian Joint Venture		
	Sale of services (including revenue received in advance)	2,718.25	-
	Amount paid on behalf of related party	140.40	-
	ii. AESL FFIL Joint Venture		
	Amount paid on behalf of related party	2.06	-
3	**Entities on which KMP & its relative have significant influence**		
	i. Anirit Agro Hub LLP		
	Amount paid on behalf of related party and its reimbursement	1.20	-
	ii. Anirit Agritech Private Limited		
	Amount paid on behalf of related party and its reimbursement	1.34	-
4	**i. Remuneration to KMP^**		
	Ashutosh Kumar	212.98	139.60
	Shweta Vaibhav Jain	15.06	13.65
	Nirav Talati	66.07	46.51
		294.11	**199.76**

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

Sr.No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
	ii. Directors sitting fees :		
	Nayan Borah	2.30	1.70
	Devesh Bhargava	-	0.50
	Anusha Mehta	1.60	2.10
	Kadayam Bharat	-	1.10
	Rabi Bastia	1.20	1.10
	Mukesh Jain	1.20	1.15
	Brij Mohan Bansal	2.05	1.75
		8.35	**9.40**
	iii. Reimbursement of expenses :		
	Ashutosh Kumar	2.84	2.49
	Rabi Bastia	0.40	1.46
	Nirav Talati	1.26	0.63
		4.50	**4.58**
	iv. Professional fees:		
	Mukesh Jain	62.00	48.50
	v. Rent expense*		
	Kapil Garg	42.00	46.00
	Ritu Garg	42.00	46.00
	vi. Security deposits given by the Holding Company towards premises taken on lease*		
	Kapil Garg	-	200.00
	Ritu Garg	-	200.00

C. Balances with related parties:

		ZA JV	FA JV
Sr.No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	**Parent Company - Oilmax Energy Private Limited**		
	Trade receivables	2,523.52	1,683.67
	Other current financial assets	76.26	-
	Other current assets	1.00	-
2	**Joint venture - Zuberi Asian Joint Venture**		
	Trade receivables	748.23	-
	Other current financial assets	140.40	-
3	**Joint venture - AESL FFIL Joint Venture**		
	Other current financial assets	2.06	-
4	**Payable to KMP**		
	Ashutosh Kumar	0.31	-
	Mukesh Jain	4.50	4.50
5	**Security deposits given by the Holding Company towards premises taken on lease***		
	Kapil Garg	300.00	300.00
	Ritu Garg	300.00	300.00

D. Other outstanding arrangement:

Kapil Garg and Ritu Garg have provided personal security towards working capital loan availed by the Group.

Oilmax Energy Private Limited has also provided a Corporate Guarantee to the bankers towards working capital facilities availed by the Group. The amount outstanding towards such borrowings is ₹ 1,557.14 Lakhs as at March 31, 2023 (March 31, 2022 : ₹ 401.17 Lakhs).

^ The figures does not include provision for gratuity since it is actuarially determined as a whole. Further, 72,736 stock options were granted to KMP during the year.

* The figures are based on contractual arrangements executed and does not include the impact of Ind AS adjustments.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

41. UN-HEDGED FOREIGN CURRENCY EXPOSURES:

For un-hedged foreign currency exposure, refer section 'Foreign currency risk' under Note 35 - Financial Risk Management.

42. EXPLANATORY NOTE IN RELATION TO ADMCC

(i) ADMCC's customer 'Amni International Petroleum Development OML 52 Company Limited' (AMNI) had issued notice of suspension of work effective November 16, 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 issued notice of termination vide notice no. 2021-AOS-AMN-P002-0017 dated August 03, 2021 to terminate the contract with immediate effect based on contractual terms. Subsequently, without prejudice, to amicably resolve the matter, ADMCC issued notice to AMNI regarding suspension of the termination till August 31, 2021 (moratorium period) vide notice no. 2021-AOS-AMN-P002-0018 dated August 07, 2021. Such suspension of termination, after multiple extensions was extended till May 31, 2022. During the year ended March 31, 2023, ADMCC issued final notice for termination of contract vide notice no. 2022-AOS-AMN-P002-0003 dated June 08, 2022 to AMNI and in turn, AMNI 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. Trade receivables (net of impairment allowance of USD 500,000) as at March 31, 2023 includes ₹ 3,415.05 Lakhs (USD 4,153,712) receivable from AMNI. These receivables will be reduced by ₹ 2,119.09 Lakhs (USD 2,577,744) on account of novation of one of the sub-contractor, whereas novation terms have been agreed and awaiting for execution and conclusion of novation deed. Based on the facts mentioned above, current stage of discussion with AMNI and considering the contractual right to receive the outstanding amount, Management is confident of recovery of these receivables and accordingly believes that no further adjustments are required in consolidated financial statements.

(ii) There are certain items in the property, plant and equipment of ADMCC lying in Nigeria with a carrying value of ₹ 639.94 Lakhs (USD 778,354) whose physical verification could not be carried out owing to the certain challenges faced. Management is confident of the existence and recoverable value of these assets and accordingly believes that no adjustments are required in consolidated financial statements.

43. EVENTS OCCURRING AFTER THE REPORTING PERIOD

No significant adjusting or non-adjusting events have occurred between March 31, 2023 and the date of authorization of these consolidated financial statements.

44. CODE ON SOCIAL SECURITY, 2020

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period in which the Code becomes effective.

45. DISCLOSURE UNDER IND AS 115 - REVENUE FROM CONTRACTS WITH CUSTOMERS

a) Reconciliation of revenue from sale of services with the contracted price

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Contracted price	10,907.24	25,848.02
Add : variable considerations	-	-
Less: warranty obligation included in the supply	(11.99)	(90.00)
Sale of Services	10,895.25	25,758.02

b) Revenue based on performance obligations

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
As services are rendered (over the period of time)	10,895.25	24,977.42
Upon completion of services (at a point in time)	-	780.60
	10,895.25	**25,758.02**

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

c) Recognized revenue earned from:

(All amounts in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Related party*	3,307.33	1,666.37
Others	7,587.92	24,091.65
	10,895.25	**25,758.02**

* As per contractual arrangement, billing is done amounting to ₹ 4,127.23 Lakhs for the year ended March 31, 2023 (March 31, 2022 : ₹ 1,666.37 Lakhs) which has been disclosed as transactions with related parties under note 40.

d) Contract balances

(All amounts in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables (net carrying value)	10,672.56	11,133.31
Unbilled work in progress - contract assets	-	2,157.44
Advance from customer	528.95	-
Contract liability*	**921.91**	**90.00**

* Revenue recognized during the year from contract liability is Nil (March 31, 2022: Nil)

e) Movement in contract assets and contract liability:

(All amounts in Lakhs, unless otherwise stated)

Particulars	Contract assets	Contract liability and customer advances
Balance as on March 31, 2021	3,113.29	-
Net increase/(decrease)	(955.86)	90.00
Balance as on March 31, 2022	**2,157.43**	**90.00**
Net increase/(decrease)	(2,157.43)	1,360.86
Balance as on March 31, 2023	**-**	**1,450.86**

Note: Decrease in contract assets is primarily due to lower revenue recognition as compared to progress billing during the year in certain projects, whereas increase in contract liabilities is due to higher progress billing as compared to revenue recognition during the year in certain other projects.

f) Cost to obtain or fulfil the contract:

(i) Amount of amortization recognized in Statement of Profit and Loss during the year : Nil (March 31, 2022: Nil).

(ii) Amount recognized as contract assets in relation to cost incurred for obtaining contract as at March 31, 2023 : Nil (March 31, 2022: Nil).

g) In the normal course of business, the payment terms given to majority of the customers ranges from 30 to 60 days.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

46. INVESTMENT IN JOINT VENTURES

Details of Holding Company's joint ventures and its summarised financial information is as follows :

(All amounts in Lakhs, unless otherwise stated)

Name of the Joint venture	Location	Ownership Interest	Activity commenced from
Zuberi Asian Joint Venture ('ZA JV')	India	49.00%	May 04, 2022
AESL FFIL Joint Venture (AF JV')	India	49.00%	October 20, 2022

Both the above joint ventures are engaged in the business providing engineering, procurement and construction and related services. It has been established as a separate entity (Association of Person) and the Holding Company has a residual interest in the net assets of joint ventures. The Holding Company is not required to have any investment in these entities as per the joint venture agreement. The summarised financial information of joint ventures is given below:

(All amounts in Lakhs, unless otherwise stated)

Particulars	March 31, 2023	March 31, 2023
Total current assets	681.06	0.25
Total non-current assets	359.91	1.82
Total assets	1,040.97	2.07
Equity	54.70	-
Total current liabilities	650.90	2.07
Total non-current liabilities	335.37	-
Total Equity and liabilities	1,040.97	2.07
Revenue	2,995.71	-
Expenses	2,778.70	-
Profit before tax for the period	217.01	-
Tax expenses	93.24	-
Profit after tax for the period	123.77	-
Group's share in above profit after tax	**61.10**	**-**
Dividend received by the Group	-	-

Note: As the activity of joint ventures commenced during the current year, figures for previous year are Nil and not presented separately above.

47. NON-CONTROLLING INTEREST (NCI)

Below is the list of partly owned subsidiary of the Holding Company and the share of the NCI:

(All amounts in Lakhs, unless otherwise stated)

Name	Location	NCI
Optimum Oil & Gas Private Limited ('Optimum')	India	26.00%
Cure Multitrade Private Limited ('Cure')*	India	49.00%

* w.e.f. October 03, 2022

Both the above companies are engaged in the business of Oil and Gas and related services. The summarised financial information is given below:

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

Details of equity shares held by the Parent Company

Particulars	Optimum		Cure	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Total current assets	3.74	4.19	867.18	-
Total non-current assets	0.10	0.10	36.96	-
Total assets	3.84	4.29	904.14	-
Equity	(40.15)	(39.70)	44.02	-
Total current liabilities	43.99	43.99	860.12	-
Total non-current liabilities	-	-	-	-
Total Equity and liabilities	3.84	4.29	904.14	-
Total revenues		0.12	18.00	-
Expenses	0.45	0.45	31.00	-
Profit/ (loss) before tax for the period	(0.45)	(0.33)	(13.00)	-
Tax expenses	-	-	4.41	-
Profit/ (loss) after tax for the period	(0.45)	(0.33)	(17.41)	-
Share of profit/ (loss) attributable to NCI^^	-	-	(8.52)	-
Share of net assets attributable to NCI^^	-	-	2.09	-
Dividend received by the Group	-	-	-	-

^^ Restricted to Nil for Optimum as NCI does not have contractual commitment to provide for any losses over and above it's share.

48. OTHER STATUTORY INFORMATION AS PER SCHEDULE III TO THE ACT IN RESPECT OF GROUP COMPANIES INCORPORATED IN INDIA:

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Company and any of the group entities for holding any Benami property.

(ii) The Group does not have any transactions with Companies whose name has been struck off from the Register of Companies.

(iii) The Group has not traded or invested in Crypto currency or Virtual currency during the year.

(iv) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

  (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

  (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(v) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

  (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

  (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vi) The Group has complied with number of layers prescribed under section 2(87) of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

49. ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 OF THE ENTITIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

a) As at and for the year ended March 31, 2023

Name of entity included in the consolidated financial statements including joint ventures	Net assets i.e. total assets minus total liabilities		Share in profit/(loss)		Share in other Comprehensive income (OCI)		Share in Total Comprehensive income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit / (loss)	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Holding Company								
Asian Energy Services Limited	97.04%	19,356.54	65.88%	(2,927.86)	41.28%	83.16	67.05%	(2,844.70)
Subsidiaries - Foreign								
AOSL Petroleum Pte Limited	(9.32%)	(1,859.07)	2.86%	(126.99)	-	-	2.99%	(126.99)
Asian Oilfield & Energy Services DMCC	4.48%	893.84	84.45%	(3,753.07)	-		88.46%	(3,753.07)
Subsidiary - Indian								
AOSL Energy Services Limited	(0.03%)	(5.22)	0.04%	(1.69)	-	-	0.04%	(1.69)
Optimum Oil & Gas Private Limited	(0.20%)	(40.15)	0.01%	(0.45)	-	-	0.01%	(0.45)
Cure Multitrade Private Limited	0.05%	9.12	(0.26%)	11.66	-	-	(0.27%)	11.66
Joint Ventures - Indian*								
Zuberi Asian Joint Venture#	-	-	(1.37%)	61.10	-	-	(1.44%)	61.10
AESL FFIL Joint Venture^	-	-	0.00%	-	-	-	0.00%	-
Sub total	**92.02%**	**18,355.06**	**151.60%**	**(6,737.30)**	**41.28%**	**83.16**	**156.84%**	**(6,654.14)**
Inter company elimination and consolidation adjustments	7.98%	1,592.28	(51.60%)	2,293.08	58.72%	118.30	(56.84%)	2,411.38
Grand total	**100.00%**	**19,947.34**	**100.00%**	**(4,444.22)**	**100.00%**	**201.46**	**100.00%**	**(4,242.76)**

w.e.f. May 4, 2022

^ w.e.f. October 20, 2022

* to the extent of Group's share of profit/ (loss)

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

b) As at and for the year ended March 31, 2022

Name of entity included in the consolidated financial statements including joint ventures	Net assets i.e. total assets minus total liabilities		Share in profit/(loss)		Share in other Comprehensive income (OCI)		Share in Total Comprehensive income (TCI)	
	As % of consolidated net assets	Amount	As % of Consolidated Profit / (Loss)	Amount	As % of Consolidated OCI	Amount	As % of consolidated TCI	Amount
Holding Company								
Asian Energy Services Limited	91.82%	22,197.92	161.76%	6,278.16	(43.46%)	(32.83)	157.84%	6,245.33
Subsidiaries - Foreign								
AOSL Petroleum Pte Limited	(6.59%)	(1,594.38)	(2.47%)	(95.74)	-	-	(2.42%)	(95.74)
Asian Oilfield & Energy Services DMCC	18.26%	4,413.78	(28.08%)	(1,089.73)	-		(27.54%)	(1,089.73)
Subsidiary - Indian								
AOSL Energy Services Limited	(0.01%)	(3.53)	(0.05%)	(1.76)	-	-	(0.04%)	(1.76)
Optimum Oil & Gas Private Limited	(0.16%)	(39.70)	(0.01%)	(0.33)	-	-	(0.01%)	(0.33)
Subtotal	**103.28%**	**24,974.09**	**131.16%**	**5,090.60**	**(43.46%)**	**(32.83)**	**127.83%**	**5,057.77**
Inter company elimination and consolidation adjustment	(3.28%)	(797.82)	(31.16%)	(1,209.49)	143.46%	108.36	(27.83%)	(1,101.13)
Grand total	**100.00%**	**24,176.27**	**100.00%**	**3,881.11**	**100.00%**	**75.53**	**100.00%**	**3,956.64**

50. ACQUISITION OF A SUBSIDIARY

(a) Summary of acquisition:

On October 03, 2022, the Holding Company acquired 204,000 equity shares (equivalent to 51% stake) of the issued capital of Cure Multitrade Private Limited which is engaged in the business of providing Oil & Gas services. Consequently, it became a subsidiary of the Holding Company w.e.f. October 03, 2022.

(b) Assets acquired and liabilities assumed as on the acquisition date:

(All amounts in Lakhs, unless otherwise stated)

Particulars	Amount
Total assets	869.54
Total liabilities	847.88
Net assets	21.66
Less: Non-controlling interest as on acquisition date	(10.61)
Net assets acquired by the Holding Company (A)	11.05
Add: Goodwill (B) [refer note(g) below]	9.35
Purchase consideration (A+B)	**20.40**

(c) Ind AS 103 requires the identifiable assets and liabilities to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. The fair value of the assets and liabilities acquired has been considered to be same as carrying value since the acquiree had minimal operations and there were no assets or liabilities of long term nature/ requiring complex measurement technique. The net assets acquired are not material to the Group financial statements.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

(d) The purchase consideration has been discharged via cash payment.

(e) There is no contingent consideration payable as a part of acquisition.

(f) Transaction costs have been expensed in the statement of profit and loss.

(g) Goodwill on acquisition amounting to ₹ 9.35 Lakhs has been impaired on initial recognition and hence not disclosed separately in balance sheet.

These are the summary of significant accounting policies and other explanatory information referred to in our report of even date.

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

Rakesh R. Agarwal
Partner
Membership No.: 109632

Place: Mumbai
Date: May 24, 2023

For and on behalf of the Board of Directors

Ashutosh Kumar
Whole Time Director & Chief Executive Officer
(DIN-06918508)

Nayan Mani Borah
Chairman
(DIN-00489006)

Shweta Jain
Company Secretary
(ACS- 23368)

Nirav Talati
Chief Financial Officer

Place : Mumbai
Date: May 24, 2023

NOTICE OF 30TH ANNUAL GENERAL MEETING

Notice is hereby given that the 30th Annual General Meeting of the Members of **Asian Energy Services Limited** will be held on **Thursday, September 28, 2023 at 11:00 a.m. IST** through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the audited (Standalone and Consolidated) Statements of Profit and Loss, Cash Flow Statement of the Company for the financial year ended March 31, 2023 and the Balance Sheet as at March 31, 2023 and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Mukesh Jain (DIN 01316027), who retires by rotation and, being eligible, offers himself for re-appointment.

Special Business:

3. **AMENDMENT IN ASIAN ENERGY SERVICES LIMITED - EMPLOYEE STOCK OPTION PLAN 2021 ("AESL ESOP 2021"):**

   "RESOLVED THAT in partial modification of the special resolution passed by the Members of the Company approving the Asian Energy Services Limited - Employee Stock Option Plan 2021 ("AESL ESOP 2021") and grant of stock options to the eligible employees of the Company and that of its group company including existing and future subsidiary company(ies), of its associate company and of its holding company under the Plan, vide its special resolution dated September 27, 2021 and in accordance with the applicable provisions of Section 62 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force ("Act"); the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB Regulations") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as amended from time to time, read with relevant circulars issued thereunder and pursuant to the recommendation of the Board of Directors (hereinafter called the "Board", which term shall include ESOP Compensation Committee) or any other committee authorized to exercise its powers including the power conferred by this resolution, subject to such approvals, consents, permissions and sanctions, in-principle approvals of the stock exchanges, as may be required and further subject to such terms and conditions as may be prescribed while granting such approvals, consents, permissions and sanctions, consent of the Members of the Company be and is hereby accorded to alter one of the conditions of this plan as follows:

   "13. Period of Lock-in

   The shares issued pursuant to exercise of options shall not be subject to any lock- in period.

   RESOLVED FURTHER THAT any Director of the Company and the Company Secretary of the Company be and are hereby severally authorized to amend the Asian Energy Services Limited - Employee Stock Option Plan 2021 ("AESL ESOP 2021") and do all such acts and deeds to give effect to the above resolution and to certify a copy of the above resolutions and issue the same to all concerned parties."

By order of the Board,
For **Asian Energy Services Limited**

Shweta Jain
Company Secretary
M.No 23368

Mumbai
August 07, 2023

NOTICE OF 30TH ANNUAL GENERAL MEETING (Contd.)

NOTICE OF 30TH ANNUAL GENERAL MEETING (Contd.)

NOTES:

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of Special Business as set out above to be transacted at the Meeting is annexed hereto as Annexure to the Notice and forms integral part of this Notice. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, of the person seeking appointment / re-appointment as Director is also annexed to the notice.
2. The Ministry of Corporate Affairs ("MCA") has vide its General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19", General Circular Nos. 20/2020 dated May 05, 2020, and subsequent circulars issued in this regard, the latest being 10/2022 dated December 28, 2022 in relation to "Clarification on holding of annual general meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)", (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. The attendance of the shareholders attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act 2013.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. The Register of Members and Share Transfer Books of the Company will be closed from **Friday, September 22, 2023 to Thursday, September 28, 2023** (both days inclusive).
7. Body Corporate Members intending to appoint their authorized representative are requested to send a scanned copy of the Resolution authorizing their representative to participate and vote at the Meeting to secretarial@asianenergy.com or evoting@nsdl.co.in
8. Members holding shares in physical mode are requested to **register their email IDs, KYC documents** on the RTA's website at the following link https://www.linkintime.co.in/EmailReg/Email_Register.html to receive Annual Report, Notice of 30th AGM and login details for the AGM. Members holding shares in demat form whose email IDs are not registered with the DP can also register their emails with the RTA to receive communication regarding AGM. However, to permanently register their email IDs, Members holding shares in demat form are requested to register their email IDs with the DP.
9. Members are requested to note that the Company's shares are under compulsory electronic trading for all investors. Members are, therefore, requested to dematerialise their shareholding to avoid inconvenience. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Link Intime India Private Limited ("Link Intime") for assistance in this regard. Members may also refer to information on dematerialization of shares on Company's website https://www.asianenergy.com/investor-relations.html#investor-information
10. Members whose shares are in electronic mode are requested to inform **change of address and updates of bank account(s)** to their respective Depository Participants.
11. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
12. To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with DPs / RTA.
13. SEBI has mandated the **registration of Permanent Account Number** (PAN) of all securities holders. Members holding shares in physical form are requested to submit a self-attested copy of PAN Card to Link Intime, the Registrar and Share Transfer Agent (RTA). Members holding shares in electronic form are requested to submit the aforesaid information to their Depository Participants with whom they are maintaining their demat accounts.
14. Nomination facility for shares is available for Members. For Members holding shares in physical form, the prescribed form can be obtained from the Company's Registrar and Share Transfer Agents, M/s. Link Intime India Private Limited having address at C-101, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (W), Mumbai - 400083. For Members holding shares in electronic form, you are requested to approach your Depository Participant (DP) for the same.
15. In accordance with the aforesaid MCA Circulars and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and SEBI/HO/CFD/PoD- 2/P/CIR/2023/4 dated January 5, 2023 issued by Securities and Exchange Board of India (collectively referred to as "SEBI Circulars"), the Notice of the AGM along with the Annual Report for FY 2022-23 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories.
15. Members desirous of obtaining any information/ clarification concerning the accounts and operations of the Company are requested to address their questions in writing at least ten days in advance to the Company at its email secretarial@asianenergy.com to enable the Company to answer their queries satisfactorily.
16. The Members holding shares in the same name or same order of names under different folios are requested to send the share certificates for consolidation of such shares to the Company.
17. **Shares due to transfer to IEPF:** Equity shares in respect to which dividend has not been encashed for seven consecutive years or more will be required to transfer to Investors Education & Protection Fund (IEPF) pursuant to section 124(6) of the Companies Act 2013. Relevant details in this respect are posted on the Company's website www.asianenergy.com in Investor Information section. The Company had sent communication in this respect to concerned shareholders from time to time as may be necessary. Shareholders whose names appear in the list are requested to claim the ownership of such shares failing which the aforesaid shares will be transferred to Investor Education and Protection Fund.
18. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013, other statutory registers and the Certificate from Secretarial Auditors of the Company certifying that the ESOP Schemes of the Company are being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, will be available electronically for inspection by the Members. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an e-mail to secretarial@asianenergy.com.
19. Mr. Hemanshu Kapadia of Hemanshu Kapadia & Associates, Practicing Company Secretary or failing him, Mrs. Pooja Jain, Partner, VPP & Associates, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting at the AGM and remote e-voting process in a fair and transparent manner.
20. On submission of the report by the Scrutinizer, the result of voting at the meeting and e-voting shall be declared. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.asianenergy.com and on the website of NSDL at www.evoting.nsdl.com. The results shall also be immediately forwarded to the BSE Limited, Mumbai and the National Stock Exchange of India Limited.
21. Since the AGM will be held through VC/OAVM, the Route map of the Venue of the AGM is not annexed to this Notice.
22. **Voting through electronic means:**

    i) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

ii) The facility for e-voting shall also be made available at the AGM and the Members attending the Meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through e-voting.

The remote e-voting period begins on Monday, September 25, 2023 at 9.00 A.M. and ends on Wednesday, September 27, 2023 at 5.00 P.M.

The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Thursday, September 21, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, September 21, 2023.

iii) In compliance with the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the Listing Regulations read with SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 relating to 'e-voting Facility Provided by Listed Entities' ("SEBI e-voting Circular"), the Company is pleased to provide to Members facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means through e-voting services arranged by NSDL. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

23. The instructions for Members attending the AGM through VC/OAVM are as under:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in demat mode:

In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	4. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasitoken/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to scrutinizer@hkacs.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Manager at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to secretarial@asianenergy.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to secretarial@asianenergy.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps

NOTICE OF 30TH ANNUAL GENERAL MEETING (Contd.)

mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at secretarial@asianenergy.com. The same will be replied by the company suitably.

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

Employee stock options have been proven to be an effective tool for organizations to incentivize employees to accelerate profitable growth and wealth creation. The Company had with the objective of rewarding and motivating employees, to attract and retain the best talent, to create a culture of ownership.

The company vide its special resolution dated 27th September, 2021 had approved the Asian Energy Services Limited - Employee Stock Option Plan 2021 ("AESL ESOP 2021") and grant of stock options to the eligible employees of the Company and that of its group company including existing and future subsidiary company(ies), of its associate company and of its holding company under the Plan.

In terms of the provisions of Section 62 (1) (b) of the Companies Act, 2013 ("the Act") read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, any alteration in the terms of the ESOP Scheme shall be approved by the Shareholders by passing of Special Resolution in the General Meeting. The Board of Directors on the recommendation made by the ESOP Compensation Committee in its meeting held on May 24, 2023 had accorded its approval in relation to the amendment of the Restated ESOP Scheme 2021 to alter one of the conditions of the ESOP Plan, subject to the approval of the members of the Company.

The Board recommends this

Accordingly, the consent of the members of the Company is sought. The Following clause shall be read as:

> **"13. Lock-in period of Equity Shares**
>
> The Equity Shares arising out of the Exercise of Vested Options under this plan shall be not be subject to any lock-in period.

The Board of Directors recommends the Resolution at Item No. 3 of the accompanying Notice for the approval of the members of the Company as a special resolution.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in this resolution, except to the extent to their shareholding and / or the stock options that are granted or may be granted to them under the AESL ESOP Plan 2021.

By order of the Board,
For **Asian Energy Services Limited**

Shweta Jain
Company Secretary
M.No 23368

Mumbai
August 07, 2023

NOTICE OF 30TH ANNUAL GENERAL MEETING (Contd.)

ANNEXURE A

Details of Directors retiring by rotation, seeking re-designation/ appointment at the Annual General Meeting

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings]

Name	Mr. Mukesh Jain
Date of Birth	October 15, 1955
Age (In years)	67
Date of Appointment/re-designation	May 29, 2019
Qualifications	• Commerce grad from Shri Ram College, Delhi and Law grad from K. C. College, Mumbai
Experience & expertise in specific functional areas	More than 4 decades of experience in banking, financial advisory services and legal practice.
Relationships between directors inter-se	None
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	1. Sunteck Realty Limited 2. Jalpa Devi Tollways Limited 3. DBL Hassan PeriyapatnaTollways Limited 4. DBL Kalmath Zarap Highways Limited 5. DBL Lucknow Sultanpur Highways Limited 6. DBL Tuljapur Ausa Highways Limited
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee).	1. Sunteck Realty Limited: i) Audit Committee – Member ii) Stakeholders relationship Committee - Chairman
Number of shares held in the Company	None
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person	NA
Date of first appointment on the Board	May 29, 2019
Number of Meetings of Board attended during the FY 2022-23	5 (five)

Notes

Asian Energy Services Limited

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