

# ABAN OFFSHORE LIMITED



ANNUAL REPORT  
2 0 1 4 - 1 5

# DISCLAIMER

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify

such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even

inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

## CONTENTS

02	Corporate Information
03	Notice
14	Managing Director's review
18	Management discussion and analysis
26	Directors' Report
50	Corporate Governance
68	Financials

The year 2014-15 was marked by one of the sharpest oil price meltdowns in living memory.

The Company restructured its Balance Sheet and strengthened its rig deployment to report highest ever profit in its existence.

This represents validation of our various initiatives to make Aban Offshore Limited, a robustly sustainable company.



“Do not follow where the path may lead. Go instead where there is no path and leave a trail.”

---

M. A. Abraham | 1939-2004

---

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

P. Murari	- Chairman
Reji Abraham	- Managing Director
K. Bharathan	- Director
Ashok Kumar Rout	- Director
Deepa Reji Abraham	- Additional Director (from 19-09-2014)
Subhashini Chandran	- Additional Director (from 19-09-2014)
P. Venkateswaran	- Deputy Managing Director
C.P. Gopalkrishnan	- Deputy Managing Director & Chief Financial Officer

S.N. Balaji	- Senior Manager (Legal) & Secretary
-------------	---

## AUDIT COMMITTEE

P. Murari	- Chairman
K. Bharathan	- Member
P. Venkateswaran	- Member

## STAKEHOLDERS RELATIONSHIP COMMITTEE

K. Bharathan	- Chairman
P. Venkateswaran	- Member
C. P. Gopalkrishnan	- Member

## COMPENSATION COMMITTEE

P. Murari	- Chairman
K. Bharathan	- Member
Reji Abraham	- Member

## NOMINATION & REMUNERATION COMMITTEE

K. Bharathan	- Chairman
P. Murari	- Member
Ashok Kumar Rout	- Member

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Ashok Kumar Rout	- Chairman
C.P. Gopalkrishnan	- Member
Reji Abraham	- Member (till 28.01.2015)
Deepa Reji Abraham	- Member (from 28.01.2015)
Subhashini Chandran	- Member (from 28.01.2015)

## STATUTORY AUDITORS

FORD, RHODES, PARKS & CO.,  
Chartered Accountants  
Paruvatham, No.2, 56th Street,  
Off: 7th Avenue, Ashok Nagar  
Chennai – 600 083

## BANKERS & FINANCIAL INSTITUTIONS

AXIS BANK LIMITED  
BANK OF BARODA  
BANK OF INDIA  
CANARA BANK  
CENTRAL BANK OF INDIA  
CORPORATION BANK  
EXPORT IMPORT BANK OF INDIA  
ICICI BANK LIMITED  
IDBI BANK LIMITED  
INDIAN BANK  
INDIAN OVERSEAS BANK  
KOTAK MAHINDRA BANK LIMITED  
LIFE INSURANCE CORPORATION OF INDIA  
ORIENTAL BANK OF COMMERCE  
PUNJAB NATIONAL BANK  
STATE BANK OF HYDERABAD  
STATE BANK OF INDIA  
STATE BANK OF MYSORE  
STATE BANK OF TRAVANCORE  
SYNDICATE BANK  
THE LAKSHMI VILAS BANK LTD  
UNION BANK OF INDIA  
UCO BANK

## REGISTERED OFFICE

CIN : L01119TN1986PLC013473  
“Janpriya Crest”  
113 Pantheon Road  
Egmore  
Chennai 600 008.  
Website : [www.abanoffshore.com](http://www.abanoffshore.com)  
Email ID : [ir@aban.com](mailto:ir@aban.com)  
Phone : 044 – 49060606  
Fax : 044 – 28195527

## REGISTRAR AND SHARE TRANSFER AGENT

CAMEO CORPORATE SERVICES LIMITED  
“Subramanian Building”  
No.1, Club House Road,  
Chennai – 600 002.  
Email ID : [investor@cameoindia.com](mailto:investor@cameoindia.com)  
Phone : 044-28460390  
Fax : 044-28460129



## Aban Offshore Limited

Registered Office

'Janpriya Crest' 113 Pantheon Road, Egmore, Chennai 600 008.

### NOTICE TO MEMBERS

NOTICE is hereby given that the Twenty Ninth Annual General Meeting of the Members of **ABAN OFFSHORE LIMITED** will be held on Wednesday, the 23<sup>rd</sup> September, 2015 at 10.15 A.M at The Music Academy, Kasturi Srinivasan Hall (Mini Hall), New No.168, T.T.K. Road, Royapettah, Chennai – 600 014 to transact the following business:

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2015 and the Profit and Loss Account for the year ended as on that date together with the reports of the Board of Directors and Auditors thereon.
2. To consider and declare a dividend @ 10% p.a (pro-rata) on the paid up Non Convertible Cumulative Redeemable Preference Shares for the year ended 31<sup>st</sup> March, 2015.
3. To consider and declare a dividend on Equity Shares for the year ended 31<sup>st</sup> March, 2015.
4. To appoint a Director in place of Mr. C.P. Gopalkrishnan (holding DIN:00379618) who retires by rotation and being eligible offers himself for reappointment.
5. To ratify the appointment M/s. Ford, Rhodes, Parks & Co., Chartered Accountants, Chennai as Statutory Auditors of the Company and to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** M/s. Ford, Rhodes, Parks & Co., Chartered Accountants, Chennai (Firm Registration No. 102860W) who were re appointed as the Auditors of the Company at the Annual General Meeting held on 19th September, 2014 to hold office till the conclusion of the thirty first AGM to be held in the year 2017 subject to their ratification of their appointment at every AGM to conduct the audit on a remuneration as may be paid on a progressive billing basis to be agreed between the Auditor and the Audit committee/ Board there of be and is hereby ratified.”

#### SPECIAL BUSINESS

6. To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 Ms.Subhashini Chandran (holding

DIN:00075592) appointed as an Independent Director of the Company on 19th September, 2014 for a period of five years subject to ratification of the shareholders at the Annual General Meeting and in respect of whom the Company has received a notice, in writing, from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 18th September, 2019.

7. To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**RESOLVED THAT** pursuant to the provisions of Sections 149(1), 152, 161 and other applicable provisions, if any of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) of the Companies Act, 2013 Ms Deepa Reji Abraham (holding DIN: 00212451), appointed as Additional Director of the Company pursuant to Section 161 of the Companies Act, 2013 and who holds office up to the date of Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

8. To consider and if though fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**RESOLVED THAT** in accordance with the provisions of Section 42 and 62 (1) (c) and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules (including any statutory modification(s) or re-enactment thereof) and relevant provisions of the Memorandum of Association and Articles of Association of the Company, Foreign Exchange Management Act, 1999, Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, guidelines prescribed by the Securities and Exchange Board of India (“SEBI”) and subject to such approvals, consents, permissions and / or sanction of the Ministry of Finance of the Government of India, Reserve Bank of India and any other appropriate authorities, institutions or bodies, as may be necessary and subject to such terms and conditions, modifications, alterations as may be prescribed and/or specified by any of them in granting any such approval, consent, permission or sanction, the consent, authority and approval of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to

as the "Board", which term shall be deemed to include any Committee thereof) to offer, issue, and allot, in the course of one or more offerings, in one or more foreign markets, any securities (including but not limited to Equity Shares, Global Depository Receipts American Depository Receipts/Shares, Foreign Currency Convertible Bonds, Convertible Bonds, Euro - Convertible Bonds that are convertible at the option of the Company and / or at the option of the holders of such securities, securities partly or fully convertible into Equity Shares and / or securities linked to Equity Shares and /or any instruments or securities with or without detachable warrants secured or unsecured or such other types of securities representing either Equity Shares or convertible securities) (hereinafter referred to as "Securities") to Foreign/Domestic investors, Non-residents, Foreign Institutional Investors/ Foreign Companies/NRI(s)/Foreign National(s) or such other entities or persons as may be decided by the Board, whether or not such persons/entities/investors are Members of the Company through Prospectus, Offering Letter, Circular to the general public and / or through any other mode or on private placement basis as the case may be from time to time in one or more tranches as may be deemed appropriate by the Board on such terms and conditions as the Board may in its absolute discretion deem fit for an amount not exceeding US\$ 400 Million (US Dollar Four hundred Million only) or its equivalent currencies including green shoe option on such terms and conditions including pricing as the Board may in its sole discretion decide including the form and the persons to whom such Securities may be issued and all other terms and conditions and matters connected therewith."

**"RESOLVED FURTHER THAT** without prejudice to the generality of the above the aforesaid issue of the Securities may have all or any term or combination of terms in accordance with normal practice including but not limited to conditions in relation to payment of interest, dividend, premium or redemption or early redemption at the option of the Company and / or to the holder(s) of the Securities and other debt service payment whatsoever and all such terms as are provided in offerings of this nature including terms for issue of additional Equity Shares of variation of interest payment and of variation of the price or the period of conversion of Securities into Equity Shares or issue of Equity Shares during the duration of the Securities or terms pertaining to voting rights or option for early redemption of Securities."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorised to issue and allot such number of underlying Equity Shares as may be required to be issued and allotted upon conversion of any such Securities referred to above or as may be in accordance with the terms of the offering(s) and that the said Equity Shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank in all respects *paripassu* with the existing Equity Shares of the Company including payment of dividend."

**"RESOLVED FURTHER THAT** the consent of the Company be and is hereby granted in terms of Section 180 (1) (a) and Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 read with rules and subject to all necessary approvals to the Board to borrow monies in excess

of the paid up capital and free reserves and to secure, if necessary, all or any of the above mentioned Securities to be issued, by the creation of a mortgage and / or charge on all or any of the Company's immovable and / or movable assets, both present and future in such form and manner and on such terms as may be deemed to be fit and appropriate by the Board."

**"RESOLVED FURTHER THAT** such of these Securities to be issued as are not subscribed may be disposed of by the Board to such person in such manner and on such terms as the Board in its absolute discretion thinks fit, in the best interest of the Company and as is permissible in law."

**"RESOLVED FURTHER THAT** the Company may enter into any arrangement with any agency or body for issue of Depository Receipts representing underlying Equity Shares/Preference Shares / other securities issued by the Company in registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the international practices and regulations and under the forms and practices prevalent."

**"RESOLVED FURTHER THAT** the Securities issued in foreign markets shall be deemed to have been made abroad and / or in the market and / or at the place of issue of the Securities in the international market and may be governed by applicable foreign laws."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to any issue or allotment of Securities or instruments representing the same, the Board be and is hereby authorised to determine the form, terms and timing of the offering(s), including the class of investors to whom the Securities are to be allotted, number of Securities to be allotted in each tranche, issue price, face value, premium amount on issue, conversion of Securities, Exercise of warrants / Redemption of Securities, rate of interest, redemption period, listings on one or more stock exchanges as the Board in its absolute discretion deems fit and to make and accept any modifications in the proposal as may be required by the authorities involved in such issues and on behalf of the Company to do all such acts, deeds, matters and things as it may at its discretion deem necessary or desirable for such purpose, including without limitation the Appointment of Registrar, Book-Runner, Lead-Managers, Trustees / Agents, Bankers, Global Co-ordinators, Custodians, Depositories, Consultants, Solicitors, Accountants, entering into arrangements for underwriting, marketing, listing, trading, depository and such other arrangements and agreements, as may be necessary and to issue any offer document(s) and sign all deeds, documents and to pay and remunerate all agencies / intermediaries by way of commission, brokerage, fees, charges, out of pocket expenses and the like as may be involved or connected in such offerings of securities, and also to seek listing of the securities or securities representing the same in any Indian and / or in one or more international stock exchanges with power on behalf of the Board to settle any questions, difficulties or doubts that may arise in regard to any such issue, offer or allotment of securities and in complying with any Regulations, as it may in its absolute discretion deem fit, without being required to seek any further clarification, consent or approval of the members or otherwise to the end and

intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or the Managing / Deputy Managing Directors or any Director or any other Officer or Officers of the company to give effect to the aforesaid resolution.”

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“**RESOLVED THAT** pursuant to Section 42 and 62 (1) (c) read with rules and all other applicable provisions of the Companies Act, 2013 (including any amendments, statutory modification, variation or re-enactment thereof for the time being in force) and enabling provisions of the Memorandum and Articles of Association of the Company, Listing Agreement entered into with the Stock Exchanges and subject to the provisions of Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time, the provisions of the Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 applicable rules, regulations, guidelines or laws and / or any approval consent, permission or sanction of the Central Government, Reserve Bank of India or any other appropriate authorities, institution or bodies (hereinafter collectively referred to as the “appropriate authorities”) and subject to such conditions as may be prescribed by any one of them while granting any such approval, consent, permission and / or sanction (hereinafter referred to as the requisite approvals) which may be agreed to by the Board of Directors of the Company (hereinafter called the “Board”, which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution) the Board be and is hereby authorized to, in its absolute discretion create, issue, offer and allot equity shares / fully convertible debentures / partly convertible debentures / non convertible debentures with warrants / any other securities (other than warrants) which are convertible into or exchangeable with equity shares on such date as may be determined by the Board but not later than 60 months from the date of allotment (collectively referred to as “QIP Securities”) to the Qualified Institutional Buyers (“QIBs”) as per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended, on the basis of placement document(s) at such time and times in one or more tranche or tranches at par or at such price or prices and at a discount or premium to the price or prices in such manner, determined in accordance with the pricing formula prescribed under Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended on such terms and conditions and in such manner as the Board may in its absolute discretion determine in consultation with the Lead Managers, Advisors or other intermediaries for an amount not exceeding Rs.2,500 Crores (Rupees two thousand five hundred crores only) including such premium amount as may be finalized by the Board.”

“**RESOLVED FURTHER THAT** the relevant date for the determination of the applicable price for the issue of the QIP Securities (which are Equity Shares), if any, shall be the date on which the Board of the Company decides to open the proposed issue (“Relevant Date”).”

“**RESOLVED FURTHER THAT** the relevant date for the determination of the applicable price for the issue of any other type of QIP Securities, which are convertible into or exchangeable with Equity Shares at a later date, the date on which the holder of such securities becomes entitled to apply for share shall be the relevant date and such applicable price shall be subject to appropriate adjustments in the applicable rules/regulations/statutory provisions (“Relevant Date”).”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion of any securities referred above or as may be necessary in accordance with the terms of the offering all such shares shall be subject to the terms of Memorandum of Association and Articles of Association of the Company and being paripassu with the then existing shares of the Company in all respects as may be provided under the terms of the issue and in the offering document.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to offer such equity shares at a price which shall not be less than the price prescribed in Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time including a discount of not more than 5% (or such other discount as may be prescribed by SEBI from time to time) as prescribed in the provision to Regulation 85(1) of Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended.”

“**RESOLVED FURTHER THAT** such of these Securities to be issued as are not subscribed may be disposed off by the Board to such persons and in such manner and on such terms as the Board in its absolute discretion thinks fit in accordance with the provisions of law.”

“**RESOLVED FURTHER THAT** the issue to the holders of the securities with equity shares underlying such securities shall be inter alia, subject to suitable adjustment in the number of shares, the price and the time period etc., in the event of any change in the equity capital structure of the Company consequent upon any merger, amalgamation, takeover or any other reorganization or restructuring in the Company.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to any issue or allotment of securities or instruments representing the same as described above, the Board be and is hereby authorized on behalf of the Company to do all such acts deeds, matters and things as it may in its absolute discretion deem necessary or desirable for such purpose, including without limitation the entering into of underwriting, marketing and institution/ trustees/ agents and similar agreements/ and to remunerate the managers, underwriters and all other agencies/ intermediaries by way of commission, brokerage, fees and the like as may be involved or connected such offerings of such securities, with power on behalf of the Company to settle any question, difficulties or doubts that may

arise in regard to any such issue or allotment as it may in its absolute discretion deem fit.”

“**RESOLVED FURTHER THAT** for the purpose aforesaid, the Board be and is hereby authorized to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of securities and utilization of the issue proceeds including but without limitation to, the class of investors to whom the Securities are to be issued and allotted, number of Securities to be allotted, issue price, face value, discount or premium amount on issue/conversion of the Securities, if any, the creation of such mortgage/charge under Section 180 (1) (a) of the said Act in respect of the aforesaid Securities either on paripassu basis or otherwise or in the borrowing of loans as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to appoint such consultants, Book runners, Lead Managers, underwriters, Guarantors, Depositories, Custodians, Registrars, Trustees, Bankers, Lawyers, Merchant Bankers and any other advisors and professionals as may be required and to pay them such fees, Commissions and other expenses as they deem fit.”

“**RESOLVED FURTHER THAT** the allotment of securities shall be to Qualified Institutional Buyers in accordance with the Qualified Institutional Placement (“QIP”), Chapter VIII of Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time, and such securities shall be fully paid up and the allotment of such securities shall be complete within 12 months from the date of this resolution without the need for fresh approval from the shareholder and placements made in pursuance of this resolution if approved shall be separated by atleast 6 months between each placement.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or Managing/ Deputy Managing Directors / Directors or any other officers / authorized representatives of the Company to give effect to the aforesaid resolution.”

By Order of the Board

**S.N.Balaji**

Senior Manager (Legal) &Secretary

Chennai – 600 008

Date: May 27, 2015

**Registered Office:**

“Janpriya Crest”

113 Pantheon Road

Egmore, Chennai 600 008.

CIN No : L01119TN1986PLC013473

Website : www.abanoffshore.com

Email ID : ir@aban.com

**NOTES:**

**1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM IN ORDER TO BE EFFECTIVE SHOULD BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

1. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
2. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from **16.09.2015 to 23.09.2015** (both days inclusive)
4. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating the Special Business to be transacted at the Meeting is annexed hereto
5. Dividend on Equity Shares if declared at the Annual General Meeting will be paid on or after 23.09.2015 to those persons or their mandates.
  - (i) Whose names appear as Beneficial Owners as at the end of the business hours on 15.09.2015 in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held on electronic form; and
  - (ii) Whose name appear as members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company / Registrar and Share Transfer Agent on or before 15.09.2015.
6. Dividend on Preference Shares if declared at the Annual General Meeting will be paid on or after 23.09.2015.
7. The Securities Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Company's Registrar and Share Transfer Agent.
8. Members holding shares in Physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares. Members can contact the Company or Company's Share Transfer Agent, M/s. Cameo Corporate Services Limited in this regard.
9. Members / Proxies should bring the enclosed attendance slip duly filled in for attending the meeting along with the Annual Report. Members who hold shares in dematerialized form are



requested to bring their client ID and DP ID numbers for easy identification of attendance at the Meeting.

10. As per the provisions of Section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital & Debentures) Rules, 2014, members holding shares in physical form may file Nomination in the prescribed SH-13 with Company's Registrar and Share Transfer Agent.

Members holding shares in electronic form may file the Nomination Forms with their respective Depository Participants.

11. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, read with relevant rules Company has transferred unclaimed / unpaid dividends for the financial years 1995-96 to 2006 – 07 to the Investor Education and Protection Fund (IEPF) established by the Central Government. No claim shall lie against the Company in respect of unpaid/unclaimed dividend after a period of seven years from the dates they first became due for payment.
12. Members who are holding physical shares in identical order of names in more than one account are requested to intimate to the Share Transfer Agent the ledger folio of such accounts and send the share certificates to enable the Company to consolidate all the holdings into an account. The share certificate will be returned to the members after making necessary endorsements in the due course.
13. Members desiring any information as regards accounts of the Company are requested to write to the Company at an early date so as to enable the Company to keep information ready.
14. Members desirous of receiving Notice/ Annual Report in electronic form may furnish their e mail id to the Company/ RTA.
15. Details under revised Clause 49 of the Listing Agreement with the Stock exchanges in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting form the integral part of the notice. Directors have furnished the requisite appointment/re-appointment.
16. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder, Members have been provided with e voting facility to cast their votes electronically, through the e voting services provided by National Securities Depositories Ltd ("NSDL"), on all resolutions set forth in this notice.

Notice and the instructions for e voting along with Attendance Slip and Proxy Form is being sent in electronic form to all the Members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any Member has requested for physical copy of the same.

For Members who have not registered their e mail address, physical copies of the aforesaid documents is being sent in permitted mode. Members may also note that the Notice of the Annual General Meeting will also be available on the company's website [www.abanoffshore.com](http://www.abanoffshore.com).

Instructions for e voting:

The e voting available at the link: <https://www.evoting.nsdl.com/> and will be available for the following period:

Commencement of e voting period	End of e voting period
20 <sup>th</sup> September, 2015 @ 9.00 A.M	22 <sup>nd</sup> September, 2015 @ 5.00 P.M

Members who are desirous of casting their votes electronically are requested to adhere to the following instructions:

- (a) In case of Shareholder's receiving e-mail from NSDL
  - (i) Open e-mail and open PDF file viz; "ABANOFFSHOREe-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
  - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
  - (iii) Click on Shareholder – Login
  - (iv) Put user ID and password as initial password noted in step (i) above. Click Login.
  - (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
  - (vii) Select "EVEN" of ABAN OFFSHORE Limited.
  - (viii) Now you are ready for e-Voting as Cast Vote page opens
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.

- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (ie.other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail ramgcs @gmail. com with a copy marked to evoting@nsdl.co.in.
- (b) In case of Shareholders' receiving Physical copy of Notice of AGM (for Members whose e mail IDs are not registered with the Company/Depository Participant or requesting physical copy):
- (l) Initial password is provided as below/at the bottom of the Proxy cum Attendance Slip.

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above to cast vote.
  - (c) If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
  - (d) You can also update your mobile number and email id in the user profile details of the folio which may be used for sending future communication(s).
  - (e) In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsd.com> or contact NSDL via e mail at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut off date (i.e record date) 16th September, 2015.
  3. The Company has appointed Mr.G. Ramachandran, Practising Company Secretary as the scrutinizer for conducting the evoting/Postal Ballot process in a fair and transparent manner.
  4. The e voting period commences on 20th September 2015 @9.30 hours ends on the close of working hours (i.e. 18:00 hours), 22nd September, 2015. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut off date (i.e record date) 16th September, 2015, may cast their votes electronically. The e-voting module shall also be disabled by NSDL for voting thereafter.
  5. The Scrutinizer shall, within a period of not exceeding three working days from the conclusion of the e voting period, unlock the votes in the presence of atleast two witnesses, not in the employment of the Company and make a Scrutinizer's report of the votes cast in favour of or against, if any forthwith to the Chairman of the Company.

6. The result of the evoting shall be declared on or after the 29th AGM of the Company. The results declared along with the Scrutinizer's report shall also be displayed on the Company's website [www.abanoffshore.com](http://www.abanoffshore.com) and on the website of NSDL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the stock exchanges where the Company's shares are listed. The date of declaration of voting result will be taken to be the date of passing of the resolutions.
7. The annual accounts of all the Subsidiary Companies have been posted on your Company's website [www.abanoffshore.com](http://www.abanoffshore.com)

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESS CONTAINED IN THE NOTICE DATED 27.05.2015**

**Item No.6**

Subhashini Chandran is a non executive independent Director. She joined the Board in September, 2014. She is a member of the Corporate Social Responsibility Committee of the Company.

Subhashini Chandran is a graduate in International Relations from London School of Economics and a law graduate from U.K.

Subhashini Chandran was appointed as a non executive independent Director at the meeting of Board held on 19 September, 2014 for a period of 5 years subject to approval of shareholders at the ensuing Annual General Meeting. A notice has been received from a member proposing Subhashini Chandran for the office of Independent Director.

In the opinion of the Board, Subhashini Chandran fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company .The Board is of the opinion that her continued association would be of immense value and benefit to the Company. Accordingly, the Board recommends the resolution in relation to appointment of Subhashini Chandran as an Independent Director.

Except Subhashini Chandran, none of the Directors and Key Managerial Personnel and their relatives is in any way concerned or interested in the item of business.

**Item No.7**

Deepa Reji Abraham is a non executive Promoter Director of the Company liable to retire by rotation. She joined the Board in September, 2014. She is a member of the Corporate Social Responsibility Committee of the Company. She holds 40,38,500 shares in the company.

Deepa Reji Abraham is a graduate and has over two decades experience in general administration.

Deepa Reji Abraham will hold office upto the date of the ensuing Annual General Meeting Under Sec 149 and other applicable provisions, if any of the Companies Act, 2013 read with Rules, Deepa Reji Abraham being eligible and offering herself for appointment, is proposed to be appointed as a Director liable to retire by rotation.

Notice pursuant to Section 160 of the Companies Act, 2013 has been received from a member proposing the candidature of Deepa Reji Abraham as Director of the Company, liable to retire by rotation.

Except Deepa Reji Abraham and Reji Abraham, none of the Directors and Key Managerial Personnel and their relatives are in any way concerned or interested in the item of business.

#### **Item No.8**

In view of the growing operations of the Company and to augment the fund requirements of the Company, your Company propose to create, offer, issue and allot equity shares, GDRs, ADRs, FCCBs, etc., as stated in the resolution. The proposed resolution would be for approval of issuance of equity shares, FCCBs, GDRs, ADRs, etc. for an amount not exceeding USD 400 Million. The Board recommends the resolution in the best interest of the Company

None of the Directors and Key Managerial Personnel and their relatives is in any way concerned or interested in the resolution.

#### **Item No: 9**

Your Company, in order to enhance its global competitiveness in domestic and international markets, needs to strengthen its financial position by augmenting long term resources from time to time.

The proposed special resolution seeks the approval of the Members to the Board without the need for seeking any further approval from the Members for the proposed Qualified Institutional Placement ("QIP") with the Qualified Institutional Buyers ("QIB") in accordance with the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended from time to time) ("SEBI ICDR Regulations"). Pursuant to the above, the Board may in one or more tranches issue and allot equity shares / fully convertible debentures / partly convertible debentures / non convertible debentures with warrants / any other securities (other than warrants) which are convertible into or exchangeable with equity shares on such date at such price or prices, at a discount or premium to the price calculated in accordance with Chapter VIII of the SEBI ICDR Regulations as may be determined by the Board but not later than 60 months from the date of allotment (Collectively referred to as "QIP Securities").

The relevant date for the determination of applicable price for the issue of the QIP Securities shall be the date of the meeting in which the Board of the Company decide to open the proposed issue or in case of securities which are convertible into or exchangeable with equity shares at a later date, the date on which the holder of such securities becomes entitled to apply for the said shares, as the case may be. For reasons aforesaid a resolution is therefore proposed to be passed to give adequate flexibility and discretion to the Board to finalise the terms of issue. The securities issued pursuant to the offering would be listed on the Indian Stock Exchanges.

The securities issued under QIP issue pursuant to offer may, if necessary be secured by way of mortgage/ hypothecation on the Company's assets as may be finalized by the Board of Directors in consultation with the security holders / trustees in favour of security holder/trustees for the holders of said securities. As the documents to be executed between the security holders/ trustees for the holders of

the said securities and the Company may contain the power to take over the management of the Company in certain events, enabling approval is also sought under Section 180(1) (a) of the Companies Act, 2013.

Section 62(1)(c) of the Companies Act, 2013 and the Listing Agreement entered with the Stock Exchanges provide, inter alia that where it is proposed to increase the subscribed share capital of the Company by allotment of further shares, such further shares shall be offered to the persons who on the date of the offer are holders of the equity shares of the Company in proportion to the Capital paid up on those shares as of that date unless the Members decide otherwise. The Special Resolution seeks the consent and authorization of the Members to the Board of Directors to make the proposed issue of securities in consultation with the Lead Managers, Legal Advisors and other intermediaries and in the event it is decided to issue Securities convertible into equity shares to issue to the holders of such convertible securities in such manner and such number of equity shares on conversion as may be required to be issued in accordance with the terms of the issue keeping in view the then prevailing market conditions and in accordance with the applicable provisions of rules and regulations or guidelines.

The Board recommends the above resolution for your approval in the best interest of the Company.

None of the Directors and Key Managerial Personnel and their relatives is in any way concerned or interested in the resolution.

By Order of the Board

**S.N. Balaji**

Senior Manager (Legal) & Secretary

Chennai-600 008  
May 27, 2015

Our corporate snapshot

# ABAN OFFSHORE LIMITED.

## A SIGNIFICANT PLAYER IN THE GLOBAL OIL EXPLORATION AND DRILLING INDUSTRY.

## INDIA'S LARGEST PRIVATE SECTOR OFFSHORE DRILLING SERVICES PROVIDER.

## STRENGTHENING SUSTAINABILITY THROUGH RIGOROUS COST MANAGEMENT WITHOUT COMPROMISING SAFETY AND OPERATIONAL BENCHMARKS.

---

### Our vision

To be the leading global offshore company providing drilling, exploration and production services to our clients by consistently achieving

targets beyond expectations through amalgamation of our competent and motivated people, equipment and innovation expertise.

### Our business

Aban Offshore Limited's expertise lies in providing drilling and support services to entities involved in offshore oil exploration and production (shallow and deep water).

### Our legacy

The Company, founded by the (late) M.A. Abraham in 1986, is the flagship entity of the Aban Group. Over the decades, Aban Offshore Limited has serviced several global industry leaders and emerged as a safe and quality-conscious drilling services provider.

The Company has proven experience in providing dependable asset uptime in some of the most challenging and harsh environments.

### Our presence

The Company is headquartered in Chennai (India) with supporting offices in major global locations like the United Arab Emirates, Singapore, Norway, Malaysia, Vietnam, Brunei, Brazil and Mexico.

The shares of the Company are listed and actively traded on the Bombay and National Stock Exchange in India.

---

### Our clientele

The Company enjoys long-term relationships with a number of prominent international oil exploration majors:



Oil & Natural Gas Corporation/ONGC Videsh Limited (Qatar)



Reliance Industries Limited



Hardy Oil and Gas plc  
Hardy Exploration & Production India Inc.



Shell Brunei



Shell Malaysia



Gujarat State Petroleum Corporation Limited

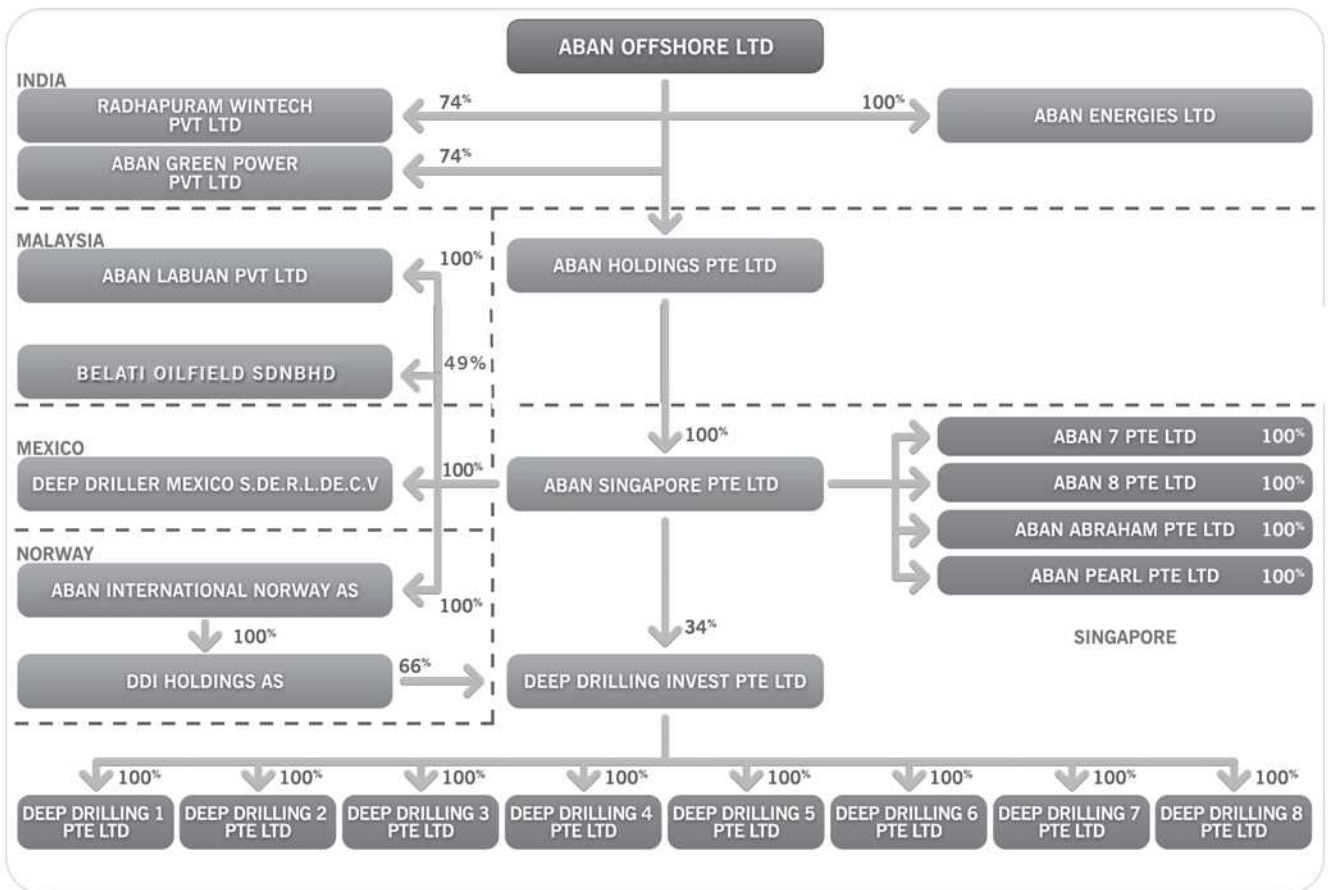
**Our mission**  
We will be recognised as global leaders, by offering our clients superior service, including experienced, suitably trained and motivated personnel, superior, reliable and efficient equipment with environment friendly and safe operations.

We will achieve leadership status by actively encouraging our employees to attain the highest standards of ethics, honesty and integrity.  
We will foster pride, enthusiasm, creativity and teamwork to ensure trust and confidence in our employees, clients and suppliers.

We will actively support and emphasise 'zero tolerance' to unsafe working practices and conditions, by utilising and implementing the best industry standards in our operations at all times.  
We will actively grow Aban through financial discipline and cost-effective asset

management to deliver superior returns to clients and shareholders.

**Group organisational structure**



# THESE ARE THE RECORD NUMBERS THAT WE ACHIEVED IN A CHALLENGING 2014-15.

Revenues  
(₹ in million)



EBIDTA  
(₹ in million)



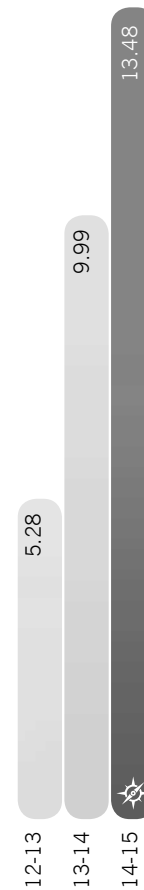
Net profit  
(₹ in million)



EBIDTA  
margin (%)



Net profit  
margin (%)



EPS (basic)  
(H)



**₹40,851.97mn**

Increased revenues by 3% from ₹39,671.17 million in 2013-14 to ₹40,851.97 million in 2014-15

EPS (diluted)  
(₹)



Return on capital  
employed (%)



### Consolidated results

(₹ million)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Turnover	40,408.38	39,362.55
Less: Expenditure	16,506.90	16,710.92
EBIDTA	23,901.48	22,651.63
EBIDTA (%)	59.15	57.55
Add: Other income	443.59	308.62
Less: Interest	10,910.02	11,406.25
Less: Depreciation	5,979.52	5,483.77
Profit before tax	7,455.53	6,070.23
Add: Share of profit in joint venture	44.82	18.36
Profit before tax and after share in joint venture	7,500.35	6,088.59
Less: Provision for tax	1,937.58	1,545.26
Core Profit after tax	5,562.77	4,543.33
Exchange fluctuation (loss)/gain	(113.35)	(612.68)
Impairment of investment/ asset	---	-
Profit after tax	5,449.42	3,930.65

₹ 23,901.48mn

Grew EBITDA by 5.5% from ₹22,651.63 million in 2013-14 to ₹23,901.48 million in 2014-15

₹ 5,449.42mn

Enhanced net profit by 38.64% from ₹3,930.65 million in 2013-14 to ₹5,449.42 million in 2014-15

US\$125mn

Raised US\$125 million through a qualified institutional placement (QIP)

# MANAGING DIRECTOR'S REVIEW

*Dear shareholders,*

It is with immense pleasure that I report that Aban Offshore Limited ended 2014-15 with the highest ever annual profit in its existence. What made this performance even more creditable is that this record performance was achieved in the face of one of the most challenging years for the entire oil-dependent ecosystem.

The Company reported a 2.66% increase in topline, complemented by a 38.64% growth in its bottomline. EBITDA margin strengthened from 57.55% in 2013-14 to 59.15% in 2014-15; return on equity improved from 9.43% to 9.56%.

This growth was achieved in the face of a challenging sectoral reality and was the result of our decision to invest pro-actively in building our asset base, enhancing our economies-of-scale, modernising our fleet through planned downtime and focusing intently on project execution, quality

consciousness, continuous training and ensuring stringent statutory compliance.

## **Business-strengthening initiatives**

**From an operational standpoint**

The Company strengthened its operational controls, translating into quicker responsiveness.

One, during the year under review, the Company contracted most of its rigs at satisfactory day-rates, securing prospects and enhancing revenue visibility across the next few years.

Two, as part of an on-going process, the Company moderated its operating expenses by renegotiating various contracts. The result was that overheads as a proportion of revenues declined from 42.45% in 2013-14 to 40.85% in 2014-15.

Three, even as contracts for jack-up rigs Aban III and IV were completed, the Company responded with speed to minimise asset idling

and renegotiated their onward deployment at rates higher than the previous contracts (with ONGC Limited). These contracts will be operational for a period of three years commencing March-April 2015.

Four, the wind energy division of the Company reported a significant improvement in performance, ending the year with revenues of ₹ 87.27 million compared to ₹ 62.55 million in the previous year without any asset increase.

**From a financial standpoint**  
The Company strengthened its financial management, right-sizing the Balance Sheet for enhanced viability.

One, the Company pro-actively inked longer tenure rig contracts that enhanced revenue visibility till 2018 and also strengthened the topline for the year under review.

Two, the Company took a decisive initiative to de-leverage its Balance Sheet. At a time during which the capital markets were volatile and fund raising proved to be challenging, the Company seized a brief window of opportunity to complete a

QIP (Qualified Institutional Placement) of US\$125 million (approximately ₹7500 million). The proceeds were utilised to strengthen the gearing and replace expensive debt to the extent of US\$216 million carrying a coupon rate of 14.25%, this resulted in an estimated annual reduction of interest outgo of approximately US\$30 million. The QIP was subscribed by leading institutional investors who bought into the Company based on its long-term prospects.

Three, the Company's promoters infused US\$25 million (approximately ₹1560 million), subscribing to share warrants and raising their shareholding to 47%, indicating their continued confidence in the Company. The proceeds from this contribution were used to enhance net worth, moderate gearing and de-leverage the Company.

The combination of these initiatives brought down the Company's financial break-even and reinforced its capability to compete across market cycles.

## US\$125mn

QIP (Qualified Institutional Placement) of US\$125 million (approximately ₹7500 million) was made to strengthen the gearing and replace expensive debt.





### Challenges

The Company operates in the exploration and drilling services space which is an integral part of the global offshore oil exploration and drilling industry. The demand for these services is directly influenced by the oil exploration and drilling activities of oil majors.

These activities are, in turn, dependent on the crude oil realisations.

The year 2014-15 was a year of significant upheavals for the oil exploration industry. Crude oil prices that had been relatively stable in the range of US\$100-120 per barrel since early 2011 declined in excess of 50% towards 2014

end to a low of around US\$45 per barrel before recovering marginally. This decline in crude oil prices was the sharpest since 2009 and has steeply impacted the capital expenditure spending by oil exploration companies and, in turn, depressed rig charter rates and industry utilisation towards the end of the year

under review.

The volatility in the crude oil market in 2014-15 reaffirmed that crude oil exploration; drilling and production services remain cyclical. In turn, this propelled upstream service providers, to bring down their break-even points in order to remain sustainable across market cycles.

### Prospects

Going ahead, there is a possibility that lower oil prices may sustain for the next few years.

However, the Company is optimistic of managing industry downtrends on account of the robustness of its business model. The Company believes that it is attractively positioned to address the slowdown on the back of its operational effectiveness and incipient ability to rein in costs.

The Company will maximise asset utilisation by continuously deploying rigs across different geographies and sealing long-term contracts

leading to enhanced revenue visibility.

The Company has a prudent client mix, most of them being large oil exploration majors and national oil companies who have not been significantly impacted by the recent decline in crude oil prices. These companies have sustained their exploration and drilling activities during the downturn.

The Company is concentrating on markets that offer attractive opportunities. For instance, the lifting of sanctions on Iran, the largest market for jack-up rigs, will make it possible for the Company to deploy rigs prof-

itably as well as optimising the insurance premia.

The Company aims at reducing its gearing to around 2:1 over the next three years and increasing asset utilisation to expand its operations.

As an opportunity-focused organisation, the Company will seek to acquire rig assets, should attractive opportunities emerge. These opportunities will be evaluated on the basis of environment stability and probable cash flows.

With close to a third of total world oil production being derived from offshore wells in shallow and deep waters,

the use of offshore drilling is likely to continue unabated.

I remain confident that the Company will continue supporting oil exploration majors in their drilling and exploration objective to emerge stronger.

At Aban Offshore, we foresee higher cash profits due to a timely convergence of our core competencies, which we expect will translate into superior shareholder value.

Regards,

**Reji Abraham,**  
*Managing Director*



## 38.64%

The Company grew its bottomline by 38.64% during the year. EBIDTA margin strengthened from 57.55% in 2013-14 to 59.15% in 2014-15.

01

### Experience

The Company has been engaged in offshore drilling services for nearly three decades. It is among the dozen biggest names in the global space and India's largest private offshore service provider. This status has made it possible for the Company to draw investors, lenders and employees on a consistent basis.



02

### Assets

The Company (along with its subsidiaries) possesses a well-equipped portfolio (15 jack-ups, two drill ships and one floating production unit) that makes it possible to service diverse customer requirements across international waters. The diversity of the Company's assets testifies its prudent approach to de-risking.



---

# STREN



03

### Efficiency

The Company possesses a young fleet, the average age of nine of its jack-ups being seven and half years as on 31st March 2015 in a business where these assets usually get used for decades. The asset youthfulness translated into a high asset uptime, efficiency, cost management and respect.



04

### Knowhow

The Company is respected as one of the most reliable and cost-effective offshore drilling service providers. This makes it possible for the Company to work with international E&P companies.



05



### Experience

The Company is respected for its stringent compliance with established norms related to safety, asset provisions, maintenance schedules and employee training.

06



### Best-in-class

The Company's rigs are chartered by some of the world's leading E&P companies. These demanding companies rate the Company's performance to be at par with global benchmarks.

# GTHS



07



### Relationships

The Company continues to enjoy strong customer relationships marked by trust and respect. The Company's relationship with ONGC Limited, India's largest hydrocarbons company, goes back over two decades.



# MANAGEMENT DISCUSSION AND ANALYSIS

---

## Global macroeconomic outlook

Global GDP growth is expected to be around 3.3%, which could have been higher but for a GDP decline in Russia and a slowdown in the developed economies of the Eurozone and Brazil. Correspondingly, major oil importing countries namely India and China are expected to report marginal GDP

growth aided by falling energy imports but constrained by macroeconomic sluggishness.

Uncertainty regarding the interest rate hike by the US Federal Reserve continues to linger with some experts expecting the rate hike to begin by September 2015. Nonetheless, the US economy grew by 2.14% in 2014.

## Indian economic outlook

Aided by a decline in oil and commodity prices, the Indian economy is expected to grow 7.5% in 2015-16, and cross a projected 8% mark in 2018-19 on the back of progressive reforms and other measures taken by the newly-instated Central Government. (Source: World Bank).

India is set to implement its biggest tax reform ever by enacting the Goods & Service Tax scheduled by 2016. This is widely anticipated to increase the ease of doing business in India and spur economic growth.

The Government of India directed its focus towards boosting manufacturing in India with the 'Make in India' campaign. This is expected to revive the manufacturing sector, attract global investments and double Indian goods and services exports to US\$900 billion by 2020.

## Crude oil

The viability of the global oil exploration and drilling business is directly related to crude oil realisations. The

past year was one marked by a turbulent crude oil market. After a relatively stable six years from 2009 onwards, crude oil realisations halved from a high of US\$110 per barrel in just five months, disturbing the industry balance. The decline was on account of three significant factors.

One, increased supply from North American oil producers attributed to a surge in shale oil production. US oil production rose to a 40-year high of 9.3 mbpd, nearly equivalent to the 9.6 mbpd production of Saudi Arabia, the world's largest producer. The boom in shale oil production was made possible by the use of hydraulic fracturing technologies and the drilling of horizontal wells. In just three years, US shale oil production has increased with such rapidity that in many parts of the country inadequate infrastructure to evacuate crude oil led to the selling of crude at sharply discounted prices.

Two, in a bid to protect market shares and remain the dominant global supplier

---

## US\$80-90 per barrel

Influential energy industry investor T Boone Pickens predicts that the price of oil would touch US\$70 per barrel by end-2015 and remain in the range of US\$80-90 per barrel in 12-18 months.



of crude oil, the OPEC (Organisation of Petroleum Exporting Countries) resisted calls to cut production, choosing instead to let prices decline to a level that slowed output in countries not a part of the OPEC. The net effect of this resulted in increased global oil supply to around 95.2 mbpd with global demand remaining at 93.6 mbpd. (Source: International Energy Agency). The resulting oversupply precipitated the price decline.

Three, crude oil prices are globally denominated in US dollars; the currency strengthened during the fiscal under review by close to ~22% compared with other key global currencies.

While these factors had a major effect on the supply side, global energy growth itself has been meagre with demand in Europe and the US stagnating and marginal increases in India and China.

Crude oil markets remain one of the most complexes in the

world, hinging crucially on aggregate demand and supply, with participants involving countries, downstream and upstream corporations and speculators. The interplay of these and other factors (geopolitical crises and sovereign energy security considerations) made it difficult to predict prices.

#### Direction

Oil industry experts are divided on their opinion regarding the direction of prices with some indicating crude prices

remaining in the US\$50-65 barrel range for the next two or three years and doubting a return to the era of US\$100 plus per barrel anywhere in the near future. Another view held by experts is that the present prices do not adequately reflect geopolitical risks and declining conventional oil discoveries; they predict a rise from present prices to US\$70-80 per barrel in the next six to 12 months.

#### Industry outlook

The 2014 global oil production was 93.09 mbpd compared with 90.95 mbpd in 2013; production is estimated at 94.26 mbpd in 2016. (Source: US Energy Information Administration)

The IEA forecast for global oil demand for 2015 was raised to 93.6 mbpd, with global supply expected to rise by one mbpd to touch 95.2 mbpd during the year.

The demand for oil is expected to increase by over 21 mbpd in the period from 2015 to 2040, reaching 116 mbpd by 2040. It is expected that BRIC nations could alone account for a growth of 28 mbpd; during the same period, OECD growth could decline by over seven mbpd.

There is a clear shift in energy growth demand from OECD to non-OECD countries. Almost all of the projected growth

leading to 2035 is expected to be derived from non-OECD with energy consumption expected to grow at 2.3% per annum (Source: OPEC; BP Energy Outlook 2035).

Emerging economies are expected to remain the main drivers of energy demand. It is expected that energy requirements will continue to be flat in most European and North American nations as well as Japan and Korea with

large consumption increases coming from the emerging economies of Asia, Africa, the Middle East and Latin America.



## US\$571 billion

Global E&P spending is expected to be US\$571 billion in 2015-16, a decline of 17% as compared to 2014-15.

#### **Energy consumption in India**

The Indian economy is the fourth largest in the world in terms of GDP (as per PPP). Over the last ten years, the Indian economy expanded rapidly, which led to a phenomenal rise in energy demand from industrial and household sectors.

India is the fourth largest energy consumer in the world, its energy needs rising sharply each year. India's energy demand of 700 million tonnes of oil equivalent in 2010 is expected to cross 1,500 million tonnes of oil equivalent by 2030 (Source: Mckinsey).

#### **Indian oil industry**

The growth in India's energy consumption, taking it to the fourth position in the world, can be attributed to escalating industrialisation, a burgeoning middle-class and rising incomes and aspirations. Coal and oil constituted more than 75% of India's energy sources. Indian crude oil production in 2014-15 stood at 38.763 MMT (million metric

tonnes) as against 37.788 MMT in 2013-14 showing an increase of 2.58% (Source: Ministry of Petroleum & Natural Gas).

#### **Outlook for India**

It is expected that India could emerge as the second largest demand driver for the global oil market by 2020. To achieve the targeted GDP growth rates of 8% over the next 20 years, India will need increasing amounts of energy to emerge as a pivotal force in global oil and energy markets. With the country's population projected to touch 1.47 billion in 2031-32, India's per capita energy consumption is expected to rise exponentially.

#### **Rig market review**

##### **Drilling market**

Rig day rates did not decline proportionately with the decline in crude oil prices. While crude oil prices declined by close to 55%, the day rates for rigs declined only marginally; most rigs continued to be locked in long-term contracts. Douglas-

Westwood stated that the risks to rig day rates did not arise from a lack of demand but from growth in supply of new builds.

#### **Offshore rig industry**

The rig industry faced concerns over declining exploration and drilling programme in the face of declining crude oil prices. However, even in the face of spending cuts, rigs largely remained contracted and drilling activities in the Eastern Mediterranean, the Asia-Pacific region as well as Brazil, Australia, New Zealand continued unhindered.

The market for rigs continued to be dominated by oil exploration majors such as Petrobras, PEMEX, Saudi Aramco, CNOOC and ONGC. There remained 215 rigs under construction and on order as of March 2015. The market witnessed a steady rig demand throughout the year with a marginal slowdown due to a decline in crude oil prices at the beginning of 2015.

# 1,500 MN TONNES

India's energy demand of 700 million tonnes of oil equivalent in 2010 is expected to cross 1,500 million tonnes of oil equivalent by 2030



## Opportunities and threats

Rig industry

### India moving towards energy security:

India is the fourth largest energy consumer in the world. The country imports 80% of its crude oil and 25% of its natural gas requirements. India will have to focus on a multipronged strategy of increasing exploration of conventional energy and development of renewable energy domestically, while at the same time enhancing its energy security by procuring global energy supplies at affordable prices. The push to increase exploration for conventional energy should open new plays for exploration and drilling activity within the country.

### Untapped potential for oil and gas exploration in India:

Although the potential for hydrocarbons in India is low, India remains vastly unexplored with 70% of Indian basins recording no exploration activity. This scenario is expected to correct

with the economy reviving.

Largest drilling contractor in India: Being the largest drilling contractor in the private sector in India, Aban Offshore is ideally positioned to capitalise on exploration activities within the subcontinent as well as globally.

### Threats

In the event of crude oil prices persisting at rates below US\$50/bbl for an extended period, oil exploration majors may be forced to cut exploration and drilling activities to conserve cash. This could prove detrimental to the prospects of the oil exploration and drilling industry and result in falling demand and day rates for the rigs that the Company operates.

A significant increase in the number of idle rigs and a rise in the number of rigs under construction could increase competition in contracts for rigs and lead to a decline in day rates and utilisation.

Any implementation of regulations surrounding greenhouse gas emissions in the form of a carbon tax to control climate change could adversely impact the prospects of the entire oil and gas industry cascading down to new exploration and drilling activities.

The development of alternative and renewable forms of energy in a cost-efficient manner could reduce the demand for fossil fuels in the long run.

The rise of low-cost onshore development of shale oil exploration in the US through hydraulic fracturing could impact offshore and deep water drilling activities.

### Wind energy

India possesses a large untapped wind energy potential, which could enable it to address energy concerns.

At the close of 2014-15, India had an installed wind energy capacity of 22,644.63 Megawatts. India has the fifth largest installed capacity of

wind power in the world. It is estimated that by 2020 India could have 56 Gigawatts of wind power supplying 137 terawatt hours of electricity each year (Source: Global Wind Energy Council).

The current rate of annual wind capacity addition is pegged at around 2,000-3,000 Megawatts per annum.

Indian wind turbine manufacturers and project developers are being encouraged by the government to increase their annual capacities addition to address the surge in demand for energy.

### Opportunities

Renewable Energy: Wind energy holds significant potential in reducing India's dependence on conventional energy forms such as oil and coal. India is the third largest emitter of greenhouse gases behind the US and China and aiming to embrace clean technologies like wind energy on a larger scale.



India remains vastly unexplored with 70% of Indian basins recording no exploration activity.

MANAGEMENT DISCUSSION AND ANALYSIS

**Governmental support:** The Government aims to double the share of renewable energy in the Indian energy basket from 6% to over 15% over the next decade. The Government permitted 100% FDI in the renewable energy sector where no prior regulatory approval is needed. Further generation-based incentives were offered to independent power producers to improve investment returns and shrink payback periods. Some of the states in India have facilitated land acquisition in areas conducive to the setting up of wind mills.

**Climate change:** In order to encourage wind energy projects, the UNFCCC (United Nations Framework for Climate Change) has devised a system whereby renewable energy producers earn carbon credits in the form of REC's (Renewable Energy Certificates) that can be sold and monetised.

**Conservation of foreign exchange:** By embracing indigenous renewable sources of energy the Government intends to achieve energy security and also save precious foreign exchange. In the year 2014-15, India had an energy import bill of approximately

US\$150 billion which is expected to touch US\$300 billion by 2030. This largely comprised payments for imported crude oil and coal.

**Threats**

The lack of infrastructure and grid connectivity to evacuate energy generated by windmills is proving to be a concern for the wind energy industry in India.

**Wind** energy producers face considerable delay in receiving payments from State Electricity Boards and this could be an impediment in the long-term development of the industry.

**Outlook**

Wind energy holds considerable promise for India to realise its ambition of energy security. Wind turbines are space-

efficient; improved turbine design has increased their plant load factors (PLF's), shrunk break-even periods and lowered setup cost. The biggest advantage

with wind energy is that it doesn't adversely affect the environment.

On the whole, the outlook for wind energy is positive

and is expected to contribute significantly to the Indian energy basket.

# US\$150 billion

In the year 2014-15, India had an energy import bill of approximately US\$150 billion which is expected to touch US\$300 billion by 2030.





The availability of suitable land sites for the setting up of wind energy plants is proving difficult as the sites having the highest potential are already taken up with remaining available sites being comparatively less windy ones.

### Operational Review

**Drilling division:** The division generated revenues worth ₹ 40,764.70 million as compared to a previous year's revenue of ₹ 39,608.62 million. At the close of 2014-15, most of the rigs were operating under long term contracts providing reasonable revenue visibility.

**Wind energy division:** Revenues from the wind energy division increased to ₹ 87.27 million in 2014-15 compared to ₹ 62.55 million in 2013-14. Correspondingly, the windmill division generated 23.01 million units of power in 2014-15 compared to 20.70 million units in 2013-14.

### Human resources

The Company continued to emphasise the recruitment, retention, training and enriching its human resources. The Company recognised the role that human capital plays in the modern workplace and aimed to create a harmonious

environment to raise employee productivity. The recruitment, training and appraisal programmes were conducted seamlessly coupled with performance-based incentives and better-than-industry rates of compensation. These efforts resulted in growing human capital which translated into lower employee turnover rates. The employee count at the end of the year stood at 1,792 as on 31st March 2015.

### Internal audit and controls

The Company's internal audit system has been continuously monitored and updated to ensure that assets are safeguarded, weaknesses in internal control systems prevented,

systems and procedures enforced, and compliances addressed. The Audit Committee is responsible for reviewing the audit reports presented by the internal auditors. The Committee made note of the

audit observations and any corrective action, if needed, was immediately taken. The Committee regularly invited the statutory and internal auditors for meetings to review internal control systems. The Board of

Directors were kept updated about matters that needed their attention.

### Segment wise performance

(₹ in million)

Years	Drilling		Wind energy	
	Revenues	Profit	Revenues	Profit
2011-12	32,228.12	4,188.87	58.75	(178.30)
2012-13	36,913.88	3,415.37	79.76	(83.47)
2013-14	39,608.62	5,455.46	62.55	2.09
<b>2014-15</b>	<b>40,764.72</b>	<b>7,362.31</b>	<b>87.27</b>	<b>(20.13)</b>

# RISK MANAGEMENT

---

Aban Offshore operates in an industry fraught with risks where the margin for error is small. The Company ensured that all risks were identified, addressed and mitigated in a timely cost-effective manner.

---



## Economic risk

**A global economic slowdown and consequent decline in energy consumption could impact fresh oil exploration and drilling activities, impacting the Company's profitability.**

Mitigation: Fossil fuels have become the primary source of energy over the past 150 years. The demand for fossil fuels is expected to shore up over the foreseeable future. Today, close to a third of the total oil production is derived from offshore oil wells. The global economic slowdown addressed oil exploration activities but did not lead to a complete stoppage in offshore oil exploration, validating the inherent industry vitality. As long as offshore oil exploration continues, there will be sufficient opportunities for the Company to run its business and deploy assets successfully.

Besides, the majority of the Company's assets are deployed on the basis of medium-term contracts, cushioning the business from economic volatility.



## Competition risk

**An increase in new builds and increasing domestic and global supply of rigs could drive rig day rates lower.**

Mitigation: Aban Offshore enjoys more than 25 years of experience in the oil exploration business, working with leading global oil giants. This has made the Company a preferred partner for discerning customers. The Company's depreciated assets enabled it to enhance its cost-competitiveness against new build-ups. Besides, the Company's diversified rig portfolio provided diverse growth opportunities.



## Geographic risk

**Overt dependence on a handful of geographies could impact performance.**

Mitigation: The Company operated across diverse geographies without specifically focusing on any particular region. Over the years, the Company gained experience by operating across challenging underwater topographies in South-East Asia, South Asia, Latin America, West Africa and the Middle East, de-risking it from an over-dependence on any geography.





### Technological risk

Oil exploration rigs are dependent on modern technologies; the risk of obsolescence could affect performance.

Mitigation: Drilling rigs have a standard life span of 30 years. The Company owns a total of 18 rigs, out of which nine rigs have an average age of 7.5 years. The Company ensures that rig refurbishments are carried out in a planned manner. During 2014-15, the Company refurbished 3 jack up rigs and a drill-ship.



### Human capital risk

The Company faces the risk of manpower attrition and the loss of skilled employees to its competitors.

Mitigation: The Company enjoys low attrition rates compared to its global peers.

The management is actively engaged in identifying employees with high potential and performance. Various measures and incentives have been put in place such as the issue of employee stock options to retain talent. The employee count of the Company stood at 1,792 as on 31st March 2015.



### Capital risk

The Company could find itself strained for capital due to slowing of receivables or revenue-cost mismatches.

Mitigation: Aban Offshore does not foresee any major funding strains in the next few years. The Company conducted business with reputed and solvent customers comprising national oil companies and oil exploration majors. The Company reduced its gearing during the year under review and aims to reduce debt further. The Company expects higher cash flows to support funding requirements.



## 25 YEARS

Aban Offshore enjoys more than 25 years of experience in the oil exploration business, working with leading global oil giants.

# DIRECTORS' REPORT

The Directors of your company are pleased to present the Twenty Ninth Annual Report along with the accounts for the year ended 31st March, 2015.

## 1. FINANCIAL RESULTS

Particulars	Rs. in Millions		Rs. in Millions	
	Standalone		Consolidated	
	For the year ended			
	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
Income from Operations	7,597.52	8,199.44	40,408.38	39,362.55
Other Income	584.75	443.65	443.59	308.62
Less Expenditure	3,784.78	4,362.26	16,620.26	17,323.60
Profit before Interest and Depreciation	4,397.49	4,280.83	24,231.71	22,347.57
Less Interest	930.15	1,784.67	10,910.02	11,406.25
Less Depreciation	805.77	417.90	5,979.52	5,483.77
Profit for the year before Tax	2,661.57	2,078.26	7,342.18	5,457.55
Provision for Tax	618.00	442.28	1,802.33	1,712.77
Minimum Alternate Tax (MAT) Credit Entitlement	-	(389.16)	-	(389.16)
Provision for Deferred Tax	137.37	220.89	135.25	221.65
Profit after Tax before share in Earnings of joint Ventures	1,906.21	1,804.25	5,404.60	3,912.29
Share in earnings of Joint Ventures	-	-	44.82	18.36
Profit for the year after tax and after share in earnings of joint ventures	1,906.21	1,804.25	5,449.42	3,930.65
Profit brought forward from the previous year	5,888.77	5,046.99	15,211.86	12,243.68
Available for appropriation	7,794.98	6,851.24	20,661.28	16,174.33
Transfer to Capital Redemption Reserve	200.00	270.00	200.00	270.00
Transfer to General Reserve	-	180.43	-	180.43
Equity Dividend Paid	48.04	-	48.04	-
Tax on Equity Dividend	8.16	-	8.16	-
Proposed Dividend – Preference	263.57	281.00	263.57	281.00
Proposed Dividend- Equity	207.92	156.66	207.92	156.66
Tax on Dividend – Preference	53.95	47.76	53.95	47.76
Tax on Dividend – Equity	42.56	26.62	42.56	26.62
<b>Balance Carried forward</b>	<b>6,970.78</b>	<b>5,888.77</b>	<b>19,837.08</b>	<b>15,211.86</b>

## 2. PERFORMANCE

The Revenue earned during the year under review stood at Rs 8,182.27 millions. Rigs Aban II, Aban VI and drillship Aban Ice were working satisfactorily under the existing contract. Rigs Aban IV and III were awarded new contracts. Accordingly Rig Aban IV commenced operations in the last quarter of financial year 2014-2015 and Rig Aban III commenced operations in the first quarter of current financial year. Rig Aban V and Floating Production Unit Tahara are being actively marketed.

## 3. CHANGES IN SHARE CAPITAL

During the year the Company successfully placed 1,07,83,608 equity shares through the process of Qualified Institutional Placement (QIP) and raised an amount of Rs. 7500 Million. The proceeds received through QIP were utilized for repayment of high cost debt. Your Company allotted 40,00,000 warrants to Promoter/Promoter group under Preferential allotment in February, 2014. In terms of the said issue 25% of the consideration has been paid by the Promoter/Promoter group. The balance

75% of the consideration is payable on or before 18 months from the date of allotment. Promoter/Promoter group paid balance 75% consideration for 33,90,000 warrants during the year 2014-15 and 6,10,000 warrants during the current financial year. Accordingly your company allotted 40,00,000 shares to them. Further 65,200 shares were allotted to employees pursuant to exercise of options by employees under the ESOP Scheme.

## 4. SUBSIDIARY COMPANIES

### INDIAN Aban Energies Limited

The Subsidiary Company activities relating to the maintenance of windmills of the Company has been satisfactory.

### Radhapuram Wintech Private Ltd

The company has entered into agreement with couple of business entities for supply of green power under group captive scheme. The performance of the company has been satisfactory.

## **Aban Green Power Private Ltd**

The company has entered into agreement with couple of business entities for supply of green power under group captive scheme. The performance of the company has been satisfactory.

### **INTERNATIONAL**

All the subsidiaries are performing satisfactorily.

## **5. CONSOLIDATION OF ACCOUNTS**

In accordance with the Accounting Standard (AS-21) on Consolidated Financial Statements read with AS-23 on Accounting for Investments in Association and AS-27 on Financial Reporting of Interests in Joint Ventures, the audited consolidated financial statement is provided in the Annual Report.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 the statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements.

The Audited consolidated accounts and cash flow statement comprising Aban Offshore Ltd and its Subsidiaries in accordance with the Accounting Standard Rules 2006 prescribed by the Institute of the Chartered Accountants of India in this regard is attached.

The Audited Accounts of the said Subsidiaries and the related detailed information will be made available to the investors of the Companies / Subsidiaries seeking such information. The Annual Accounts of the Subsidiary Companies will be available for inspection by any investor at the Registered Office of the Company on any working day during office hours till the conclusion of Annual General Meeting.

The subsidiary Company accounts details shall be available in the Company's website.

## **6. MANAGEMENT'S DISCUSSION AND ANALYSIS**

Management Discussion and Analysis Report for the year under review as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges in India is presented in a separate section forming part of the Annual Report.

## **7. DIVIDEND**

The Directors are pleased to recommend a dividend of 10% p.a (Re.1.00 per share pro-rata) for the year ended 31st March, 2015 on the Non-Convertible Cumulative Redeemable Preference Share Capital of the Company and a dividend of 180 % (Rs.3.60 per share) on the paid-up Equity Share Capital of the Company for the year ended 31st March 2015.

## **8. DIRECTORS**

Mr. C.P.Gopalkrishnan is liable to retire by rotation and being eligible offers himself for re appointment.

Ms.Subhashini Chandran is being recommended for appointment as Independent Director for a period of 5 years not liable to retire by rotation.

Ms.Deepa Reji Abraham is being recommended for appointment as a Director liable to retire by rotation.

## **9. DISCLOSURES UNDER COMPANIES ACT, 2013:**

### **1. Extract of Annual Return:**

The details forming part of the extract of the Annual Return in Form MGT-9 as on 31st March , 2015 is enclosed in Annexure.

### **2. Number of Board Meetings:**

The Board of Directors met 5 (five) times in the year 2014-15.The details of the Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report.

### **3. Constitution of Committees:**

The details of various committees formed and their attendance during the year are given in the Corporate Governance Report.

### **4. Role of Audit Committee:**

The Role of Audit Committee is given in the Corporate Governance Report.

### **5. DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134(3) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

- (i) in the preparation of the Annual Accounts for the financial year ended on 31st March 2015, the applicable accounting standards had been followed along with a proper explanation relating to material departures.
- (ii) the Directors had selected such accounting policies and applied them consistently and made judgements 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 and of the profit of the Company for that period.
- (iii) the Directors had taken proper and sufficient care 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.
- (iv) the Directors had prepared the accounts for the financial year ended on 31st March 2015 on a going concern basis.
- (v) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

4. Statement of Declaration by Independent Directors as required under 149(6) of the Companies Act, 2013

All the Independent Directors have given the declarations that they meet the criteria of Independence as laid down under Section 149 (6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement entered into with the Stock Exchanges. In the opinion of the Board they fulfill the conditions of Independence as specified in the Act and Rules made there under and are independent of the management.

5. Policy on Director's Appointment and Remuneration:

**I. Appointment**

**(a) Criteria for Determining Qualification, Positive Attributes & Independence of Director:**

An Independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the Company's business.

**(b) Positive attributes of Independent Directors:**

An Independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity, act objectively and constructively, exercise his responsibilities in a bona-fide manner in the interest of the company, devote sufficient time and attention to his professional obligations for informed and balanced decision making, and assist the company in implementing the best corporate governance practices.

**(c) Independence of Independent Directors:**

An Independent director should meet the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement concerning independence of directors.

**II. Remuneration Policy for Directors, Key Managerial Personnel and other employees**

**Non Executive Directors :**

Non Executive Directors shall be paid a sitting fee of Rs. 25,000/- for every meeting of the Board and Rs. 10,000/- for committee thereof attended by them.

**Managing Director & Key Managerial Personnel and other employees**

The objective of the policy is directed towards having a compensation structure that will reward and retain talent.

The remuneration to Managing Director shall take into account the Company's overall performance, his contribution for the same and trends in the industry in general, in a manner which will ensure and support a high performance culture.

Remuneration to Directors, Key Managerial Personnel and Senior Management will involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The above criteria and policy are subject to review by the Nomination & Remuneration committee & the Board of Directors of the Company.

**6. Explanation by the Board on every qualification, reservation or adverse remark or disclaimer made**

(a) By the Statutory Auditor in his report - NIL

(b) By the Practising Company Secretary in his Secretarial Audit Report - NIL

**7. Particulars of loans, guarantees or investments under section 186 of the Companies Act, 2013**

Details of loans, guarantees and investments covered under the provision of Section 186 of the Companies Act, 2013 are given in Notes to the financial statements.

**8. Particulars of Contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 in the prescribed form**

All Related Party Transactions that were entered into during the financial year were on an arm's length basis and were in compliance with the applicable provisions of the Companies Act, 2013 and the listing agreement. There were no materially significant Related Party Transactions made by the Company during the year that would have required the shareholder approval as required under clause 49 of the listing agreement.

All Related Party Transactions are placed before the Audit Committee for approval. Suitable disclosures as required under AS 18 have been made in the Notes to the Financial Statements.

The Board had approved policies on Related Party Transactions and Material Subsidiary. The Policies have been uploaded in the website, under the weblink :[http://abanoffshore.com/pdf/Related 20 % Party 20%Transactions 20% Policy.pdf](http://abanoffshore.com/pdf/Related%20%20Party%20Transactions%20Policy.pdf).

**9. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report**

There were no material changes and commitments affecting the financial position of the Company between the end of financial year March 31, 2015 and the date of the Report.

**10. Statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company**

The Company's robust risk management framework identifies and evaluates business risks and opportunities. The Company recognizes that these risks need to be managed and mitigated to protect its shareholders and other stakeholders, to achieve its business objectives and enable sustainable growth. The risk framework is aimed at effectively mitigating the Company's various business and operational risks, through strategic actions. Risk management is embedded in our critical business activities, functions and processes. The risks are reviewed from the change in the nature and extent of the major risks identified since the last assessment. It also provides control measures for risks and future action plans.

The Company believes that the overall risk exposure of present and future risks remains within risk capacity.

#### **11. Corporate Social Responsibility initiatives taken during the year**

Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 your company at the Board meeting held on July 31, 2014 approved a Policy on CSR and the Policy was hosted on the website of the Company.

In terms of Section 135 read with Section 198 of the Companies Act, 2013, the Company does not Have average net profits over the three immediately previous financial years and is therefore not required to spend on Corporate Social Responsibility (CSR) activities. However, during the financial year 2014-15 Company has made voluntary contributions towards activities in the areas of promoting education, preventive health care and sanitation. The projects are in accordance with Schedule VII of the Companies Act, 2013.

#### **12. Board Evaluation**

Pursuant to the provisions of Section 134(3) (p) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the workings of its Committees.

#### **13. The details of directors or key managerial personnel who were appointed or have resigned during the year**

C.P.Gopalkrishnan was re-designated as Deputy Managing Director, CFO & Secretary on 31st July 2014.

C.P.Gopalkrishnan relinquished his responsibilities as Company Secretary and S.N.Balaji was appointed as Company Secretary on 19th September 2014.

Subhashini Chandran and Deepa Reji Abraham were appointed as Additional Directors on 19th September 2014.

#### **14. The name of companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year**

During the financial year 2014-15 Aban Green Power Pvt Ltd became a subsidiary of Aban Offshore Limited.

#### **15. The details relating to deposits, covered under Chapter V of Companies Act, 2013**

During the year under review, your Company did not accept any deposits within the meaning of provisions of Chapter V - Acceptance of Deposits by Companies of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

#### **16. The details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future**

No significant and material orders were passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company.

#### **17. The details in respect of adequacy of internal financial controls with reference to the Financial Statements.**

Details of the same are provided in the Management Discussion and Analysis attached to this Report.

#### **18. Internal financial control:**

Your Company maintains appropriate systems of internal controls, including monitoring procedures, to ensure that all its assets are safeguarded against loss from unauthorized use/misuse or disposition. Company policies, guidelines and procedures provide for adequate checks and balances and are meant to ensure that all transactions are authorized, recorded and reported correctly. Your company through its own internal audit department carried out periodic audits at all locations and functions. The internal audit department reviews the efficiency and effectiveness of these systems and procedures. Added objectives including evaluating the reliability of financial and operational information and ensuring compliances with applicable laws and regulations. The observations arising out of the audit are periodically reviewed and compliance ensured. Appropriate controls are in place to ensure: (a) the orderly and efficient conduct of business, including adherence to Company policies, (b) safeguarding of its assets, (c) prevention and detection of frauds and errors, (d) the accuracy and completeness of the accounting records and (e) timely preparation of reliable financial information.

#### **19. STOCK EXCHANGES**

Your Company's Equity shares are listed in Bombay Stock Exchange Limited and National Stock Exchange of India Ltd.

Preference Shares aggregating to Rs. 2,610 million issued by the Company were listed in Bombay Stock Exchange Ltd.

Necessary stock exchange regulations are complied with. Applicable listing fees for the year 2014 -15 have already been paid to the stock exchanges.

During the year your company's shares were delisted from Madras Stock Exchange under voluntary Delisting effective 25th August 2014.

## 20. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and

Employees to report about unethical behavior or violation of the Company's Code of Conduct. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee.

Your Company hereby affirms that no Director/employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

The whistle blower policy has been hosted in the Company's website under the weblink" <http://abanoffshore.com/pdf/whistleblowerpolicy.pdf>.

## 21. Disclosure under the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of women at workplace (Prevention, prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaints were received during the year 2014-15.

## 22. AUDITORS

M/s Ford, Rhodes, Parks & Co., Chartered Accountants, Chennai hold office till the conclusion of the 31st Annual General Meeting subject to ratification at every Annual General Meeting.

The Audit Committee and the Board of Directors have recommended the appointment of the Auditors for the financial year 2015-16. The necessary resolution is being placed before the shareholders for ratification.

The Secretarial Auditor M/s. G. Ramachandran & Associates, Practising Company Secretaries issued Secretarial Audit Certificate and the same is enclosed and forms part of the Report

## 23. ADDITIONAL DISCLOSURES

In line with the requirements of Accounting Standards Rules 2006 of the Institute of Chartered Accountants of India, your Company has made additional disclosures in respect of the financial reporting of interests in the joint venture in the notes on accounts

## 24. PARTICULARS OF EMPLOYEES

In accordance with proviso to Section 136(1) of the Companies Act, 2013, the Directors' Report is being sent to all shareholders excluding the statement prescribed under Rule 5(1), 5(2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The said statement is available for inspection by the Members at the Registered office of the Company during office hours till the date of the Annual General Meeting.

## 25. The Particular Prescribed under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) (A) (B) & (C) of the Companies (Accounts) Rules, 2014,

The activities of the Company in general are not energy intensive. The company took appropriate measures to conserve energy wherever possible. The Foreign exchange details are given below,

Foreign exchange earnings and outgo	(₹ in millions)	2014- 15	2013-14
Foreign exchange earned during the year		7,912.86	8,437.95
Foreign exchange outflow during the year		1,624.05	1,950.86

## 26. CORPORATE GOVERNANCE

A detailed note on the Company's philosophy on Corporate Governance and such other disclosures as required under the listing agreement with the Stock Exchanges is separately annexed herewith and forms part of this report.

## 27. COMPLIANCE CERTIFICATE

A Certificate from the Auditors of the company has been attached to this report which testifies that the requirements of a sound Corporate Governance process as stipulated under Clause 49 of the listing agreement with the stock exchanges, was met.

## 28. ACKNOWLEDGEMENTS

Your Directors wish to place on record their sincere appreciation for the contribution made by the employees at all levels. The Directors also record their sincere appreciation of the support and co-operation received from the Bankers, Financial Institutions, Investors, relevant Central and State Governments Ministries, Valued Clients and Members of the Company.

For and on behalf of the Board

Place : Chennai  
Date : May 27, 2015

**Reji Abraham**  
Managing Director

**P.Murari**  
Chairman

## CAUTIONARY STATEMENT

Statement in the Management Discussion and Analysis describing the Company's objective's estimates expectation of projection may be Forward Looking Statement within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include Government Regulations, Tax Laws, economic developments in India and in the countries in which the Company conducts business, litigations and other allied factors.



## ANNEXURE TO THE REPORT OF THE DIRECTORS

Statement as at 31st March 2015 pursuant to Clause 12 (Disclosure in the Directors' Report) of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999

### Employee Stock Options - 2005

	2005	2006	2008	2009	2014	Total
a) (i) No of options granted	96,200	47,000	1,25,000	1,75,000	14,00,000	18,43,200
b) Pricing Formula	Options were granted at the closing market price of the Equity Shares of the Company on the Stock Exchange where high volume of shares were traded on the day preceding the date of grant of options					
c) Exercise Price (in INR)	431.60	1288.25 & 1211.50	3622.85	649.75	416.55	
d) Total No. of Options vested	18,43,200					
e) Total No. of Options exercised	160,330					
f) Total No of equity shares arising as a result of exercise of options	160,330 Equity shares of INR 2/- Per share fully paid					
g) Total No. of Options Lapsed	2,59,270					
h) Variation of terms of Options	None					
i) Money raised by exercise of options	INR 642,39,694.50					
j) Total No of options in force	260,070					
k) Details of Options granted to Senior managerial personnel	No Options were granted during the year 2014-2015					
l) Any other employee who received grant in any one year of options amounting to 5% or more of the options granted during the year	No					
m) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant)	None					
n) Diluted Earnings per Share (EPS) pursuant to issue of Equity Share on exercise of options calculated in accordance with the accounting standard (AS 20) Earnings per share	INR 29.65					
o) Method of calculation of employee compensation cost	The employee compensation cost has been calculated using the intrinsic value method of accounting to account for the options issued under the Aban Employee Stock Option Scheme. The Stock based Compensation cost as per the intrinsic value method for the financial year 2014 -15 is NIL.					
	NIL					
Difference between the employee compensation cost so computed at (i) above and the employee compensation cost that shall have been recognized if it had used the fair value of the options The impact of this difference on profits and on EPS of the Company	Not Applicable					
p) Weighted average exercise prices and weighted average fair values of options granted for options whose exercise price either equals or exceeds or is less than the market price of the stock	Weighted average exercise price - INR 678.90 Weighted average fair value – INR188.17					
q) A description of the method and significant assumptions used during the year to estimate the fair values of Options	The fair value of each option is estimated using the Black Scholes Option pricing model after applying the key assumptions i) risk free interest rate – 8.115% ii) Expected Life – 3 years iii) Expected volatility – 54.57% iv) Expected dividends – INR 3.60 per share v) The price of the underlying Share in the market at the Time of option grant INR 411.40					

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

As on the financial year ended on March 31, 2015.

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014

**I. Registration and Other Details:**

CIN	L01119TN1986PLC013473
Registration Date	25-09-1986
Name of the Company	Aban Offshore Limited
Category/Sub-Category of the Company	Company Limited by Shares/ Indian – non Government Company
Address of the Registered office and Contact Details	Janpriya Crest, 113, Pantheon Road, Egmore, Chennai – 600 008, Tamil Nadu. Mail id : ir@aban.com, Tel No. 044-49060606, Fax No. 044-28195527
Whether Listed Company Yes/No	Yes
Name, Address and Contacts details of RTA	Cameo Corporate Services Limited "Subramanian Building" No.1, Club House Road, Chennai – 600 002. Email ID : investor@cameoindia.com Phone : 044-28460390 Fax : 044-28460129

**II. Principal Business Activities of the Company**

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated :

S.No.	Name and Description of main products/services	NIC Code of the Product/service	% of total turnover of the Company
1	Offshore Oil Drilling Services	11201	99.76
2	Wind Power generation	40108	0.24

**III. Particulars of holding, subsidiary and associate companies**

S.No.	Name of the Company	Address of the Company	CIN	Holding/ Subsidiary/ Associate Company	% of shares held	Applicable Section under Companies Act, 2013
1	Aban Energies Limited	Janpriya Crest, 113 Pantheon Road, Egmore, Chennai – 600 008	U31300TN1997PLC038108	Subsidiary	100	2 (87)(ii)
2	Radhapuram Wintech Private Ltd	Janpriya Crest, 113 Pantheon Road, Egmore, Chennai – 600 008	U40109TN2010PTC078369	Subsidiary	74	2 (87)(ii)
3	Aban Green Power Private Limited	Janpriya Crest, 113 Pantheon Road, Egmore, Chennai – 600 008	U40103TN2013PTC090446	Subsidiary	74	2 (87)(ii)

4	Aban Holdings Pte Ltd	6 Temasek Boulevard # 28 - 01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Subsidiary	100	2 (87)(ii)
5	Aban Singapore Pte Ltd	6 Temasek Boulevard # 28 - 01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Subsidiary	100	2 (87)(ii)
6	Aban International Norway AS	Regus Office Centre , Karenslyst Alle, 8B, Skøyen, 0278 Oslo, NORWAY	Not Applicable	Subsidiary	100	2 (87)(ii)
7	Aban 7 Pte Ltd	6 Temasek Boulevard # 28 - 01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Subsidiary	100	2 (87)(ii)
8	Aban 8 Pte Ltd	6 Temasek Boulevard # 28 - 01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Subsidiary	100	2 (87)(ii)
9	Aban Abraham Pte Ltd	6 Temasek Boulevard # 28 - 01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Subsidiary	100	2 (87)(ii)
10	Aban Pearl Pte Ltd	6 Temasek Boulevard # 28 - 01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Subsidiary	100	2 (87)(ii)
11	DDI Holding AS	Regus Office Centre , Karenslyst Alle, 8B, Skøyen, 0278 Oslo, NORWAY	Not Applicable	Subsidiary	100	2 (87)(ii)
12	Deep Drilling Invest Pte Ltd	6 Temasek Boulevard # 28 - 01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Subsidiary	66	2 (87)(ii)
13	Deep Drilling 1 Pte Ltd	6 Temasek Boulevard # 28 - 01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Subsidiary	100	2 (87)(ii)

14	Deep Drilling 2 Pte Ltd	6 Temasek Boulevard # 28 - 01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Subsidiary	100	2 (87)(ii)
15	Deep Drilling 3 Pte Ltd	6 Temasek Boulevard # 28 - 01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Subsidiary	100	2 (87)(ii)
16	Deep Drilling 4 Pte Ltd	6 Temasek Boulevard # 28 - 01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Subsidiary	100	2 (87)(ii)
17	Deep Drilling 5 Pte Ltd	6 Temasek Boulevard # 28 - 01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Subsidiary	100	2 (87)(ii)
18	Deep Drilling 6 Pte Ltd	6 Temasek Boulevard # 28 - 01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Subsidiary	100	2 (87)(ii)
19	Deep Drilling 7 Pte Ltd	6 Temasek Boulevard # 28 - 01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Subsidiary	100	2 (87)(ii)
20	Deep Drilling 8 Pte Ltd	6 Temasek Boulevard # 28 - 01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Subsidiary	100	2 (87)(ii)
21	Deep Driller Mexico S de RL de CV, Mexico	Edificio Takin 2do Piso Noroeste Av. Isla de Tris N° 28-A Entre Av. Contadores y Blvd. San Miguel Fracc. San Miguel C.P. 24159	Not Applicable	Subsidiary	100	2 (87)(ii)
22	Aban Labuan Pvt Limited	Business Suite 19A - 27- 3A Level 27, Wisma Uoa Centre 19 Jalan Pinanh 50450 Kuala Lumpur	Not Applicable	Subsidiary	100	2 (87)(ii)
23	Belati Oilfield SdnBhd	Business suite 19a - 27- 3a Level 27, wisma uoa centre 19 Jalan pinanh 50450 Kuala lumpur	Not Applicable	Associate	49	2 (6)

**IV. SHARE HOLDING PATTERN** (Equity Share Capital Breakup as percentage of Total Equity)

Paid up Shares as on 01 Apr 2014- 43516515 Paid up Shares as on 31 Mar 2015- 57755323 Face Value - Rs.2/-

(i) Category- wise Share Holding

For the Period From : 01-Apr-2014 to 31-Mar-2015

Category code	Category of shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.</b>	<b>SHAREHOLDING OF PROMOTER AND PROMOTER GROUP</b>									
1.	INDIAN									
a.	INDIVIDUALS/HINDU UNDIVIDED FAMILY	8484721	0	8484721	19.4977	11824721	0	11824721	20.4738	0.9761
b.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	BODIES CORPORATE	6693070	0	6693070	15.3805	6693070	0	6693070	11.5886	-3.7918
d.	FINANCIAL INSTITUTIONS/ BANKS	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER	0	0	0	0	0	0	0	0	0
	<b>SUB - TOTAL (A)(1)</b>	<b>15177791</b>	<b>0</b>	<b>15177791</b>	<b>34.8782</b>	<b>18517791</b>	<b>0</b>	<b>18517791</b>	<b>32.0624</b>	<b>-2.8157</b>
2.	FOREIGN									
a.	INDIVIDUALS (NON-RESIDENT INDIVIDUALS/FOREIGN INDIVIDUALS)	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	BODIES CORPORATE	8328750	0	8328750	19.1392	8328750	0	8328750	14.4207	-4.7185
c.	INSTITUTIONS	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER	0	0	0	0	0	0	0	0	0
	<b>SUB - TOTAL (A)(2)</b>	<b>8328750</b>	<b>0</b>	<b>8328750</b>	<b>19.1392</b>	<b>8328750</b>	<b>0</b>	<b>8328750</b>	<b>14.4207</b>	<b>-4.7185</b>
	TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2)	<b>23506541</b>	<b>0</b>	<b>23506541</b>	<b>54.0175</b>	<b>26846541</b>	<b>0</b>	<b>26846541</b>	<b>46.4832</b>	<b>-7.5342</b>
<b>B.</b>	<b>PUBLIC SHAREHOLDING</b>									
1.	INSTITUTIONS									
a.	MUTUAL FUNDS/UTI	389	2000	2389	0.0054	3490027	2000	3492027	6.0462	6.0407
b.	FINANCIAL INSTITUTIONS/ BANKS	1712624	0	1712624	3.9355	1598963	0	1598963	2.7685	-1.1670
c.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	VENTURE CAPITAL FUNDS	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	INSURANCE COMPANIES	0	0	0	0.0000	0	0	0	0.0000	0.0000
f.	FOREIGN INSTITUTIONAL INVESTORS	3555007	2000	3557007	8.1739	7436800	2000	7438800	12.8798	4.7059
g.	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.0000	0	0	0	0.0000	0.0000
h.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
i.	ANY OTHER	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Foreign Portfolio Investor (Corporate) Category I	0	0	0	0.0000	185852	0	185852	0.3217	0.3217
	Foreign Portfolio Investor (Corporate) Category II	0	0	0	0.0000	2039050	0	2039050	3.5304	3.5304
		0	0	0	0.0000	2224902	0	2224902	3.8522	3.8522
	<b>SUB - TOTAL (B)(1)</b>	<b>5268020</b>	<b>4000</b>	<b>5272020</b>	<b>12.1149</b>	<b>14750692</b>	<b>4000</b>	<b>14754692</b>	<b>25.5468</b>	<b>13.4319</b>
2.	NON-INSTITUTIONS									
a.	BODIES CORPORATE	2793637	11625	2805262	6.4464	2913661	11625	2925286	5.0649	-1.3814
b.	INDIVIDUALS -									
	I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH	9751932	408124	10160056	23.3475	11458198	377321	11835519	20.4925	-2.8550

Category code	Category of shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	II INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH	100000	0	100000	0.2297	0	0	0	0	0
c.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	ANY OTHER	0	0	0	0.0000	0	0	0	0.0000	0.0000
	CLEARING MEMBERS	713187	0	713187	1.6388	287514	0	287514	0.4978	-1.1410
	DIRECTORS AND THEIR RELATIVES	59800	5	59805	0.1374	79750	5	79755	0.1380	0.0006
	ESOP / ESOS / ESPS	18092	2930	21022	0.0483	11527	2440	13967	0.0241	-0.0241
	FOREIGN NATIONALS	90	0	90	0.0002	90	0	90	0.0001	-0.0000
	HINDU UNDIVIDED FAMILIES	289090	0	289090	0.6643	399083	0	399083	0.6909	0.0266
	NON RESIDENT INDIANS	561477	27560	589037	1.3535	582652	27560	610212	1.0565	-0.2970
	TRUSTS	405	0	405	0.0009	2664	0	2664	0.0046	0.0036
		1642141	30495	1672636	3.8436	1363280	30005	1393285	2.4123	-1.4312
	<b>SUB - TOTAL (B)(2)</b>	<b>14287710</b>	<b>450244</b>	<b>14737954</b>	<b>33.8674</b>	<b>15735139</b>	<b>418951</b>	<b>16154090</b>	<b>27.9698</b>	<b>-5.8976</b>
	<b>TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)</b>	<b>19555730</b>	<b>454244</b>	<b>20009974</b>	<b>45.9824</b>	<b>30485831</b>	<b>422951</b>	<b>30908782</b>	<b>53.5167</b>	<b>15.6916</b>
	<b>TOTAL (A)+(B)</b>	<b>43062271</b>	<b>454244</b>	<b>43516515</b>	<b>100.0000</b>	<b>57332372</b>	<b>422951</b>	<b>57755323</b>	<b>100.0000</b>	<b>0.0000</b>
C.	SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED									
	Promoter and Promoter Group	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Public	0	0	0	0.0000	0	0	0	0.0000	0.0000
	<b>TOTAL CUSTODIAN (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0.0000</b>
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>43062271</b>	<b>454244</b>	<b>43516515</b>	<b>100.0000</b>	<b>57332372</b>	<b>422951</b>	<b>57755323</b>	<b>100.0000</b>	<b>0.0000</b>

## II. SHAREHOLDING OF PROMOTERS

SI No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year	Pledged Shares at beginning of the Year	Pledged Shares at end of the Year
		No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares			
1	ABAN INVESTMENTS PRIVATE LIMITED	5653070	12.9906	12.9686	5653070	9.7879	8.2589	0	5643500	4770000
2	REJI ABRAHAM	5127840	11.7836	0.0000	5627840	9.7442	0.0000	0.8657	0	0
3	SALEY ABRAHAM	2158000	4.9590	0.0000	2158000	3.7364	0.0000	0.0000	0	0
4	ABAN VENTURES PRIVATE LIMITED	1040000	2.3898	1.2638	1040000	1.8006	0.0000	0.0000	550000	0
5	SHEMA RENNY ABRAHAM	660381	1.5175	0.0000	610381	1.0568	0.0000	-0.0865	0	0
6	DEEPA REJI ABRAHAM	538500	1.2374	0.0000	3428500	5.9362	0.0000	5.0038	0	0
7	INDIA OFFSHORE INC	8328750	19.1392	0.0000	8328750	14.4207	0.0000	0.0000	0	0
	<b>TOTAL</b>	<b>23506541</b>	<b>54.0171</b>	<b>14.2324</b>	<b>26846541</b>	<b>46.4828</b>	<b>8.2589</b>	<b>5.7830</b>	<b>6193500</b>	<b>4770000</b>

### III. Change in Promoters' Shareholding

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	INDIA OFFSHORE INC				
	At the beginning of the year 01-Apr-2014	8328750	19.1392		
	At the end of the Year 31-Mar-2015			8328750	14.4207
2	ABAN INVESTMENTS PVT LTD				
	At the beginning of the year 01-Apr-2014	5653070	12.9906		
	At the end of the Year 31-Mar-2015			5653070	9.7879
3	REJI ABRAHAM				
	At the beginning of the year 01-Apr-2014	5127840	11.7836		
	Purchase 27-Feb-2015	500000	0.8657	5627840	9.744
	At the end of the Year 31-Mar-2015			5627840	9.744
4	SALEY ABRAHAM				
	At the beginning of the year 01-Apr-2014	2158000	4.9590		
	At the end of the Year 31-Mar-2015			2158000	3.7364
5	ABAN VENTURES PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2014	1040000	2.3898		
	At the end of the Year 31-Mar-2015			1040000	1.8006
6	SHEMA RENNY ABRAHAM				
	At the beginning of the year 01-Apr-2014	660381	1.5175		
	Sale 18-Jul-2014	-50000	0.0865	610381	1.0568
	At the end of the Year 31-Mar-2015			610381	1.0568
7	DEEPA REJI ABRAHAM				
	At the beginning of the year 01-Apr-2014	538500	1.2374		
	Purchase 12-Sep-2014	1125000	1.9478	1663500	2.8802
	Purchase 30-Sep-2014	1375000	2.3807	3038500	5.2609
	Purchase 27-Feb-2015	390000	0.6752	3428500	5.9362
	At the end of the Year 31-Mar-2015			3428500	5.9362

### IV. Share Holding Pattern of top Ten Share holders (other than Directors, Promoters and holders of GDRs and ADRs)

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	LIFE INSURANCE CORPORATION OF INDIA				
	At the beginning of the year 01-Apr-2014	1000000	2.2979		
	At the end of the Year 31-Mar-2015			1000000	1.7314
1	LIFE INSURANCE CORPORATION OF INDIA P & GS FUND				
	At the beginning of the year 01-Apr-2014	278461	0.6398		
	At the end of the Year 31-Mar-2015			278461	0.4821

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	LIC OF INDIA MONEY PLUS GROWTH FUND				
	At the beginning of the year 01-Apr-2014	21200	0.0487		
	At the end of the Year 31-Mar-2015			21200	0.0367
2	GMO EMERGING MARKETS FUND				
	At the beginning of the year 01-Apr-2014	828393	1.9036		
	Sale 18-Apr-2014	-17480	0.0302	810913	1.4040
	Sale 25-Apr-2014	-64591	0.1118	746322	1.2922
	Sale 16-May-2014	-57681	0.0998	688641	1.1923
	Sale 06-Jun-2014	-23467	0.0406	665174	1.1517
	Purchase 15-Jul-2014	615005	1.0648	1280179	2.2165
	Purchase 19-Sep-2014	19052	0.0329	1299231	2.2495
	Sale 24-Oct-2014	-97264	0.1684	1201967	2.0811
	Sale 31-Oct-2014	-141947	0.2457	1060020	1.8353
	Sale 21-Nov-2014	-290923	0.5037	769097	1.3316
	Sale 19-Dec-2014	-382210	0.6617	386887	0.6698
	Sale 31-Dec-2014	-386887	0.6698	0	0.0000
	Purchase 23-Jan-2015	206084	0.3568	206084	0.3568
	Sale 20-Feb-2015	-206084	0.3568	0	0.0000
	At the end of the Year 31-Mar-2015	0	0.0000	0	0.0000
3	MERRILL LYNCH CAPITAL MARKETS ESPANA S.A. S.V.				
	At the beginning of the year 01-Apr-2014	666575	1.5317		
	Sale 04-Apr-2014	-9480	0.0164	657095	1.1377
	Sale 02-May-2014	-17847	0.0309	639248	1.1068
	Purchase 09-May-2014	208619	0.3612	847867	1.4680
	Sale 23-May-2014	-14114	0.0244	833753	1.4435
	Sale 06-Jun-2014	-73540	0.1273	760213	1.3162
	Purchase 20-Jun-2014	5233	0.0090	765446	1.3253
	Purchase 26-Jun-2014	39723	0.0687	805169	1.3941
	Purchase 30-Jun-2014	9796	0.0169	814965	1.4110
	Purchase 04-Jul-2014	33667	0.0582	848632	1.4693
	Purchase 18-Jul-2014	29694	0.0514	878326	1.5207
	Purchase 08-Aug-2014	250127	0.4330	1128453	1.9538
	Sale 14-Aug-2014	-18241	0.0315	1110212	1.9222
	Purchase 29-Aug-2014	3611	0.0062	1113823	1.9285
	Sale 11-Sep-2014	-80658	0.1396	1033165	1.7888
	Sale 12-Sep-2014	-17763	0.0307	1015402	1.7581
	Purchase 30-Sep-2014	22205	0.0384	1037607	1.7965
	Sale 17-Oct-2014	-18588	0.0321	1019019	1.7643
	Purchase 24-Oct-2014	51260	0.0887	1070279	1.8531
	Sale 31-Oct-2014	-2152	0.0037	1068127	1.8494
	Purchase 07-Nov-2014	322071	0.5576	1390198	2.4070
	Purchase 14-Nov-2014	47534	0.0823	1437732	2.4893
	Sale 21-Nov-2014	-171976	0.2977	1265756	2.1915
	Sale 28-Nov-2014	-10999	0.0190	1254757	2.1725



SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Purchase 19-Dec-2014	48138	0.0833	1302895	2.2558
	Purchase 31-Dec-2014	80649	0.1396	1383544	2.3955
	Sale 16-Jan-2015	-1316	0.0022	1382228	2.3932
	Sale 30-Jan-2015	-2982	0.0051	1379246	2.3880
	Sale 06-Feb-2015	-204530	0.3541	1174716	2.0339
	Sale 27-Feb-2015	-75152	0.1301	1099564	1.9038
	Purchase 13-Mar-2015	14535	0.0251	1114099	1.9289
	Purchase 20-Mar-2015	72499	0.1255	1186598	2.0545
	Purchase 27-Mar-2015	13923	0.0241	1200521	2.0786
	At the end of the Year 31-Mar-2015			1200521	2.0786
4	ABAN OFFSHORE LIMITED UNCLAIMED SUSPENSE ACCOUNT				
	At the beginning of the year 01-Apr-2014	578672	1.3297		
	Sale 22-Aug-2014	-16715	0.0289	561957	0.9729
	Sale 19-Sep-2014	-3150	0.0054	558807	0.9675
	Sale 31-Oct-2014	-1500	0.0025	557307	0.9649
	Sale 14-Nov-2014	-2400	0.0041	554907	0.9607
	Sale 28-Nov-2014	-3150	0.0054	551757	0.9553
	Sale 12-Dec-2014	-1800	0.0031	549957	0.9522
	Sale 31-Dec-2014	-3730	0.0064	546227	0.9457
	Sale 09-Jan-2015	-900	0.0015	545327	0.9442
	Sale 13-Feb-2015	-1200	0.0020	544127	0.9421
	Sale 06-Mar-2015	-2580	0.0044	541547	0.9376
	Sale 13-Mar-2015	-400	0.0006	541147	0.9369
	At the end of the Year 31-Mar-2015			541147	0.9369
5	GOVERNMENT PENSION FUND GLOBAL				
	At the beginning of the year 01-Apr-2014	248000	0.5698		
	Sale 11-Apr-2014	-24180	0.0418	223820	0.3875
	Sale 18-Apr-2014	-35940	0.0622	187880	0.3253
	Sale 25-Apr-2014	-50340	0.0871	137540	0.2381
	Sale 02-May-2014	-55110	0.0954	82430	0.1427
	Sale 09-May-2014	-68512	0.1186	13918	0.0240
	Sale 16-May-2014	-13918	0.0240	0	0.0000
	At the end of the Year 31-Mar-2015	0	0.0000	0	0.0000
6	DIMENSIONAL EMERGING MARKETS VALUE FUND				
	At the beginning of the year 01-Apr-2014	217878	0.5006		
	Purchase 09-May-2014	6607	0.0114	224485	0.3886
	Purchase 13-Jun-2014	19400	0.0335	243885	0.4222
	Purchase 08-Aug-2014	11710	0.0202	255595	0.4425
	Purchase 14-Aug-2014	25928	0.0448	281523	0.4874
	Purchase 22-Aug-2014	15149	0.0262	296672	0.5136

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Purchase 11-Sep-2014	34642	0.0599	331314	0.5736
	At the end of the Year 31-Mar-2015			331314	0.5736
7	NIRMAL BANG FINANCIAL SERVICES PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2014	168500	0.3872		
	Sale 30-May-2014	-68500	0.1186	100000	0.1731
	Purchase 26-Jun-2014	50000	0.0865	150000	0.2597
	Sale 10-Jul-2014	-50000	0.0865	100000	0.1731
	Purchase 25-Jul-2014	3000	0.0051	103000	0.1783
	Sale 08-Aug-2014	-700	0.0012	102300	0.1771
	Sale 05-Sep-2014	-5000	0.0086	97300	0.1684
	Sale 11-Sep-2014	-97300	0.1684	0	0.0000
	At the end of the Year 31-Mar-2015	0	0.0000	0	0.0000
7	NIRMAL BANG FINANCIAL SERVICES PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2014	32470	0.0746		
	Purchase 11-Apr-2014	2060	0.0035	34530	0.0597
	Sale 18-Apr-2014	-1000	0.0017	33530	0.0580
	Purchase 25-Apr-2014	500	0.0008	34030	0.0589
	Sale 02-May-2014	-1550	0.0026	32480	0.0562
	Sale 16-May-2014	-2	0.0000	32478	0.0562
	Purchase 23-May-2014	6092	0.0105	38570	0.0667
	Purchase 30-May-2014	15600	0.0270	54170	0.0937
	Purchase 06-Jun-2014	800	0.0013	54970	0.0951
	Purchase 13-Jun-2014	2400	0.0041	57370	0.0993
	Sale 20-Jun-2014	-1399	0.0024	55971	0.0969
	Sale 26-Jun-2014	-50300	0.0870	5671	0.0098
	Sale 30-Jun-2014	-3900	0.0067	1771	0.0030
	Purchase 04-Jul-2014	2900	0.0050	4671	0.0080
	Sale 09-Jul-2014	-1500	0.0025	3171	0.0054
	Purchase 10-Jul-2014	51000	0.0883	54171	0.0937
	Sale 11-Jul-2014	-50000	0.0865	4171	0.0072
	Purchase 15-Jul-2014	450	0.0007	4621	0.0080
	Sale 18-Jul-2014	-450	0.0007	4171	0.0072
	Purchase 25-Jul-2014	27700	0.0479	31871	0.0551
	Purchase 01-Aug-2014	3329	0.0057	35200	0.0609
	Sale 08-Aug-2014	-26499	0.0458	8701	0.0150
	Sale 14-Aug-2014	-3000	0.0051	5701	0.0098
	Sale 22-Aug-2014	-4500	0.0077	1201	0.0020
	Sale 29-Aug-2014	-100	0.0001	1101	0.0019
	Purchase 05-Sep-2014	2069	0.0035	3170	0.0054
	Purchase 11-Sep-2014	19950	0.0345	23120	0.0400
	Sale 19-Sep-2014	-19710	0.0341	3410	0.0059
	Sale 30-Sep-2014	-490	0.0008	2920	0.0050
	Purchase 10-Oct-2014	500	0.0008	3420	0.0059

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Purchase 17-Oct-2014	21200	0.0367	24620	0.0426
	Sale 24-Oct-2014	-20000	0.0346	4620	0.0079
	Purchase 31-Oct-2014	700	0.0012	5320	0.0092
	Sale 07-Nov-2014	-1050	0.0018	4270	0.0073
	Sale 14-Nov-2014	-100	0.0001	4170	0.0072
	Purchase 21-Nov-2014	125	0.0002	4295	0.0074
	Purchase 28-Nov-2014	200	0.0003	4495	0.0077
	Purchase 05-Dec-2014	100	0.0001	4595	0.0079
	Purchase 12-Dec-2014	500	0.0008	5095	0.0088
	Sale 19-Dec-2014	-3400	0.0058	1695	0.0029
	Sale 31-Dec-2014	-160	0.0002	1535	0.0026
	Purchase 02-Jan-2015	300	0.0005	1835	0.0031
	Purchase 09-Jan-2015	2775	0.0048	4610	0.0079
	Purchase 16-Jan-2015	300	0.0005	4910	0.0085
	Sale 23-Jan-2015	-150	0.0002	4760	0.0082
	Purchase 30-Jan-2015	20016	0.0346	24776	0.0428
	Sale 06-Feb-2015	-14000	0.0242	10776	0.0186
	Purchase 13-Feb-2015	11500	0.0199	22276	0.0385
	Sale 20-Feb-2015	-5020	0.0086	17256	0.0298
	Sale 27-Feb-2015	-6446	0.0111	10810	0.0187
	Purchase 06-Mar-2015	5600	0.0096	16410	0.0284
	Sale 13-Mar-2015	-10100	0.0174	6310	0.0109
	Purchase 27-Mar-2015	1000	0.0017	7310	0.0126
	Sale 31-Mar-2015	-150	0.0002	7160	0.0123
	At the end of the Year 31-Mar-2015			7160	0.0123
8	VIBGYOR INVESTORS AND DEVELOPERS PVT LTD				
	At the beginning of the year 01-Apr-2014	150500	0.3458		
	Sale 29-Aug-2014	-11500	0.0199	139000	0.2406
	Sale 05-Sep-2014	-139000	0.2406	0	0.0000
	At the end of the Year 31-Mar-2015	0	0.0000	0	0.0000
9	CREDIT SUISSE (SINGAPORE) LIMITED				
	At the beginning of the year 01-Apr-2014	146213	0.3359		
	Sale 18-Apr-2014	-63000	0.1090	83213	0.1440
	Sale 02-May-2014	-83213	0.1440	0	0.0000
	Purchase 06-Jun-2014	72400	0.1253	72400	0.1253
	Purchase 13-Jun-2014	89686	0.1552	162086	0.2806
	Purchase 20-Jun-2014	29962	0.0518	192048	0.3325
	Purchase 26-Jun-2014	58152	0.1006	250200	0.4332
	Purchase 04-Jul-2014	21316	0.0369	271516	0.4701
	Purchase 09-Jul-2014	29172	0.0505	300688	0.5206
	Purchase 10-Jul-2014	139052	0.2407	439740	0.7613
	Purchase 15-Jul-2014	170476	0.2951	610216	1.0565

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Purchase 18-Jul-2014	1430	0.0024	611646	1.0590
	Purchase 25-Jul-2014	215719	0.3735	827365	1.4325
	Purchase 01-Aug-2014	214585	0.3715	1041950	1.8040
	Purchase 08-Aug-2014	89839	0.1555	1131789	1.9596
	Purchase 14-Aug-2014	27605	0.0477	1159394	2.0074
	Sale 19-Sep-2014	-10796	0.0186	1148598	1.9887
	Purchase 10-Oct-2014	9216	0.0159	1157814	2.0046
	Purchase 17-Oct-2014	38902	0.0673	1196716	2.0720
	Purchase 24-Oct-2014	227918	0.3946	1424634	2.4666
	Purchase 31-Oct-2014	143517	0.2484	1568151	2.7151
	Purchase 14-Nov-2014	52611	0.0910	1620762	2.8062
	Purchase 21-Nov-2014	251243	0.4350	1872005	3.2412
	Sale 05-Dec-2014	-112970	0.1956	1759035	3.0456
	Purchase 31-Dec-2014	12878	0.0222	1771913	3.0679
	Purchase 16-Jan-2015	46391	0.0803	1818304	3.1482
	Sale 23-Jan-2015	-9026	0.0156	1809278	3.1326
	Purchase 30-Jan-2015	17333	0.0300	1826611	3.1626
	Sale 06-Feb-2015	-205656	0.3560	1620955	2.8065
	Purchase 13-Feb-2015	46159	0.0799	1667114	2.8865
	Purchase 06-Mar-2015	9387	0.0162	1676501	2.9027
	Purchase 13-Mar-2015	11964	0.0207	1688465	2.9234
	Purchase 27-Mar-2015	62236	0.1077	1750701	3.0312
	At the end of the Year 31-Mar-2015			1750701	3.0312
10	EMERGING MARKETS CORE EQUITY PORTFOLIO (THE PORTFOLIO) OF DFA INVESTMENT DIMENSIONS GROUP INC (DFAIDG)				
	At the beginning of the year 01-Apr-2014	129677	0.2979		
	Purchase 25-Jul-2014	12342	0.0213	142019	0.2458
	Purchase 01-Aug-2014	8552	0.0148	150571	0.2607
	Purchase 08-Aug-2014	2080	0.0036	152651	0.2643
	Purchase 14-Aug-2014	7525	0.0130	160176	0.2773
	Purchase 22-Aug-2014	16040	0.0277	176216	0.3051
	Purchase 29-Aug-2014	16063	0.0278	192279	0.3329
	At the end of the Year 31-Mar-2015			192279	0.3329
	NEW TOP 10 AS ON (31-Mar-2015)				
11	ICICI PRUDENTIAL DYNAMIC PLAN				
	At the beginning of the year 01-Apr-2014	0	0.0000	0	0.0000
	Purchase 10-Jul-2014	1439251	2.4919		
	Sale 15-Jul-2014	-158469	0.2743	1280782	2.2175
	Purchase 28-Nov-2014	200000	0.3462	1480782	2.5638
	At the end of the Year 31-Mar-2015			1480782	2.5638

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
11	ICICI PRUDENTIAL TAX PLAN				
	At the beginning of the year 01-Apr-2014	0	0.0000	0	0.0000
	Purchase 10-Jul-2014	251618	0.4356		
	Sale 25-Jul-2014	-51618	0.0893	200000	0.3462
	Sale 01-Aug-2014	-50000	0.0865	150000	0.2597
	Purchase 30-Sep-2014	62488	0.1081	212488	0.3679
	Purchase 10-Oct-2014	22185	0.0384	234673	0.4063
	Purchase 17-Oct-2014	29956	0.0518	264629	0.4581
	Purchase 31-Oct-2014	100000	0.1731	364629	0.6313
	Purchase 19-Dec-2014	23360	0.0404	387989	0.6717
	At the end of the Year 31-Mar-2015			387989	0.6717
11	ICICI PRUDENTIAL BALANCED ADVANTAGE FUND				
	At the beginning of the year 01-Apr-2014	0	0.0000	0	0.0000
	Purchase 10-Jul-2014	359454	0.6223		
	At the end of the Year 31-Mar-2015			359454	0.6223
11	ICICI PRUDENTIAL INFRASTRUCTURE FUND				
	At the beginning of the year 01-Apr-2014	0	0.0000	0	0.0000
	Purchase 10-Jul-2014	503235	0.8713		
	Sale 15-Jul-2014	-100000	0.1731	403235	0.6981
	Purchase 30-Sep-2014	50000	0.0865	453235	0.7847
	Sale 05-Dec-2014	-100000	0.1731	353235	0.6116
	At the end of the Year 31-Mar-2015			353235	0.6116
11	ICICI PRUDENTIAL TOP 100 FUND				
	At the beginning of the year 01-Apr-2014	0	0.0000	0	0.0000
	Purchase 10-Jul-2014	244428	0.4232		
	Purchase 30-Sep-2014	62739	0.1086	307167	0.5318
	At the end of the Year 31-Mar-2015			307167	0.5318
11	ICICI PRUDENTIAL VALUE FUND SERIES 1				
	At the beginning of the year 01-Apr-2014	0	0.0000	0	0.0000
	Purchase 10-Jul-2014	265996	0.4605		
	At the end of the Year 31-Mar-2015			265996	0.4605
11	ICICI PRUDENTIAL GROWTH FUND-SERIES 1				
	At the beginning of the year 01-Apr-2014	0	0.0000	0	0.0000
	Purchase 10-Jul-2014	143781	0.2489	143781	0.2489
	At the end of the Year 31-Mar-2015	143781	0.2489	143781	0.2489
11	ICICI PRUDENTIAL CHILD CARE PLAN - GIFT PLAN				
	At the beginning of the year 01-Apr-2014	0	0.0000	0	0.0000
	Purchase 10-Jul-2014	79080	0.1369		

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Sale 25-Jul-2014	-39080	0.0676	40000	0.0692
	Sale 01-Aug-2014	-40000	0.0692	0	0.0000
	Purchase 17-Oct-2014	62651	0.1084	62651	0.1084
	Purchase 19-Dec-2014	12000	0.0207	74651	0.1292
	At the end of the Year 31-Mar-2015			74651	0.1292
12	STICHTING PENSIOENFONDS ABP				
	At the beginning of the year 01-Apr-2014	36681	0.0842		
	Purchase 06-Jun-2014	128382	0.2222	165063	0.2857
	Purchase 20-Jun-2014	106345	0.1841	271408	0.4699
	Purchase 26-Jun-2014	62137	0.1075	333545	0.5775
	Purchase 04-Jul-2014	34686	0.0600	368231	0.6375
	Purchase 09-Jul-2014	66981	0.1159	435212	0.7535
	Purchase 10-Jul-2014	18625	0.0322	453837	0.7857
	Purchase 15-Jul-2014	117807	0.2039	571644	0.9897
	Purchase 18-Jul-2014	2495	0.0043	574139	0.9940
	Purchase 25-Jul-2014	153884	0.2664	728023	1.2605
	Purchase 01-Aug-2014	27755	0.0480	755778	1.3085
	Purchase 12-Sep-2014	24140	0.0417	779918	1.3503
	Purchase 24-Oct-2014	86903	0.1504	866821	1.5008
	Purchase 31-Oct-2014	199901	0.3461	1066722	1.8469
	Purchase 07-Nov-2014	66834	0.1157	1133556	1.9626
	Purchase 14-Nov-2014	105272	0.1822	1238828	2.1449
	Purchase 21-Nov-2014	140260	0.2428	1379088	2.3878
	Sale 28-Nov-2014	-30062	0.0520	1349026	2.3357
	Sale 05-Dec-2014	-64706	0.1120	1284320	2.2237
	Sale 12-Dec-2014	-73624	0.1274	1210696	2.0962
	Purchase 09-Jan-2015	132520	0.2294	1343216	2.3257
	Sale 30-Jan-2015	-50498	0.0874	1292718	2.2382
	Purchase 13-Feb-2015	104661	0.1812	1397379	2.4194
	At the end of the Year 31-Mar-2015			1397379	2.4194
13	GOLDMAN SACHS (SINGAPORE) PTE				
	At the beginning of the year 01-Apr-2014	44952	0.1032		
	Purchase 09-May-2014	91100	0.1577	136052	0.2355
	Purchase 06-Jun-2014	17642	0.0305	153694	0.2661
	Sale 13-Jun-2014	-4201	0.0072	149493	0.2588
	Purchase 20-Jun-2014	10102	0.0174	159595	0.2763
	Purchase 04-Jul-2014	68018	0.1177	227613	0.3940
	Purchase 09-Jul-2014	85	0.0001	227698	0.3942
	Purchase 10-Jul-2014	30198	0.0522	257896	0.4465
	Purchase 18-Jul-2014	19257	0.0333	277153	0.4798
	Purchase 08-Aug-2014	24059	0.0416	301212	0.5215
	Sale 22-Aug-2014	-21546	0.0373	279666	0.4842

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Sale 29-Aug-2014	-19864	0.0343	259802	0.4498
	Purchase 05-Sep-2014	5710	0.0098	265512	0.4597
	Sale 19-Sep-2014	-23708	0.0410	241804	0.4186
	Sale 30-Sep-2014	-31312	0.0542	210492	0.3644
	Sale 10-Oct-2014	-15063	0.0260	195429	0.3383
	Sale 17-Oct-2014	-6268	0.0108	189161	0.3275
	Sale 24-Oct-2014	-3826	0.0066	185335	0.3208
	Purchase 31-Oct-2014	86059	0.1490	271394	0.4699
	Sale 07-Nov-2014	-140944	0.2440	130450	0.2258
	Purchase 14-Nov-2014	37015	0.0640	167465	0.2899
	Purchase 21-Nov-2014	58833	0.1018	226298	0.3918
	Purchase 28-Nov-2014	13212	0.0228	239510	0.4146
	Purchase 12-Dec-2014	159783	0.2766	399293	0.6913
	Purchase 19-Dec-2014	216743	0.3752	616036	1.0666
	Purchase 31-Dec-2014	230220	0.3986	846256	1.4652
	Sale 09-Jan-2015	-394	0.0006	845862	1.4645
	Sale 16-Jan-2015	-67351	0.1166	778511	1.3479
	Sale 23-Jan-2015	-52841	0.0914	725670	1.2564
	Purchase 13-Feb-2015	73128	0.1266	798798	1.3830
	Purchase 20-Feb-2015	53783	0.0931	852581	1.4761
	Sale 27-Feb-2015	-3381	0.0058	849200	1.4703
	Purchase 06-Mar-2015	2818	0.0048	852018	1.4752
	Purchase 13-Mar-2015	18278	0.0316	870296	1.5068
	Purchase 20-Mar-2015	64582	0.1118	934878	1.6186
	Purchase 27-Mar-2015	89152	0.1543	1024030	1.7730
	Purchase 31-Mar-2015	20772	0.0359	1044802	1.8090
	At the end of the Year 31-Mar-2015			1044802	1.8090
14	SWISS FINANCE CORPORATION (MAURITIUS) LIMITED				
	At the beginning of the year 01-Apr-2014	0	0.0000	0	0.0000
	Purchase 18-Apr-2014	1583	0.0027		
	Sale 02-May-2014	-1583	0.0027	0	0.0000
	Purchase 06-Jun-2014	28483	0.0493	28483	0.0493
	Purchase 09-Jul-2014	31286	0.0541	59769	0.1034
	Purchase 10-Jul-2014	647016	1.1202	706785	1.2237
	Sale 15-Jul-2014	-235376	0.4075	471409	0.8162
	Purchase 18-Jul-2014	5609	0.0097	477018	0.8259
	Purchase 01-Aug-2014	31892	0.0552	508910	0.8811
	Purchase 08-Aug-2014	21713	0.0375	530623	0.9187
	Purchase 14-Aug-2014	6918	0.0119	537541	0.9307
	Sale 22-Aug-2014	-75927	0.1314	461614	0.7992
	Purchase 30-Sep-2014	73048	0.1264	534662	0.9257
	Purchase 31-Oct-2014	7142	0.0123	541804	0.9381

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Purchase 07-Nov-2014	25684	0.0444	567488	0.9825
	Purchase 14-Nov-2014	29455	0.0509	596943	1.0335
	Purchase 28-Nov-2014	76947	0.1332	673890	1.1668
	Sale 05-Dec-2014	-178894	0.3097	494996	0.8570
	Purchase 19-Dec-2014	233911	0.4050	728907	1.2620
	Purchase 02-Jan-2015	10095	0.0174	739002	1.2795
	Purchase 09-Jan-2015	38109	0.0659	777111	1.3455
	Purchase 16-Jan-2015	12390	0.0214	789501	1.3669
	Sale 23-Jan-2015	-87833	0.1520	701668	1.2148
	Sale 30-Jan-2015	-274040	0.4744	427628	0.7404
	Purchase 06-Feb-2015	199259	0.3450	626887	1.0854
	Purchase 13-Feb-2015	33492	0.0579	660379	1.1434
	Purchase 20-Feb-2015	10622	0.0183	671001	1.1617
	Purchase 27-Feb-2015	4430	0.0076	675431	1.1694
	Purchase 06-Mar-2015	3751	0.0064	679182	1.1759
	Purchase 13-Mar-2015	70868	0.1227	750050	1.2986
	Purchase 20-Mar-2015	8244	0.0142	758294	1.3129
	Sale 27-Mar-2015	-7685	0.0133	750609	1.2996
	At the end of the Year 31-Mar-2015			750609	1.2996
15	NORDEA 1 SICAV - INDIAN EQUITY FUND				
	At the beginning of the year 01-Apr-2014	0	0.0000	0	0.0000
	Purchase 28-Nov-2014	356208	0.6167		
	Purchase 05-Dec-2014	69395	0.1201	425603	0.7369
	Sale 19-Dec-2014	-37736	0.0653	387867	0.6715
	Purchase 23-Jan-2015	36486	0.0631	424353	0.7347
	Purchase 13-Feb-2015	39726	0.0687	464079	0.8035
	Sale 13-Mar-2015	-30556	0.0529	433523	0.7506
	At the end of the Year 31-Mar-2015			433523	0.7506



**V. Shareholding of Directors and Key Managerial Personnel:**

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	REJI ABRAHAM				
	At the beginning of the year 01-Apr-2014	5127840	11.7836		
	Purchase 27-Feb-2015	500000	0.8657	5627840	9.7442
	At the end of the Year 31-Mar-2015			5627840	9.7442
2	DEEPA REJI ABRAHAM				
	At the beginning of the year 01-Apr-2014	538500	1.2374		
	Purchase 12-Sep-2014	1125000	1.9478	1663500	2.8802
	Purchase 30-Sep-2014	1375000	2.3807	3038500	5.2609
	Purchase 27-Feb-2015	390000	0.6752	3428500	5.9362
	At the end of the Year 31-Mar-2015			3428500	5.9362
3	C.P.GOPALKRISHNAN				
	At the beginning of the Year 01-Apr-2014	21500	0.0494		
	Purchase 18-Jul-2014	21700	0.0375	43200	0.0747
	At the end of the Year 31-Mar-2015			43200	0.0747
4	P VENKATESWARAN				
	At the beginning of the year 01-Apr-2014	11505	0.0263		
	Purchase 18-Jul-2014	9300	0.0161	20805	0.0360
	At the end of the Year 31-Mar-2015			20805	0.0360
5	K BHARATHAN JT1 : JAYASHREE BHARATHAN				
	At the beginning of the year 01-Apr-2014	3500	0.0080	3500	0.0080
	Purchase 18-Jul-2014	1500	0.0025	5000	0.0086
	At the end of the Year 31-Mar-2015	5000	0.0086	5000	0.0086
6	BALAJI S N				
	At the beginning of the year 01-Apr-2014	180	0.0004		
	Purchase 30-Jun-2014	1700	0.0029	1880	0.0033
	At the end of the Year 31-Mar-2015			1880	0.0033

## VI. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due pay payment

(Rs in Millions)

Particulars	Secured Loans excluding deposit	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the year</b>				
(i) Principal amount	10,852.86	679.20	-	11,532.06
(ii) Interest due but not paid	132.01	3.27	-	135.28
(iii) Interest accrued but not due	4.39	-	-	4.39
<b>Total</b>	<b>10,989.26</b>	<b>682.47</b>	<b>-</b>	<b>11,671.73</b>
<b>Changes in indebtedness during the financial year</b>				
Addition	1,222.14	246.92	-	1,469.06
Reduction	(2,802.47)	(603.47)	-	(3,405.94)
<b>Net Change</b>	<b>(1,580.33)</b>	<b>(356.55)</b>	<b>-</b>	<b>(1,936.88)</b>
<b>Indebtedness at the end of the year</b>				
(i) Principal amount	9,329.01	325.00	-	9,654.01
(ii) Interest due but not paid	73.96	0.92	-	74.88
(iii) Interest accrued but not due	5.96	-	-	5.96
<b>Total</b>	<b>9,408.93</b>	<b>325.92</b>	<b>-</b>	<b>9,734.85</b>

## VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whote-time Directors and /or Manager:

(Amount in Rs)

S.No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Reji Abraham Managing Director	P.Venkateswaran Dy. Managing Director	C.P.Gopalkrishnan Dy. Managing Director & CFO	
1	Gross Salary				
	(a) Salary as per provisions contained in				
	Section 17 (1) of the Income Tax Act, 1961	3,00,00,000	1,04,00,000	1,04,00,000	5,08,00,000
	(b) Value of perquisites u/s 17 (2) of the Income Tax Act, 1961	45,00,000	51,65,609	45,86,421	1,42,52,030
	(c) Profit in lieu of Salary				
2	Stock Option				0
3	Sweat Equity				0
4	Commission - as % of Profit	5,48,77,033			5,48,77,033
	- others, specify				0
5	Others - Retirement benefits	50,40,000	16,12,800	16,12,800	82,65,600
	<b>Total (A)</b>	<b>9,44,17,033</b>	<b>1,71,78,409</b>	<b>1,65,99,221</b>	<b>12,81,94,663</b>

B. Remuneration to other Directors :

(Amount in Rs)

S.No.	Particulars of Remuneration	Name of Directors				Total
		P.Murari	K.Bharthan	Ashok Kumar Rout	Subhashini Chandran	
	<b>Independent Directors</b>					
	Fee for attending board/ committee meetings	1,15,000	1,85,000	1,15,000	50,000	4,65,000
	Commission	-	-	-	-	-
	Others, Please specify	-	-	-	-	-
	Total (1)	1,15,000	1,85,000	1,15,000	50,000	4,65,000
	<b>Other Non-Executive Directors</b>	<b>Deepa Reji Abraham</b>				
	Fee for attending board/ committee meetings	75,000				75,000
	Commission	-	-	-	-	-
	Others, Please specify	-	-	-	-	-
	Total (2)	75,000	0	0	0	75,000
	Total (B) = (1+2)	1,90,000	1,85,000	1,15,000	50,000	5,40,000
	Total Managerial	-	-	-	-	-
	Remuneration [(A+B)					12,87,34,663
	Overall Ceiling as per the Act					30,18,23,678

(Amount in Rs)

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

S.No.	Particulars of Remuneration	Key Managerial Personal Company Secretary	Total
1	Gross Salary		
	(a) Salary as per provisions contained in		
	Section 17 (1) of the Income Tax Act, 1961	16,65,822	16,65,822
	(b) Value of perquisites u/s 17 (2) of	5,67,544	5,67,544
	the Income Tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		
	Stock Option		
	Sweat Equity		
	Commission		
	- As a % of Profit		
	- Others, Specify		
	Others	42,186	42,186
	Total	22,75,552	22,75,552

VIII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES : NIL

# CORPORATE GOVERNANCE

## ABAN OFFSHORE'S PHILOSOPHY

At Aban Offshore Ltd (Aban) your directors are committed to practice sound governance principles and believe that good governance is an ongoing process for two reasons: to protect stakeholders' interest and to ensure that no stakeholder benefits at the expense of others and the Board of Directors remain committed towards this end.

The Company's Corporate governance philosophy revolves around transparency and accountability in all its interactions with the Government, shareholders and employees.

The following paragraphs contain the Company's report on its Corporate Governance practices in compliance with clause 49 of the Listing Agreement with the Stock Exchanges in India.

## I BOARD OF DIRECTORS

### (A) COMPOSITION OF BOARD

Executive Directors and Four Non-Executive Independent Directors. The Board functioned directly or through various focused committees (Audit Committee, Nomination and Remuneration Committee, Shareholders'/Investors' Grievance Committee, Compensation Committee,). The Board and its committees met at regular intervals. The Board is vested with functions related to goal-setting, performance evaluation and control.

The Company's Board met 5 times during the year 2014 - 15 on the following dates:

28.05.2014, 31.07.2014, 19.09.2014, 04.11.2014 and 28.01.2015

The names of the Directors on the Board, their attendance at the meetings and the other Directorships that they held as on 31st March, 2015 are set out below:

Name of Director(s)	Category Of Directorship	Financial year 2014-2015 Attendance at		As on 31st March 2015			
				No. of Other Directorships		Committee Positions in other Companies*	
		Board Meetings	Last AGM	Public Ltd. Cos.	Private Ltd. Cos	Member	Chairman
P. Murari	Non - Executive - Independent	4	Yes	8	1	4	2
Reji Abraham	Executive - Promoter	5	Yes	1	4	-	-
K Bharathan	Non - Executive Independent	5	Yes	1	-	-	-
Ashok Kumar Rout	Non - Executive Independent	5	Yes	-	-	-	-
P. Venkateswaran	Executive - Non Promoter	5	Yes	1	4	-	-
C.P. Gopalkrishnan	Executive - Non Promoter	5	Yes	1	4	-	-
Deepa Reji Abraham**	Non-Executive-Promoter	3	No	-	6	-	-
Subhashini Chandran**	Non-Executive-Independent	2	No	-	2	-	-

# Excludes directorships in Associations, foreign companies and Companies registered under Section 8 of the Companies Act, 2013.

\* Represents Memberships / Chairmanships in Audit Committee and Stakeholders Relationship Committee

\*\* inducted into the Board on 19 September, 2014.

The Director who will retire by rotation and offer himself for reappointment is Mr. C.P. Gopalkrishnan.

Board recommends the appointment of Mrs. Deepa Reji Abraham and Mrs. Subhashini Chandran as Directors.

Name of Director	C.P. Gopalkrishnan	Deepa Reji Abraham	Subhashini Chandran
Date of Birth	09.03.1956	17.04.1970	09.11.1973
Nationality	Indian	Indian	Indian
Date of Appointment on Board	01/08/2001	19/09/2014	19/09/2014
Qualifications	B.Com (Hons), ACA, ACS,LLB	B.Sc	B.Sc (International Relations), LSE, LLB (Hons)
Shareholding in the Company Equity Shares of Rs.2/- each	43,200	40,38,500	Nil
Chairmanship in committees of the Company	Nil	Nil	Nil
Membership in Committees of the Company	2	1	1
List of Indian Companies in India in which Directorships held	1. Tyford Tea Ltd 2. Aban Infrastructure Pvt Ltd 3. Aban Constructions Pvt Ltd 4. Aban Informatics Pvt Ltd 5. Adbhoot Estates Pvt Ltd	1. Aban Constructions Pvt Ltd 2. Aban Infrastructure Pvt Ltd 3. Aban Scientific Reading Pvt Ltd 4. Aban Scientific Learning Pvt Ltd 5. Lamech Engineers Pvt Ltd 6. Vembanad Estates Pvt Ltd	1. Blue Green Ventures Pvt Ltd 2. Surmai Fishing Club Company Pvt Ltd
Membership/ Chairmanships of Committees in Other Company	Nil	Nil	Nil

REMUNERATION TO DIRECTORS					Amount in INR
Name of the Director (s)	Consolidated Salary	Perquisites and other benefits	Commission	Sitting Fees	Total
P Murari	--	--	--	1,15,000	1,15,000
K Bharathan	--	--	--	1,85,000	1,85,000
Reji Abraham	3,00,00,000	95,40,000	5,48,77,033	--	9,44,17,033
Ashok Kumar Rout	--	--	--	1,15,000	1,15,000
P Venkateswaran	96,00,000	75,78,409	--	--	1,71,78,409
C P Gopalkrishnan	96,00,000	69,99,221	--	--	1,65,99,221
Deepa Reji Abraham	--	--	--	75,000	75,000
Subhashini Chandran	--	--	--	50,000	50,000
<b>Total</b>	<b>4,92,00,000</b>	<b>2,41,17,630</b>	<b>5,48,77,033</b>	<b>5,40,000</b>	<b>12,87,34,663</b>

#### REMUNERATION TO NON-EXECUTIVE DIRECTORS

No remuneration, other than sitting fees (Rs.25,000 for Board Meeting and Rs.10,000/- for Committee Meeting) and other expenses (travelling, boarding and lodging incurred for attending the Board/ Committee meetings) were paid to the non-executive Directors in 2014-15.

#### Code of Conduct

The Board has laid down a code of conduct for all Board Members and senior management of the Company. The code of conduct is hosted on the website of the Company [www.abanoffshore.com](http://www.abanoffshore.com).

All Board members and senior management personnel have affirmed the compliance with the code of conduct. A declaration signed by the Managing Director to this effect is enclosed at the end of this report.

#### (B) FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company has familiarized the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the Industry in which the Company operates, business model of the Company etc through a familiarization programme. Details of the familiarization programme have been disclosed on the Company's website at the weblink: <http://abanoffshore.com/pdf/FPID.pdf>

#### (C) MEETING OF INDEPENDENT DIRECTORS:

An exclusive meeting of the Independent Directors was held during the year. At the meeting, Independent Directors

- reviewed the performance of non-independent directors and the Board as a whole;
- reviewed the performance of the Chairman of the Company, taking into account the views of the executive and non-executive directors;

- (c) assessed the quality, quantity and timeliness flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## II. COMMITTEES OF THE BOARD

The Board has constituted committees of Directors to deal with matters which need quick decisions and timely monitoring of the activities falling within the terms of reference. The Board Committees are as follows:

### A. AUDIT COMMITTEE

#### Terms of Reference

The Audit Committee's Power and responsibilities include the following functions:

- Overseeing 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.
- Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditor and the fixation of audit fees and approval of payment to statutory auditors for any other services rendered by them.
- Reviewing with the management, the annual financial statements before submission to the Board for approval, focusing primarily on:

a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of section 134 (5) of the Companies Act, 2013. b) any changes in accounting policies and practices c) Major accounting entries based on exercise of judgment by management d) qualifications in draft audit report e) significant adjustments made in the financial statements arising out of audit findings f) The going concern assumption g) Compliance with accounting standards h) Compliance with Stock Exchange and legal requirements concerning financial statements i) Disclosure of any related party transactions i.e., Transactions of material nature with their subsidiaries, promoters, directors, management or their relatives etc., that may have potential conflict with the interests of company at large. Its scope also included a review with management performance of statutory and internal auditors, adequacy of internal controls, the adequate structure and staffing of the internal audit function, reporting structure coverage and frequency of internal audit j) Discussion with internal auditors on significant findings and follow up there on k) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board l) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any areas of concern m) Investigating the reasons behind substantial default in the event of non-payments to shareholders (in case of non-payment of declared dividends) and creditors.

Reviewing with the Management the annual financial statements of the Indian Subsidiary Company

4 Meetings of Audit Committee were held during the year ended 31<sup>st</sup> March 2015 on the following dates:

28.05.2014, 31.07.2014, 04.11.2014 and 28.01.2015

Mr. S.N. Balaji Senior Manager (Legal) & Secretary is the Secretary of the Committee.

#### Composition and Attendance

Name	Category	No. of Meetings attended
P. Murari	Chairman	3
K. Bharathan	Member	4
P. Venkateswaran	Member	4

Executives of Accounts Department, the Statutory and Internal Auditors were invited to attend the Audit Committee Meetings

The Chairman of the Audit committee was present at the last Annual General Meeting

### B. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee monitored and redressed shareholder complaints relating to share transfer, the non-receipt of Annual Report and dividend.

The Committee met 4 times during the year on 28.05.2014, 31.07.2014, 04.11.2014 and 28.01.2015

#### Composition and Attendance

Name	Category	No. of Meetings attended
K. Bharathan	Chairman	4
P. Venkateswaran	Member	4
C.P. Gopalkrishnan	Member	4

### C. COMPENSATION COMMITTEE

The Compensation Committee was constituted in the year 2005 with the following powers:

- Identification of Classes of employees entitled to participate in the Employee Stock Option Scheme (ESOS) and the quantum of option to be granted under ESOS per employee and in aggregate.
- Conditions under which option vested in employees shall lapse.
- The exercise period within which the employee should exercise the option granted and the conditions where the granted options will lapse on failure to exercise the option within the exercise period.
- Specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee, the right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period.
- The procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and other.
- Grant, vest and exercise of option in case of employee who are on long leave.

- g) Framing suitable policies and systems to ensure that there is no violation of Securities and Exchange Board of India (Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations 1995, by any employee
- h) Monitoring and from time to time altering ESOS 2005

**The details of options under the Employee Stock Option 2005 (ESOS 2005) are given below:**

Maximum number of options that may be granted under the scheme is 1.84 Million equity shares of Rs.2/- each - Options granted during the year Nil (upto Previous Year: 1.84 Million) Equity Shares of Rs.2/- each) - Options lapsed during the year 0.009 Million Equity Shares of Rs.2/- each (Upto Previous Year: 0.250 Million Equity Shares of Rs.2/- each) - Options exercised during the year: 0.065 Million Equity shares of Rs.2/- each (upto Previous Year: 0.095 Million Equity Shares of Rs.2/- each) Outstanding at the end of the year: 1.424 Million Equity Shares of Rs.2/- each (upto Previous Year: 1.432 Million Equity Shares of Rs.2/- each), Options yet to be granted under the scheme: 0.26 Million Equity Shares of Rs.2/- each (Previous year: 0.251 Million Equity Shares of of Rs.2/- each).

The committee met twice i.e on 10.07.2014 and 28.11.2014 during the year.

**D. NOMINATION & REMUNERATION COMMITTEE:**

In accordance with the requirement of Companies Act, 2013 and the listing agreement, the Committee has (i) formulated criteria for evaluation of the Board and non-independent directors for the purpose of review of their performance at a separate meeting of the Independent Directors and (ii) recommended a policy relating to remuneration of the directors, key managerial personnel and other employees which, *inter alia* includes the basis for identification of persons who are qualified to become directors.

The remuneration policy and the criteria for evaluation of directors as recommended by the Committee and approved by the Board are attached to this report as Annexure.

**Composition and Attendance**

Name	Category	No. of Meetings attended
K. Bharathan	Chairman	3
P. Murari	Member	3
Ashok Kumar Rout	Member	3

The Committee met thrice i.e on 28.05.2014, 19.09.2014 and 28.01.2015 during the year.

**E. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

Terms of reference:

The Company has constituted a Corporate Social Responsibility (CSR) Committee as required under Section 135 of the Companies Act, 2013 in February 2014 with the following terms of reference.

- (a) Formulate and recommend to the Board, a CSR Policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- (b) Recommend the amount to be spent on the CSR activities.
- (c) Monitor the Company's CSR policy periodically.
- (d) Attend to such other matters and functions as may be prescribed from time to time.

Accordingly the Board has adopted the CSR Policy as formulated and recommended by the Committee. The same is hosted on the website of the Company.

The committee met twice i.e on 31.07.2014 and 28.01.2015 during the year.

**Composition and Attendance**

Name	Category	No. of Meetings attended
Ashok Kumar Rout	Chairman	2
Reji Abraham (upto 28.01.2015)	Member	1
C.P.Gopalkrishnan	Member	2
Deepa Reji Abraham (from 28-01-2015)	Member	1
Subhashini Chandran (from 28.01.2015)	Member	1

**III. Subsidiary Company**

The Indian subsidiaries of the Company does not come under the purview of the material non-listed subsidiary.

**IV. GENERAL BODY MEETINGS**

The details of the date and location of the last three Annual General Meetings are given below:

Annual General Meeting	Day and Date	Time	Venue
28 <sup>th</sup> Annual General Meeting***	Friday 19.09.2014	10.15 A.M	Narada Gana Sabha Trust (Sathguru Ghandanda Hall), T.T.K Road, Chennai 600 018.
27 <sup>th</sup> Annual General Meeting**	Friday 20.09.2013	10.15 A.M	Mini Hall, Music Academy No.168(old No.306), T.T.K Road, Royapettah, Chennai - 600 014
26 <sup>th</sup> Annual General Meeting*	Friday 21.09.2012	10.15 A.M	Narada Gana Sabha Trust (Sathguru Ghandanda Hall), T.T.K Road, Chennai 600 018.

\*\*\* Eight Special Resolutions were passed and there was e-voting during the year

\*\* Three Special Resolutions were passed and there was a postal ballot during the year

\* Six Special Resolutions were passed and No postal ballot was used/invited for voting

A Summary of the items of business approved by the members as Special Resolutions, in the last three AGMs is given hereunder.

1. AGM held on 19th September 2014
  - a. To enhance the borrowing limit pursuant to section 180 (1)(c) of Companies Act, 2013
  - b. Creation of Security on Movable and Immovable Properties of the Company under Section 180(1)(a) of the Companies Act, 2013.
  - c. Revision in terms of Remuneration payable to Mr. P. Venkateswaran, Deputy Managing Director.
  - d. Revision in terms of Remuneration payable to Mr. C.P. Gopalkrishnan, Deputy Managing Director & CFO
  - e. Issue of Stock options to employees
  - f. Issue of Stock Option Scheme to Employees of Subsidiary.
  - g. Issue of Foreign Currency Convertible Bonds (FCCBs) Depository Receipts (GDRs) American Depository Receipts (ADRs) warrants and other instruments convertible into Equity Shares.
  - h. Issue of Securities to Qualified Institutional Buyers.
2. AGM held on 20th September 2013.
  - a. Auditors appointment
  - b. Raising fund through issue of FCCBs, GDRs, ADRs, etc
  - c. Issue of equity related securities to QIBs
3. AGM held on 28th September 2012
  - a. Auditors appointment
  - b. Revision in terms of remuneration payable to Deputy Managing Director Mr.P.Venkateswaran for a period of three years effective 01.04.2012.
  - c. Revision in terms of remuneration payable to Deputy Managing Director Mr.C.P.Gopalkrishnan for a period of three years effective 01.04.2012
  - d. Re appointment of Mr.Reji Abraham as Managing Director for a period of 5 years from 26.09.2012 to 25.09.2017.
  - e. Raising fund through issue of FCCBs, GDRs, ADRs, etc
  - f. Issue of equity related securities to QIBs

## V. CEO / CFO CERTIFICATION

As required by Clause 49 V of the Listing Agreement, the CEO and CFO Certification of the Financial Statement, the Cash Flow Statement and the Internal Control Systems for financial reporting are enclosed at the end of this report.

## VI. DISCLOSURES

### Related Party Disclosure

There has been no materially significant related party transaction (transactions of a material nature) with the Company's Subsidiaries, associate company, promoters, management, Directors or their relatives etc. having a potential conflict with the interest of the Company at large. Please refer Balance Sheet Notes to Accounts for details of related party transactions. The Company's policies on Material Subsidiaries and Related Party Transactions are available on the website under the weblink: [http://abanoffshore.com/pdf/Related % 20 Party % 20 Transactions % 20 Policy.pdf](http://abanoffshore.com/pdf/Related%20Party%20Transactions%20Policy.pdf)

### Details of Non-compliance

No penalties, strictures were imposed on the Company by Stock Exchanges in India or SEBI or any statutory authority on any matter related to the Capital Market during the last 3 years.

## VII. Means of Communication

A timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is at the core of good governance. Towards this end

Quarterly un-audited financial results were published in Business Standard (English) and Makkal Kural (Vernacular language). The results were also displayed on the company's web site, [www.abanoffshore.com](http://www.abanoffshore.com)

The presentations made by the Company to Financial Institutions and others were posted on the website, [www.abanoffshore.com](http://www.abanoffshore.com)

The Company also regularly posts information relating to its Financial Results and Shareholding Pattern on Corp filing.

Management Discussion and Analysis forms Part of the Annual Report.

## VIII GENERAL INFORMATION FOR SHAREHOLDERS

### Financial Calendar

Financial Year	1 <sup>st</sup> April 2015 to 31 <sup>st</sup> March 2016
Board meeting for considering the accounts and Dividend	27.05.2015
Posting of Annual Report	On or before 20.08.2015
Book closure dates	16.09.2015 – 23.09.2015
Last date for the receipt of proxy forms	21.09.2015
Twenty Ninth Annual General Meeting	23.09.2015
Venue	Kasturi Srinivasan Hall (Mini Hall), Music Academy New No.168, T.T.K Road, Royapettah, Chennai - 600 014
Time	10.15 A.M.
Dividend payment date	On or after 23.09.2015
Probable date of dispatch of dividend warrants	On or after 23.09.2015
Board Meeting to consider unaudited results for the first 3 quarters of the financial year 2015-2016:	
Quarter ending 30 <sup>th</sup> June 2015	On or before 15.08.2015
Quarter ending 30 <sup>th</sup> September 2015	On or before 15.11.2015
Quarter ending 31 <sup>st</sup> December 2015	On or before 15.02.2016



## Listing on Stock Exchanges

### a. Equity shares of the Company are listed on the following Stock Exchanges

#### BSE Limited

Phiroze Jeejeebhoy Towers  
25<sup>th</sup> Floor, P.J. Towers  
Dalal Street, Fort  
Mumbai – 400 001

#### National Stock Exchange of India Limited

Exchange Plaza  
5th Floor, Plot No : C/1 G Block,  
Bandra – Kurla Complex Bandra (E)  
Mumbai 400 051

The listing fees for the Financial Year 2015-16 were paid to the Stock Exchanges in India where the Company's Equity shares are listed.

## STOCK CODES:

### EQUITY SHARES:

BSE Limited	523204
National Stock Exchange of India Limited	ABAN
ISIN No. for Dematerialised shares	INE421A01028

The Non Convertible Cumulative Redeemable Preference Shares are listed on the BSE Limited.  
700099 – 10,50,00,000 - 10% p.a. Non Convertible Cumulative Redeemable Preference Shares  
700129 – 5,50,00,000 - 10% p.a. Non convertible Cumulative Redeemable Preference Shares  
700130 – 4,00,00,000 – 10% p.a. Non convertible Cumulative Redeemable Preference Shares  
700131 – 6,10,00,000 – 10% p.a. Non convertible Cumulative Redeemable Preference Shares

ISIN No. of 10% p.a. Non convertible Cumulative Redeemable Preference Shares  
INE 421A04097

ISIN No of 5,50,00,000 - 10% Non Convertible Cumulative Redeemable Preference shares  
INE421A04071

ISIN No of 4,00,00,000 - 10% Non Convertible Cumulative Redeemable Preference shares  
INE421A04063

ISIN No of 20,00,00,000 - 10% p.a. Non Convertible Cumulative Redeemable Preference shares  
INE421A04055

ISIN No of 6,10,00,000 - 10% Non – Convertible Cumulative Redeemable Preference shares  
INE421A04089

Details of outstanding shares in unclaimed suspense account

## UNCLAIMED SHARE CERTIFICATES

In terms of Clause 5A of the listing agreement, all the shares issued in physical form pursuant to a public issue or any other issue, which remain unclaimed have been transferred into one folio in the name of Unclaimed Suspense Account and dematerialized. The voting rights of these shares shall remain frozen till the rightful owner of such shares claims the shares. The details regarding the shares which are in the unclaimed suspense account are given below :

S. No	Description	Total No. of cases	Total shares
1.	No. of shareholders and Outstanding shares lying in the unclaimed suspense at beginning of the year	1444	578672
2.	No. of shareholders who approached for transfer of shares from Unclaimed suspense account during the year.	50	37525
3.	No. of shareholders to whom Shares were transferred from the unclaimed suspense account during the year	50	37525
4.	No. of shareholders and Outstanding shares lying in the unclaimed suspense account at the end of the year.	1396	541147

Note: Two shareholders partial transfer.

## Share Warrants

During the year 2013-14, the Company had allotted 4 Million Share Warrants on a preference basis to the promoter / promoter group entitling them to apply for and obtain allotment of one equity share of INR 2/- each fully paid at a price of INR 391/- per share against each such warrant at any time after the date of allotment but on or before the expiry of 18 Months from the date of allotment in one or more tranches.

Out of the 4 Million Share Warrants allotted, 3.39 Million were converted in to Equity shares during the year 2014-15. During the current financial year the balance 610,000 warrants were also converted.

## Care Rating

Credit Analysis & Research Ltd (CARE) has reaffirmed ratings of Cumulative Redeemable Preference Shares at 'CARE C (RPS)' [C (Redeemable Preference Shares)].

## INVESTOR'S HELP DESK

Company's Registered Office Address

Aban Offshore Limited

Janpriya Crest

113 Pantheon Road

Egmore

Chennai – 600 008

Phone: 91-44-49060606

Fax: 91-44-2819 5527

Email Id: ir@aban.com

## Registrar and Share Transfer Agent (Both physical and Demat Mode)

M/s Cameo Corporate Services Ltd.,

### Unit : Aban Offshore Ltd.

Subramanian Buildings

1 Club House Road

Chennai -600 002.

Phone: 91-44-28460390

Fax: 91-44-28460129

Email ID : investor@cameoindia.com

## Investors' complaints are to be addressed to the Registrar and Share Transfer Agents.

**Shareholders' rights:** The Half-Yearly declaration of the financial performance (including a summary of the significant events in last six months) should be sent to the households of each shareholder. As the Company's half-yearly results are published in English and Tamil newspapers, the same are not sent to the households of the shareholders of the Company.

**Share Transfer System:** Presently the share transfers which are received in physical form are processed and the share certificates are returned within a period of 15 days from the date of receipt, subject to documents being valid and complete in all respects. The Company delegated the authority to approving transfer, transmission etc., of the Company securities to the Company Secretary / Officers of the Company. A summary of transfer / transmission of securities of the Company so approved are placed in the subsequent Board Meeting for ratification.

The Company obtains certificate from Mr.G.Ramachandran, Company Secretary in Practice for compliance of Listing Agreement provisions and submit the same to the Stock Exchanges where the Company's shares are listed.

## Liquidity

The Company's Equity Shares are among the most liquid and actively traded shares on the Indian Stock Exchanges more specifically in National Stock Exchange of India Ltd and BSE Limited. The Company's Non-convertible Cumulative Redeemable Preference Shares are listed in the BSE Limited.

## Dematerialisation of shares

99.30 % of Equity shares of the Company have been dematerialized as at 31st March, 2015. The company has entered into agreement with both National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) whereby shareholders have an option to dematerialize their shares with either of the depositories.

## Plant Locations

DRILLING LOCATIONS as at 31 March, 2015

<u>S.No</u>	<u>RIGS</u>	<u>LOCATION</u>
1.	Aban II	East Coast of India
2.	Aban III	Bombay High
3.	Aban IV	Bombay High
4.	Aban V	Middle East
5.	Aban VI	Middle East
6.	Tahara	East Coast of India
7.	Aban Ice	Bombay High

## WIND ENERGY DIVISION

The Company has installed and operates 121 Wind Energy Generators at Nagercoil, Tamil Nadu.

### Whistleblower Policy/Vigil Mechanism

The Company adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour. The mechanism provides for adequate safeguards against victimization of employees. Further no person has been denied access to the chairman of the Audit Committee. The policy is available in the website <http://abanoffshore.com/pdf/whistleblowerpolicy.pdf>.

### Categories of shareholders as on 31st March 2015

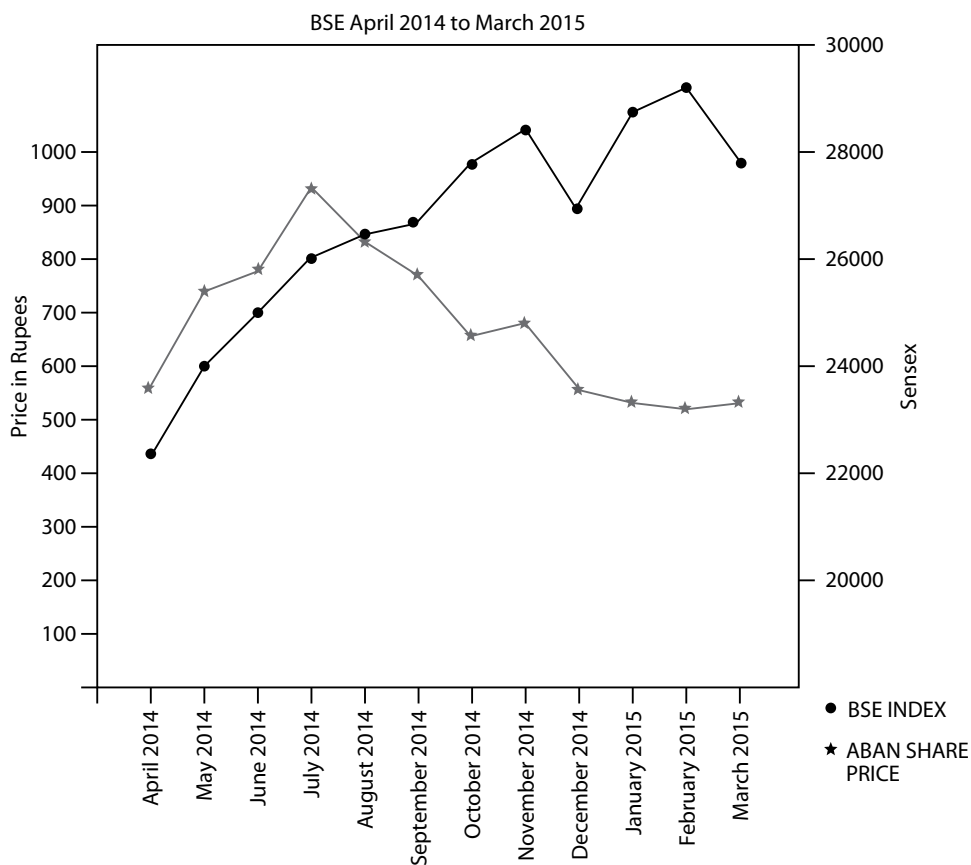
Category	Number of folios	Number of shares	%
Promoter(s)	2	11280910	19.53
Promoter Group	4	7236881	12.53
Collaborators	1	8328750	14.42
FII's, NRIs/OCB	1900	10274004	17.79
Mutual Funds, FIs, Banks	26	5090990	8.81
Bodies Corporate	1441	2925286	5.07
Public	134069	12618502	21.85
Total	137443	57755323	100.00

### Share Price Volume

The monthly high and low quotation and the volume of shares traded on BSE & NSE are as under:

Month	BSE			NSE		
	High	Low	Volume	High	Low	Volume
April 2014	574.70	489.75	6772699	574.80	490.00	23997612
May 2014	736.90	491.90	12113926	736.90	490.85	43290790
June 2014	781.00	667.00	7064094	781.70	666.60	27681499
July 2014	939.90	714.70	11299866	940.00	715.00	47263535
August 2014	821.00	687.15	4022471	821.710	685.55	16565296
September 2014	774.80	535.10	6002855	773.90	533.65	23768524
October 2014	651.00	540.10	5823708	651.30	540.10	24096922
November 2014	674.80	545.10	5019589	674.00	543.90	22199280
December 2014	559.00	390.40	10051689	558.80	390.00	41916300
January 2015	529.90	463.00	8384194	529.80	462.00	34412513
February 2015	511.55	460.00	4816742	511.00	460.00	16992233
March 2015	519.50	402.65	6456163	519.90	402.55	23442334

**Graphical Representation of Performance of Aban Offshore Limited's Share Price (average of closing price of BSE and NSE) in comparison with BSE Sensex.**



**Distribution of shareholdings as on 31st March 2015**

Category (Shares)	Folio		Shares	
	Numbers	%	Numbers	%
1-100	114676	83.43	3447272	5.96
101-500	18407	13.39	4309960	7.46
501-1000	2579	1.87	1956791	3.38
1001-2000	999	0.72	1476238	2.55
2001-3000	309	0.22	780628	1.35
3001-4000	121	0.08	433418	0.75
4001-5000	78	0.05	366647	0.63
5001 -10000	124	0.09	869409	1.50
10001 & above	152	0.11	44114960	76.38
Total	137445	100.00	57755323	100.00

**Declaration by the Managing Director under Clause 49 of the Listing Agreement regarding compliance with Business Conduct Guidelines (Code of Conduct).**

In accordance with Clause 49 1D of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Business Conduct Guidelines (Code of Conduct) as applicable to them, for the Financial Year ended on 31st March 2015.

**Aban Offshore Limited**

Chennai  
May 27, 2015

**Reji Abraham**  
Managing Director

**CERTIFICATE BY THE CHIEF EXECUTIVE OFFICER/CHIEF FINANCIAL OFFICER PURSUANT TO  
CLAUSE 49 OF THE LISTING AGREEMENT.**

We Reji Abraham and C.P. Gopalkrishnan certify that

- a) We have reviewed the financial statements and cash flow statements of M/s. Aban Offshore Limited (“the Company”) for the year ended 31st March 2015 and to the best of our knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) 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) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company’s code of conduct.
- c) We accept responsibility for establishing and maintaining internal control and that we have evaluated the effectiveness of internal control systems of the Company. There are no deficiencies in the design or operation of internal control.
- d) We have indicated to the auditors and the Audit Committee that there are no
  - i) Significant changes in the internal control during the year.
  - ii) Significant changes in accounting policies during the year.
  - iii) 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.

**Aban Offshore Limited.**

Place: Chennai  
Date : May 27, 2015

**C.P. Gopalkrishnan**  
*Deputy Managing Director &  
Chief Financial Officer*

**Reji Abraham**  
*Managing Director*

**AUDITORS’ CERTIFICATE ON CORPORATE GOVERNANCE**

**To the Members of Aban Offshore Limited**

We have examined the compliance of conditions of Corporate Governance by Aban Offshore Limited, for the year ended on 31<sup>st</sup> March 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to review of procedures and implementation thereof, adopted by the Company, for ensuring the compliance of the conditions of Corporate Governance as prescribed in clause 49 of the above mentioned Listing Agreement. 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 based on the representation made by the Management of the Company, we certify that the Company has complied with conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

We state that no investor complaints were pending for a period exceeding one month against the Company as certified by the Registrars and Share Transfer Agents of the Company based on the records maintained by them.

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

**For Ford, Rhodes, Parks & Co.,**  
**Chartered Accountants**  
**ICAI – Registration No: 102860W**

**Ramaswamy Subramanian**  
**Partner**  
**Membership No: 016059**

Place: Chennai  
Date : May 27, 2015

## CRITERIA FOR EVALUATION

### Criteria for evaluation of the Board and non-Independent Directors at a separate meeting of Independent Directors:

1. Composition of the Board and availability of multi-disciplinary skills  
Whether the Board comprises of Directors with necessary qualifications and experience in various fields to make Aban Offshore Ltd a versatile institution
2. Existence of integrated Risk Management System  
Whether the Company has an integrated risk management system to cover the business risks
3. Commitment to good Corporate Governance Practices  
Whether the company practices high ethical and moral standards and is fair and transparent in all its dealing with the stake holders.
4. Track record of financial performance  
Whether the Company has been having a satisfactory financial performance and is transparent in all its disclosures on financial data
5. Adherence to Regulatory Compliance  
Whether the Company adheres to the various Government regulations, both State and Central in time.
6. Grievance redressal mechanism  
Whether proper systems are in place to attend to the complaints/grievances from the shareholders, customers, employees and others quickly, fairly and efficiently.
7. Use of Information Technology  
Whether the Company has an Integrated IT strategy and whether there is any system for periodical technology upgradation.
8. Commitment to CSR  
Whether the Company is committed to social causes and CSR and whether there are systems to identify, finance and monitor such activities.

### Criteria for evaluation of Chairman at the meeting of Independent Directors:

1. Ability to lead/ guide the Company
2. Dynamism
3. Standard of Integrity
4. Understanding of Macro and Micro economic trends and its impact on the Company
5. Public Relations
6. Future Vision.

### Criteria for evaluation of Independent Directors by the entire Board:

1. Qualifications & Experience
2. Standard of Integrity
3. Attendance in Board Meetings/AGM/Committee Meetings
4. Understanding of Company's business
5. Participation/Value addition in Board Meetings.

### Criteria for evaluation of the Audit Committee by the Board:

1. Knowledge on finance
2. Analyzer/ review of financial performance
3. Qualification & Experience of members
4. Oversight of Audit & inspection
5. Monitor/Review of regulatory compliance
6. Fraud monitoring

## REMUNERATION POLICY

### (I) Criteria for Determining Qualifications, Positive Attributes & Independence of Director:

#### 1. Qualifications of Independent Director:-

An Independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the company's business.

#### 2. Positive attributes of Independent Directors:-

An independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his/her responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his/her professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices.

#### 3. Independence of Independent Directors:-

An Independent director should meet the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement concerning independence of directors.

#### Board Diversity:

The Company recognizes the benefits of having a diverse Board to enhance the quality of its performance. Accordingly our Board of Directors over the last two decades have come from banking and Insurance Industry, Chartered Accountants, engineering, Finance and legal professionals and retired civil servant.

### (II) Remuneration Policy for Directors, Key Managerial Personnel and other employees

Non-Executive Directors shall be paid a sitting fee of Rs. 25,000/- for every meeting of the board and Rs. 10,000/- for committee thereof attended by them as member.

### MANAGING DIRECTOR & KEY MANAGERIAL PERSONNEL & OTHER EMPLOYEES

The objective of the policy is directed towards having a compensation philosophy and structure that will reward and retain talent. The Remuneration to Managing Director shall take into account the Company's overall performance, MD's contribution for the same & trends in the industry in general, in a manner which will ensure and support a high performance culture.

The Remuneration to others will be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance as may be decided by the management.

Remuneration to Directors, Key Managerial Personnel and Senior Management will involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The above criteria and policy are subject to review by the Nomination & Remuneration committee & the Board of Directors of the Company.

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2015  
*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies*  
*(Appointment and Remuneration Personnel) Rules, 2014*

To,

The Members,  
Aban Offshore Limited  
CIN L01119TN1986PLC013473  
'Janpriya Crest'  
113, Pantheon Road,  
Egmore  
Chennai – 600008

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Aban Offshore Limited (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 my opinion thereon.

Based on our verification of the 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 my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 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 M/s. Aban Offshore Limited for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Customs Act, 1962.
- (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (v) 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;
- (vi) 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, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; The Company has not delisted its securities and hence the said the regulation do not apply to the Company for the year under review.
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; The Company has not bought back any security during the year under review and hence the said the regulation do not apply to the Company for the year under review.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (not applicable as they were notified with effect from 1st July 2015, hence not applicable to the Company for the period under review)
- (j) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited;



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

**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, 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**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 the company has:

- (i) The Company has converted 33,90,000 warrants of Rs. 2/- each into 33,90,000 Equity shares of Rs. 2/- each at a premium of Rs. 389/- per share under Preferential Allotment to the Promoters / Promoter Group.
- (ii) The Company is in the process of redeeming certain Preference shares which were due for redemption.
- (iii) The Company has allotted 65,200 Equity share of Rs. 2/- each at a premium of Rs. 647.175/- per share to its Employees under the Employees Stock Option Scheme .
- (iv) The Company has allotted 1,07,83,608 Equity shares of Rs. 2/- each at a premium of Rs. 693.50/- per share to Qualified Institutional Buyers (QIBs) through Qualified Institutional Placement (QIP).

For **G RAMACHANDRAN & ASSOCIATES**  
*Company Secretaries*

**G. RAMACHANDRAN**  
*Proprietor*  
ACS No.9865 CoP. No.3056

Date: May 27, 2015

Place: Chennai.



## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF ABAN OFFSHORE LIMITED

#### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Aban Offshore Limited ("the company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the Provisions of the Act, the Accounting and Auditing Standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss, of the profit for year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2015 (the 'Order') issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013 we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report 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 purposes of our audit.
  - 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 Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of written representations received from the directors as on 31st March, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 31 to the financial statements.
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Ford, Rhodes, Parks & Co.,**  
*Chartered Accountants*  
ICAI - Registration No: 102860W

**Ramaswamy Subramanian**  
*Partner*  
Membership No: 016059

Place : Chennai  
Date : May 27, 2015

## ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 of our report of even date under the caption  
"Report on Other Legal and Regulatory Requirements")

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;  
 (b) As explained to us, the fixed assets have been physically verified on a random basis by the Management during the year in a phased manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies have come to the notice on such physical verification.
- (ii) (a) As explained to us, the inventory of stores, spares and fuel have been physically verified on a random basis during the year by the Management. In our opinion the frequency of verification is reasonable.  
 (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
 (c) The Company has maintained records of inventory. The discrepancies noticed on verification between the physical stocks and the book records have been dealt with in the books of account.
- (iii) The Company has given unsecured loans to its wholly owned foreign subsidiary and its Indian subsidiaries, being the companies covered in the Register maintained under Section 189 of the Companies Act, 2013, during the year, as shown below:

Company	Unsecured Loan granted during the year (Rupees in Millions)	Loan Amount outstanding at the end of the year (Rupees in Millions)	Maximum amount outstanding during the year (Rupees in Millions)
Aban Holdings Pte Limited, Singapore	6825.01	6039.13*	6744.22
Radhapuram Wintech Private Limited, India	2.50	10.57	25.00
Aban Green Power Private Limited, India	40.00	40.00	40.00

\* includes year-end foreign exchange reinstatement gain/ loss

- (a) The repayment of principal and payment of interest are on "On Demand" basis as per the loan agreement.  
 (b) The loans given by the Company are repayable on demand and therefore the question of overdue amount does not arise.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and for sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls in respect of these areas.
- (v) The Company has not accepted any deposits during the year from the public within the meaning of the provisions of Section 73 of the Companies Act, 2013 and hence directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the Rules framed there under are not applicable to the Company at present.
- (vi) The Central Government has prescribed maintenance of Cost Records under sub section (1) of Section 148 of the Companies Act, 2013 in respect of generation of electricity through wind power. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been maintained. We have not however, made a detailed examination of the same.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, in our opinion, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance fund, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of above are in arrears as at 31st March, 2015 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 material dues of sales tax or wealth tax or duty of excise or value added tax or cess, which have not been deposited with appropriate authorities on account of any dispute.  
 However according to information and explanations given to us, the following dues have not been deposited by the Company on account of disputes-  
 Income Tax

Income Tax dues relating to the period 2002-2006 amounting to INR 556.40 Million pending before High Court of Madras, Income Tax dues relating to the period 2006- 2008 amounting to INR 396.17 Million pending before Income Tax Appellate Tribunal, Income Tax dues relating to the period 2008 - 2009 amounting to INR 418. 38 Million pending before the Commissioner of Income Tax (Appeals) and the Income Tax dues relating to the period 2009 - 2010 amounting to INR 812 Million pending before Income Tax Appellate Tribunal.

Service Tax

Service Tax dues relating to the period 2006- 2007 amounting to INR 17.36 Million pending before Supreme Court.

Customs Duty

Customs Duty dues relating to the period 2003 - 2004 amounting to INR 279.13 Million pending before Supreme Court.

- (c) According to the information and explanations given to us and on the basis of examination of books of account, in our opinion the amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and Rules made thereunder has been transferred to such fund within time.
- (viii) The Company does not have accumulated losses as at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and also in the immediately preceding financial year.
- (ix) Based on our audit procedures and according to the information and explanations given to us, we have noted default in repayment of term loan instalments with respect to three bank loan accounts and a loan from a financial institution, and interest during the year which are due to two banks. The unpaid overdue loan installments and interest during the year in this regard as at 31st March, 2015 were INR 335.06 Million and INR 32.28 Million respectively. The Company has since paid INR 200.92 Million of overdue installment to banks and a financial institution before the date of our report.
- (x) The Company has given guarantees for loan taken from banks by a subsidiary of its wholly owned foreign subsidiary. According to the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not prima facie prejudicial to the interest of the Company.
- (xi) The Company has taken a term loan during the year from a Company. According to the information and explanations given to us, we are of the opinion that term loan taken by the Company has been applied for the purpose for which it was obtained.
- (xii) During the course of our examination of the books of account, we have neither come across any instance of fraud on or by the Company, either noticed or reported during the year, nor have we been informed of any such case by the Management.

**For Ford, Rhodes, Parks & Co.,**  
*Chartered Accountants*  
ICAI - Registration No: 102860W

**Ramaswamy Subramanian**  
*Partner*  
Membership No: 016059

Place : Chennai  
Date : May 27, 2015



Aban Offshore Limited

## Balance Sheet

As at 31<sup>st</sup> March 2015

	Note No:	As at 31 <sup>st</sup> March, 2015 Rs. Millions	As at 31 <sup>st</sup> March, 2014 Rs. Millions
<b>Equity and Liabilities</b>			
<b>Shareholders' funds</b>			
Share Capital	3	2,925.51	2,897.04
Reserves and Surplus	4	28,501.51	18,510.43
Money received against Share Warrants	5	59.63	391.00
		<b>31,486.65</b>	<b>21,798.47</b>
<b>Non-current liabilities</b>			
Long-term borrowings	6	5,514.12	6,047.28
Deferred tax liabilities (net)	7	745.81	608.45
Long-term provisions	8	16.99	33.23
		<b>6,276.92</b>	<b>6,688.96</b>
<b>Current liabilities</b>			
Short -term borrowings	9	2,318.74	3,896.04
Trade payables	10	4,582.41	4,519.16
Other current liabilities	10	2,001.68	1,970.10
Short -term provisions	8	578.18	521.80
		<b>9,481.01</b>	<b>10,907.10</b>
<b>TOTAL</b>		<b>47,244.58</b>	<b>39,394.53</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Fixed Assets			
Tangible assets	11	9,573.59	8,359.33
Capital work-in-progress		186.86	-
Non-current investments	12	26,159.01	25,492.61
Long-term loans and advances	13	396.06	439.95
Other non-current assets	15.2	3.03	69.51
		<b>36,318.55</b>	<b>34,361.40</b>
<b>Current assets</b>			
Inventories	14	1,039.56	993.59
Trade receivables	15.1	2,853.47	2,920.04
Cash and bank balances	16	248.46	759.05
Short-term loans and advances	13	6,784.38	360.42
Other current assets	15.2	0.16	0.03
		<b>10,926.03</b>	<b>5,033.13</b>
<b>TOTAL</b>		<b>47,244.58</b>	<b>39,394.53</b>

Summary of significant accounting policies

2.1

The accompanying notes 1 to 43 are an integral part of the financial statements

As Per our Report of even date  
For Ford, Rhodes, Parks & Co.  
Chartered Accountants  
ICAI - Registration No.102860W

**Ramaswamy Subramanian**  
Partner  
Membership No: 016059  
Place: Chennai  
Date : May 27, 2015

**P.Murari**  
Chairman

**Ashok Kumar Rout**  
Director

**C.P.Gopalkrishnan**  
Dy.Managing Director &  
Chief Financial Officer

For and On behalf of the Board

**Reji Abraham**  
Managing Director

**K. Bharathan**  
Director

**Subhashini Chandran**  
Director

**P.Venkateswaran**  
Dy. Managing Director

**S.N. Balaji**  
Senior Manager  
(Legal) & Secretary

Statement of **Profit and Loss**  
For the year ended 31<sup>st</sup> March 2015

	Note No:	Year ended 31 <sup>st</sup> March, 2015 Rs. Millions	Year ended 31 <sup>st</sup> March, 2014 Rs. Millions
<b>Income</b>			
Revenue from operations	17	7,597.52	8,199.44
Other income	18	584.75	443.65
<b>Total revenue</b>		<b><u>8,182.27</u></b>	<b><u>8,643.09</u></b>
<b>Expenses</b>			
Consumption of stores,spares,power and fuel	19	500.54	582.13
Employee benefits expense	20	1,149.93	1,036.07
Finance Costs	21	930.15	1,784.67
Depreciation and amortization expense	22	805.77	417.90
Other expenses	23	2,134.30	2,744.06
<b>Total expenses</b>		<b><u>5,520.69</u></b>	<b><u>6,564.83</u></b>
<b>Profit before tax</b>		<b><u>2,661.58</u></b>	<b><u>2,078.26</u></b>
<b>Tax expenses</b>			
Current tax		618.00	442.28
Minimum Alternate Tax (MAT) Credit Entitlement		-	(389.16)
Deferred tax		137.37	220.89
<b>Total tax expense</b>		<b><u>755.37</u></b>	<b><u>274.01</u></b>
<b>Profit for the year</b>		<b><u>1,906.21</u></b>	<b><u>1,804.25</u></b>
<b>Earnings per equity share of Rs.2 each (31st March 2014: Rs.2 each)</b>	24		
<b>Basic</b>			
Computed on the basis of profit for the year (in Rs)		29.87	33.91
<b>Diluted</b>			
Computed on the basis of profit for the year (in Rs) and dilutive effects		29.65	33.91
Summary of significant accounting policies	2.1		
The accompanying notes 1 to 43 are an integral part of the financial statements			

As Per our Report of even date  
For Ford, Rhodes, Parks & Co.  
Chartered Accountants  
ICAI - Registration No.102860W

**Ramaswamy Subramanian**  
Partner  
Membership No: 016059  
Place: Chennai  
Date : May 27, 2015

**P.Murari**  
Chairman

**Ashok Kumar Rout**  
Director

**C.P.Gopalkrishnan**  
Dy.Managing Director &  
Chief Financial Officer

For and On behalf of the Board

**Reji Abraham**  
Managing Director

**K. Bharathan**  
Director

**Subhashini Chandran**  
Director

**P.Venkateswaran**  
Dy. Managing Director

**S.N. Balaji**  
Senior Manager  
(Legal) & Secretary



Aban Offshore Limited

## Cash Flow Statement

For the year ended 31<sup>st</sup> March 2015

	Year ended 31st March 2015 Rs. Millions	Year ended 31st March 2014 Rs. Millions
<b>Cash Flow from operating activities</b>		
Profit/(Loss) before tax	2,661.58	2,078.26
<b>Profit/(Loss) before tax</b>	<b>2,661.58</b>	<b>2,078.26</b>
<u>Non cash adjustment to reconcile profit before tax to net cash flows</u>		
Depreciation/amortization	805.77	417.90
Loss/(profit) on sale of fixed assets	(39.99)	(32.38)
Provision for Employee Benefits	19.97	23.99
Unrealized foreign exchange (gain)/loss	415.01	371.28
Net Loss/( gain) on sale of Non Current investments	(6.35)	(32.09)
Interest expenses	930.15	1,593.91
Interest income	(129.41)	(107.44)
Dividend income	(138.23)	(0.85)
Operating profit before working capital changes	<b>4,518.50</b>	<b>4,312.58</b>
<u>Movements in working capital:</u>		
Increase/(Decrease) in trade payables	71.09	1,074.06
Increase/(Decrease) in other current liabilities	51.51	(27.64)
Decrease/(Increase) in trade receivables	(140.51)	(727.48)
Decrease/(Increase) in inventories	(45.97)	(87.19)
Decrease/(Increase) in long term loans and advances	(38.66)	(9.96)
Decrease/(Increase) in short term loans and advances	(59.97)	(11.10)
Decrease/(Increase) in other non current assets	-	8.33
Cash generated from operations	4,355.99	4,531.60
Direct taxes paid (net of refunds)	(675.65)	(284.33)
<b>Net cash flow from operating activities (A)</b>	<b>3,680.34</b>	<b>4,247.27</b>
<b>Cash Flow from investing activities</b>		
Purchase of fixed assets	(2,189.52)	(2,529.85)
Capital advances	(178.06)	(49.94)
Proceeds from sale of fixed assets	72.54	60.41
Proceeds from sale of non-current investments	874.76	6,228.24
Purchase of non-current investments	(1,534.81)	(29.61)
Interest received	42.66	112.28
Dividends received	138.23	0.85
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(2,774.20)</b>	<b>3,792.38</b>
<b>Cash Flow from financing activities</b>		
Proceeds from Money received against Share Warrants	-	391.00
Proceeds from issuance of share capital	8,406.17	-
Repayment of long term borrowings	(804.65)	(4,688.54)
Proceeds from short term borrowings	515.09	47.71
Repayment of short term borrowings	(2,092.39)	(1,236.98)
Repayment of loan by foreign subsidiary/(Loans extended to foreign subsidiary)	(5,893.48)	34.23
Interest paid	(988.98)	(1,803.76)
Dividends paid on equity shares	(204.70)	(156.66)
Dividends paid on preference shares	(281.00)	(275.07)
Tax on equity dividend paid	(34.78)	(26.62)
Tax on preference dividend paid	(47.76)	(46.75)
<b>Net cash flow used in financing activities (C)</b>	<b>(1,426.49)</b>	<b>(7,761.44)</b>



## Cash Flow Statement

For the year ended 31<sup>st</sup> March 2015

	Year ended 31st March 2015 Rs. Millions	Year ended 31st March 2014 Rs. Millions
<b>Net increase /(decrease) in cash and cash equivalents (A+B+C)</b>	(520.34)	278.21
<b>Effect of exchange differences on cash and cash equivalents held in foreign currency</b>	9.75	1.24
Cash and cash equivalents at the beginning of the year	759.05	479.60
<b>Cash and cash equivalents at the end of the year</b>	<b>248.46</b>	<b>759.05</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	0.47	0.70
With banks on current account	106.73	124.68
On deposit account	123.24	618.13
unpaid dividend account *	18.02	15.54
<b>Total cash and cash equivalents (note 16)</b>	<b>248.46</b>	<b>759.05</b>

**\*The company can utilize these balances only towards settlement of the respective unpaid dividend liability.**

As Per our Report of even date  
For Ford, Rhodes, Parks & Co.  
*Chartered Accountants*  
ICAI - Registration No.102860W

**Ramaswamy Subramanian**  
*Partner*  
Membership No: 016059  
Place: Chennai  
Date : May 27, 2015

**P.Murari**  
*Chairman*

**Ashok Kumar Rout**  
*Director*

**C.P.Gopalkrishnan**  
*Dy.Managing Director &  
Chief Financial Officer*

For and On behalf of the Board

**Reji Abraham**  
*Managing Director*

**K. Bharathan**  
*Director*

**Subhashini Chandran**  
*Director*

**P.Venkateswaran**  
*Dy. Managing Director*

**S.N. Balaji**  
*Senior Manager  
(Legal) & Secretary*



**1. Corporate Information**

Aban Offshore Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India. The Company is engaged in the business of providing offshore drilling and production services to companies engaged in exploration, development and production of oil and gas both in domestic and international markets. The Company is also engaged in the ownership and operation of wind turbines for generation of wind power in India.

**2. Basis of preparation**

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on accrual basis. Indian GAAP comprises Accounting Standards notified by the Central Government of India under section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 and other pronouncements of the Institute of Chartered Accountants of India.

All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of business operations, the Company has ascertained its operating cycle as 12 months for the purpose of current and non current classification of assets and liabilities.

**2.1 Summary of significant accounting policies**

**a. Use of estimates**

The preparation of financial statements in conformity with the Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result on the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**b. Tangible fixed assets**

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from existing asset beyond its previously assessed standard of performance. All other expenses on existing assets, including day to day repair and maintenance expenditure are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Gains or losses from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the assets are derecognized.

**c. Depreciation on tangible fixed assets**

Depreciation of Fixed assets is provided on a pro-rata basis on the straight-line method over its useful life prescribed in Schedule II of the Companies Act, 2013.

The useful life adopted by the Company is as follows:-

<b>Fixed Assets</b>	<b>Useful Life</b>
Buildings	60 years
Drilling Rigs	30 years
Drillship	25 years
Office Equipment	5 years
Computers	3 years
Windmills	22 years
Furniture and fixtures	10 years
Motor Vehicles	8 years

**d. Borrowings costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent that they are regarded as adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use, are added to the cost of those assets, until such time the assets are substantially ready for their intended use. All other borrowing costs are expensed in the period they are incurred.

**e. Impairment of tangible assets**

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Statement of profit and loss in the year when the asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there is a change in the estimate of recoverable value.

**f. Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as Non-current investments.

Current investments are carried in the financial statements at lower of cost or fair value determined on an individual investment basis. Non-Current investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

**g. Inventories**

Inventory of stores, spares and fuel is valued at cost or net realizable value, whichever is lower, based on a weighted average cost/first-in-first-out basis.

**h. Revenue recognition**

Income from drilling and production services is recognized as earned, based on contractual daily rates billed on monthly basis. Mobilization /demobilization fees received, if any, is recognized as earned in the year of mobilization/demobilization.

Income from wind power generation is recognized based on the number of units of power generated every month at contracted rates.

Interest income is recognized on time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the Statement of Profit and Loss.

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

**i. Foreign currency transactions and balances**

**Initial recognition**

Foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction. Realized gains and losses on foreign exchange transactions during the year are recognized in the Statement of Profit and Loss. Exchange differences in respect of foreign currency loans/liabilities relating to fixed assets are accounted in the Statement of Profit and Loss.

**Conversion**

Foreign currency current assets and current liabilities are translated at the exchange rates prevailing at the reporting date. Non-monetary items such as investments, fixed assets, denominated in foreign currency are translated at exchange rate prevailing on the date of transaction.

**Exchange differences**

All exchange differences are recognized as income or as expense in the Statement of Profit and Loss during the period in which they arise. Forward exchange contracts/derivative contracts entered into to hedge foreign currency risk of an existing asset/liability.

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/income over the life of the contract. Any profit or loss arising on cancellation or renewal of such forward contract is also recognized as

income or as expense for the period under the respective head of account for the period. In respect of derivative contracts, gains/losses on any such contracts are recognized in the Statement of Profit and Loss.

**j. Retirement and other employee benefits**

- (a) Contribution to Provident Fund which is a defined contribution retirement plan is made monthly at a predetermined rate to the Provident Fund Authorities and is debited to the Statement of Profit and Loss on accrual basis.
- (b) Contribution to Superannuation Scheme which is defined contribution retirement plan is made annually at predetermined rate to insurance companies which administer the fund and debited to the Statement of Profit and Loss
- (c) The company makes annual contribution to Gratuity Funds administered by Insurance Companies, which is considered as defined benefit plan. The present value of the defined benefit is measured using the 'Projected Unit Credit method with actuarial valuation being carried out at each Balance Sheet date by an independent valuer. Actuarial gain and losses are immediately recognized in the Statement of Profit and Loss. Amount of contribution, computed by the insurers is paid by the company and charged to Statement of Profit and Loss. No additional liability is anticipated under the scheme administered by the Insurance Companies.
- (d) The Company makes provision for leave encashment based on actuarial valuation carried out by an independent actuary at the Balance Sheet date.

**k. Taxes on income**

The income tax provision comprises of current tax and deferred tax. Current tax is the amount of tax payable in respect of income for the year. In accordance with the Accounting Standard-22 -Accounting for taxes on income issued by the Institute of Chartered Accountants of India, the deferred tax on timing difference between book profit and tax profit for the year is accounted based on the rates and laws that have been enacted or substantially enacted as on the Balance Sheet date. However, deferred tax assets arising from timing difference are recognized to the extent of their virtual/reasonable certainty about its realisability in future years.

Minimum Alternate Tax (MAT) credit - MAT is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in the Guidance Note issued by ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and is shown as MAT credit entitlement in the Balance Sheet. The company reviews the MAT credit entitlement asset at each reporting date and writes down the carrying amount of MAT credit entitlement asset to the extent the Company does not have convincing evidence that it will pay normal income tax during the specified period.

**l. Segment reporting**

**Identification of segments**

The Company's operating businesses are organized and managed separately according to the nature of services provided with each segment representing strategic business unit that offers different services. The analysis of geographical segments is based on the areas in which the main assets of the company operate.

**Segment accounting policies**

The Company prepares its segment information in conformity with the accounting policies and presents the financial statements of the Company as a whole.

**m. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**n. Provisions**

A provision is recognized when the company has a present obligation as a result of past event. It is probable that an outflow of resources embodying economic benefits will be required to settle obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. The estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**o. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where liability cannot be recognized because the same cannot be measured reliably. The Company does not recognize a contingent liability but disclose its existence in the financial statements.

**p. Cash and cash equivalents**

Cash and cash equivalents for the purpose of the cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**3. Share Capital**

	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions
<b>Authorised shares (No. millions)</b>		
2,500 (31st March 2014: 2,500 ) Equity Shares of Rs.2/- each	5,000.00	5,000.00
1,000 (31st March 2014: 1,000 ) Cumulative Non Convertible Redeemable Preference Shares of Rs.10/- each	<u>10,000.00</u>	<u>10,000.00</u>
	<u>15,000.00</u>	<u>15,000.00</u>
<b>Issued , subscribed and fully paid -up Equity shares (No. in millions)</b>		
<b>Equity Shares</b>		
36.88 (31st March 2014: 36.88) equity shares of Rs.2/- each	73.75	73.75
0.85 (31st March 2014: 0.85) equity shares of Rs.2/- each issued against conversion of foreign currency convertible bonds	1.70	1.70
0.16 (31st March 2014: 0.09 ) equity shares of Rs.2/- each issued against employee stock option scheme	0.33	0.19
16.47 (31st March 2014: 5.69) equity shares of Rs.2/- each issued against qualified institutional placement	32.94	11.39
3.39 (31st March 2014:Nil) equity shares of Rs. 2/- each issued against conversion of share warrants allotted on a preferential basis	6.78	-
Shares Forfeited, 0.01(31st March 2014: 0.01) equity shares at Re 1/- each	<u>0.01</u>	<u>0.01</u>
(A)	<u>115.51</u>	<u>87.04</u>
<b>Preference Shares (Refer Note below) (No. in millions)</b>		
60 (31st March 2014: 60 @ 10%) 10% non-convertible cumulative redeemable preference shares of Rs.10/-each	600.00	600.00
45 (31st March 2014: 45 @ 10%) 10% non-convertible cumulative redeemable preference shares of Rs.10/-each	450.00	450.00
61 (31st March 2014: 61 @ 10%) 10% non-convertible cumulative redeemable preference shares of Rs.10/-each	610.00	610.00
95 (31st March 2014: 95 @ 10%) 10% non-convertible cumulative redeemable preference shares of Rs.10/-each	950.00	950.00
20 (31st March 2014:20 @ 10%) 10% non-convertible cumulative redeemable preference shares of Rs.10/-each	<u>200.00</u>	<u>200.00</u>
(B)	<u>2,810.00</u>	<u>2,810.00</u>
<b>TOTAL(A+B)</b>	<u>2,925.51</u>	<u>2,897.04</u>

**a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

	31st March 2015		31st March 2014	
	<u>No. millions</u>	<u>Rs. millions</u>	<u>No. millions</u>	<u>Rs. millions</u>
<b>Equity shares of Rs 2 each</b>				
At the beginning of the period	43.51	87.04	43.51	87.04
Issued during the period	14.24	28.47	-	-
<b>Outstanding at the end of the period (A)</b>	<u>57.75</u>	<u>115.51</u>	<u>43.51</u>	<u>87.04</u>
	31st March 2015		31st March 2014	
	<u>No. millions</u>	<u>Rs. millions</u>	<u>No. millions</u>	<u>Rs. millions</u>
<b>Preference shares of Rs 10 each</b>				
At the beginning of the period	281.00	2,810.00	281.00	2,810.00
Issued during the period	-	-	-	-
Redeemed during the period	-	-	-	-
<b>Outstanding at the end of the period (B)</b>	<u>281.00</u>	<u>2,810.00</u>	<u>281.00</u>	<u>2,810.00</u>
<b>Total Value of Outstanding Shares (A) +(B)</b>		<u>2,925.51</u>		<u>2,897.04</u>

**b. Terms/ rights attached to equity shares**

The Company has only one class of equity shares having a face value of Rs.2/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend 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.

- c. During the year ended 31<sup>st</sup> March 2015, the amount of per share dividend recognized as distributions to equity shareholders is Rs.3.60 (31<sup>st</sup> March 2014: Rs.3.60).

**d. Terms of Non-convertible Cumulative redeemable preference shares**

The terms and conditions of the Non-Convertible Cumulative redeemable preference shares are as under:

- 55 million 10% non-convertible cumulative redeemable preference shares due for redemption at par on 29-12-2014 (Not redeemed). Dividend provided upto the due date for redemption.
- 40 million 10 % non-convertible cumulative redeemable preference shares due for redemption at par on 28-02-2015 (Not redeemed). Dividend provided upto the due date for redemption.
- 61million 10 % non-convertible cumulative redeemable preference shares due for redemption at par on 30-03-2015 (Not redeemed). Dividend provided upto the due date for redemption.
- 45 million 10% non- convertible cumulative redeemable preference shares will be redeemed at par on 16-06-2015
- 60 million 10% non-convertible cumulative redeemable preference shares will be redeemed at par on 16-06-2016
- 20 million 10 % non-convertible cumulative redeemable preference shares will be redeemed at par on 03-08-2016

- e. During the year ended 31<sup>st</sup> March 2015, the amount of per share dividend recognized as distributions to preference shareholders is Re 1 (31<sup>st</sup> March 2014: Re 1).

- f. The company has reserved 1.84 million equity shares of Rs.2 each for offering to employees under the Employee Stock Option Scheme (ESOS) (31<sup>st</sup> March 2014:1.84 million equity shares of Rs.2 each) out of which 0.16 million equity shares of Rs.2 each have been already allotted up to the balance sheet date under the scheme and included under the paid up capital (31<sup>st</sup> March 2014: 0.095 million equity shares of Rs.2 each) (Refer note 26 for details)

- g. During the year 2014-15, the Company has allotted 10.78 million equity shares of Rs.2/- each to eligible Qualified Institutional Buyers at a price of Rs.695.60 per equity share including premium of Rs.693.50 per share aggregating to Rs.750.00 million in accordance with the applicable provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009 and Companies Act, 2013.

**Notes to Financial Statements for the year ended 31<sup>st</sup> March 2015**

- h. During the year 2014-15, the Company has allotted 0.06 million and 0.004 million equity shares of Rs.2/- each on exercise of stock options by employees/whole-time directors/independent director at a price of Rs.649.75 per equity share (including premium of Rs.647.75 per equity share) and Rs.416.55 per equity share (including premium of Rs.414.55 per equity share respectively aggregating to Rs. 41.43 million (Refer note 26 for details)
- i. During the year 2014-15, the Company has allotted 3.39 million equity shares of Rs.2/- each fully paid to Promoter/Promoter group at a price of Rs.391/- per equity share (including premium of Rs.389/- per equity share) aggregating to Rs. 1325.49 million against conversion of share warrants allotted to them on a preferential basis (Refer note 5 for details)
- j. **Details of shareholders holding more than 5% shares in the company**

	As at 31st March 2015		As at 31st March 2014	
	No. millions	% holding in the class	No. millions	% holding in the class
<b>Equity shares of Rs.2 each fully paid</b>				
Reji Abraham	5.63	9.74%	5.13	11.78%
Deepa Reji Abraham	3.43	5.94%	0.54	1.24%
India Offshore Inc	8.33	14.42%	8.33	19.14%
Aban Investments Private Limited	5.65	9.79%	5.65	12.99%
	<u>23.04</u>	<u>39.89%</u>	<u>19.65</u>	<u>45.15%</u>
	As at 31st March 2015		As at 31st March 2014	
	No. millions	% holding in the class	No. millions	% holding in the class
<b>Preference shares of Rs.10 each fully paid</b>				
<b>10% Non-Convertible Cumulative Redeemable Preference Shares of Rs.10 Each</b>				
Syndicate Bank	10.50	10.00%	10.50	10.00%
Canara Bank Mumbai	17.50	16.67%	17.50	16.67%
Indian Overseas Bank	14.00	13.33%	14.00	13.33%
Vijaya Bank	17.50	16.67%	17.50	16.67%
Axis Bank Limited	42.00	40.00%	42.00	40.00%
	<u>101.50</u>	<u>96.67%</u>	<u>101.50</u>	<u>96.67%</u>
<b>10% Non Convertible Cumulative Redeemable Preference Shares of Rs.10 Each</b>				
Indian Bank	10.00	16.39%	10.00	16.39%
Vijaya Bank	5.00	8.20%	5.00	8.20%
UCO Bank	10.00	16.39%	10.00	16.39%
Aban Infrastructure Private Limited	27.00	44.26%	-	-
Indusind Bank Limited	-	-	30.00	49.18%
Yes Bank Limited	5.00	8.20%	5.00	8.20%
	<u>57.00</u>	<u>93.44%</u>	<u>60.00</u>	<u>98.36%</u>
<b>10% Non Convertible Cumulative Redeemable Preference Shares of Rs.10 Each</b>				
Punjab National Bank	20.00	50.00%	20.00	50.00%
Canara Bank Mumbai	10.00	25.00%	10.00	25.00%
Indian Overseas Bank	10.00	25.00%	10.00	25.00%
	<u>40.00</u>	<u>100.00%</u>	<u>40.00</u>	<u>100.00%</u>



## Aban Offshore Limited

### Notes to Financial Statements for the year ended 31<sup>st</sup> March 2015

<b>10% Non Convertible Cumulative Redeemable Preference Shares of Rs.10 Each</b>				
Syndicate Bank	15.00	27.27%	15.00	27.27%
Bank of India	15.00	27.27%	15.00	27.27%
Central Bank of India	5.00	9.10%	5.00	9.10%
Bank of Baroda	10.00	18.18%	10.00	18.18%
Oriental Bank of Commerce	10.00	18.18%	10.00	18.18%
	<u>55.00</u>	<u>100.00%</u>	<u>55.00</u>	<u>100.00%</u>
<b>10% Non Convertible Cumulative Redeemable Preference Shares of Rs.10 Each</b>				
Bank of India	<u>20.00</u>	<u>100.00%</u>	<u>20.00</u>	<u>100.00%</u>

As per the records of the company, including its register of shareholders/members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

#### 4. Reserves and Surplus

	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions
<b>Capital Reserve as per last Balance Sheet</b>	<u>0.03</u>	<u>0.03</u>
<b>Securities Premium Account</b>		
Balance as per last financial statements	8,819.44	8,819.44
Add: On Allotment under ESOS	41.30	-
Add: On Allotment under Qualified Institutional Buyers	7,478.43	-
Add: On Allotment against Conversion of Equity Warrants	1,318.71	-
Less: Qualified Institutional Placement Issue Expenses	(129.37)	-
	<u>17,528.51</u>	<u>8,819.44</u>
<b>Investment Allowance Reserve-utilised as per last Balance Sheet</b>	<u>52.40</u>	<u>52.40</u>
<b>Capital Redemption Reserve</b>		
Balance as per last financial statements	2,270.00	2,000.00
Add: Transfer from statement of profit and loss	200.00	270.00
	<u>2,470.00</u>	<u>2,270.00</u>
<b>General Reserve</b>		
Balance as per last financial statements	1,479.79	1,299.36
Add: Transfer from statement of profit and loss	-	180.43
	<u>1,479.79</u>	<u>1,479.79</u>
<b>Surplus/(deficit) in the statement of profit and loss</b>		
Balance as per last financial statements	5,888.77	5,046.99
Profit for the year	1,906.21	1,804.25
Less: Appropriations		



Transfer to capital redemption reserve	(200.00)	(270.00)
Transfer to general reserve	-	(180.43)
Equity dividend paid Rs 3.60 Per equity share *	(48.04)	-
Tax on equity dividend *	(8.16)	-
Proposed equity dividend-Rs3.60 Per equity share (31st March 2014-Rs.3.60 Per equity share)	(207.92)	(156.66)
Tax on proposed equity dividend	(42.56)	(26.62)
Dividend on preference shares	(263.57)	(281.00)
Tax on preference dividend	(53.95)	(47.76)
<b>Total appropriations</b>	<b>(824.20)</b>	<b>(962.47)</b>
<b>Net Surplus/(deficit) in the statement of profit and loss</b>	<b>6,970.78</b>	<b>5,888.77</b>
<b>Total reserves and surplus</b>	<b>28,501.51</b>	<b>18,510.43</b>

\* Relates to the Equity Shares issued to Qualified Institutional Buyers ,promoter/promoter group against conversion of share warrants and employees under stock option scheme in July 2014.

#### 5. Money received against Share Warrants:

During 2013-14, the Company had allotted 4.00 million share warrants on a preference basis to the Promoter/ Promoter Group entitling them to apply for and obtain allotment of one equity share of Rs 2/- each fully paid at a price of Rs 391/- per share against each such share warrant at any time after the date of allotment but on or before the expiry of 18 months from the date of allotment in one or more tranches. The Company has received Rs.391 million being 25% of the total value of share warrants issued. During the year 2014-15, the Company received Rs.994.12 million against share warrants issued. The Company issued 3.39 million equity shares of Rs. 2/- each to the Promoter/Promoter group aggregating to Rs. 1325.49 million during the year. As at 31st March, 2015, 0.61 million share warrants are pending conversion into equity shares against which the Company has received Rs. 59.63 million being 25% of the outstanding 0.61 million share warrants.

#### 6. Long term borrowings

	Non-current maturities		Current maturities	
	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions
<b>Term loans</b>				
Foreign currency term loans from banks (secured)	4,918.81	5,634.88	1,202.32	1,109.74
Rupee term loans from banks (secured)	175.00	262.40	108.19	100.00
Rupee term loan from financial institution (secured)	-	150.00	225.00	300.00
<b>Other loans</b>				
Hire purchase loan (secured)	3.64	-	2.31	-
From a company (unsecured)	-	-	-	79.00
From companies (secured)	416.67	-	283.33	-
	<u>5,514.12</u>	<u>6,047.28</u>	<u>1,821.15</u>	<u>1,588.74</u>
<b>The above amount includes</b>				
Secured borrowings	5,514.12	6,047.28	1,821.15	1,509.74
Unsecured borrowings	-	-	-	79.00
Amount disclosed under the head "Other current liabilities" (Note 10)	-	-	(1,821.15)	(1,588.74)
	<u>5,514.12</u>	<u>6,047.28</u>	<u>-</u>	<u>-</u>

1. The Foreign currency term loans from banks include the following:



- a. Foreign currency term loan of Rs.4,344.67 million [USD 69.52 million] (31st March 2014 - Rs.4,829.58 million [USD 80.65 million]) from a bank carries interest@ 6 Months LIBOR + 6% p.a. (31st March 2014 -6 Months LIBOR + 6%p.a.).The Loan is repayable in 32 quarterly installments of USD 2.78 million each along with interest from 30th April 2013. The loan is secured by second charge on the specific offshore drill rigs, Floating Production Unit and Second charge on drilling rig owned by foreign subsidiaries. Amount overdue on account of interest and principal as on balance sheet date is Rs.21.03 million and Rs.173.24 million respectively for a period of 1 month and 2 months. Amount since paid is Rs.168.73 million.
- b. Foreign currency term loan of Rs.1,776.46 million [USD 28.43 million] (31st March 2014 - Rs.1,915.24 million [USD 31.99 million]) from a bank carries interest@ 6 Months LIBOR + 7.00% p.a. (31st March2014- 6 Months LIBOR + 7.25% p.a.).The Loan is repayable in 96 monthly installments of USD 0.36 Million each along with interest from 30th September 2013. The loan is secured by first charge on the specific offshore drill rig owned by foreign subsidiaries. Amount overdue as on the balance sheet date on account of interest and principal is Rs.11.25 million and Rs. 66.74 million for a period of 1 month and 2 months respectively.

**2. The rupee term loans from banks include the following:**

- a. Indian Rupee Loan of Rs. 283.19 million (31st March 2014 - Rs.362.40 million) from a bank carries interest@ 15% p.a. (31st March 2014- 15% p.a.). The loan is repayable in 19 unequal quarterly installments along with interest from 30th June 2013. The loan is secured by First charge on the specific offshore drill rig owned by foreign subsidiaries. Amount overdue as on the balance sheet date on account of principal is Rs.20.80 million for a period of 1 day. Amount since paid is Rs.7.18 million.

**3. Rupee term loan from a Financial institution:**

Rupee term loan from a Financial institution of Rs.225.00 million (31st March 2014 - Rs.450.00 million) carries interest @ 13.00% p.a. (31st March 2014- 13.00% p.a.). The loan is repayable in 11 quarterly installments of Rs.50 million each along with interest from June 2013. The loan is secured by pari passu first charge on drill ship and drilling rig. Amount overdue as on the balance sheet date on account of principal is Rs.75.00 million for a period 23 to 113 days. Amount since paid is Rs 25 Million.

- 4. Term loan facility of Rs.350.00 million (31st March 2014- Nil) from NBFC carries interest @ 14.50% p.a. (31st March 2014- Nil). The loan is repayable in 30 equated monthly installments from 5th July 2014 and is secured by mortgage of land and pledge of shares owned by a promoter group company and by second charge of current assets of the Company.
- 5. Term Loan facility of Rs.250.00 million (31st March 2014- Nil) from a NBFC carries interest@ 13.50% p.a. (31st March 2014: Nil). The loan is repayable in 60 equated monthly installments from 5th April 2015 and is secured by a charge on properties owned by Promoter/Promoter Group Company.
- 6. Short term facility of Rs.100.00 million (31st March 2014- Nil) from a NBFC carries interest @ 12.00 % p.a. (31st March 2014- Nil). The loan is repayable in full on 2nd February 2018 and is secured by shares of the Company held by a promoter group company.
- 7. Hire purchase loans for Vehicles amount to Rs 5.95 million (31st March 2014: Nil) availed from a NBFC carries interest @ 9.72% p.a. (31st March 2014: Nil) and is secured by hypothecation of Vehicles.
- 8. Unsecured loan from a company amounting to Rs.Nil (31st March 2014: Rs.79.00 million) carries interest Nil (31st March 2014: 16.50% p.a.).

**7. Deferred tax liabilities (net)**

**Deferred tax liability on timing differences**  
On depreciation

As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions
745.81	608.45
<u>745.81</u>	<u>608.45</u>

**8. Provisions**

	Long - Term		Short - Term	
	As at 31st March 2015 Rs. Millions	As at 31st March 2014 Rs. Millions	As at 31st March 2015 Rs. Millions	As at 31st March 2014 Rs. Millions
<b>Provision for employee benefits</b>				
Provision for Provident Fund	-	-	2.17	4.48
Provision for Gratuity	4.67	18.01	1.95	3.03
Provision for Leave Encashment	12.32	15.22	6.06	2.25
(A)	<u>16.99</u>	<u>33.23</u>	<u>10.18</u>	<u>9.76</u>
<b>Other provisions</b>				
Proposed equity dividend	-	-	207.92	156.66
Provision for tax on proposed equity dividend	-	-	42.56	26.62
Proposed preference dividend	-	-	263.57	281.00
Provision for tax on proposed preference dividend	-	-	53.95	47.76
(B)	<u>-</u>	<u>-</u>	<u>568.00</u>	<u>512.04</u>
<b>TOTAL(A+B)</b>	<u>16.99</u>	<u>33.23</u>	<u>578.18</u>	<u>521.80</u>

## 9 Short term borrowings

	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions
Cash credit from banks (secured)	1,593.25	1,258.16
Short term borrowings from banks (secured)	400.49	2,037.68
Short term borrowings (unsecured)	-	12.06
Short term borrowings from a Director (unsecured)	180.00	-
Deposits (unsecured)-Intercompany Loan	145.00	588.14
	<u>2,318.74</u>	<u>3,896.04</u>
<b>the above amount includes</b>		
Secured borrowings	1,993.74	3,295.84
Unsecured borrowings	325.00	600.20
	<u>2,318.74</u>	<u>3,896.04</u>

- Cash credit from banks is secured by way of hypothecation of inventory of stores and spares and book debts. Moreover, two offshore jack-up rigs of the company have been offered as a second charge for certain cash credit facilities. The cash credit is repayable on demand and carries interest @ 14.75% p.a. to 16.75% p.a.
- Short term borrowings (secured) from banks represent buyer's credit availed against letters of credit / packing credit secured by charge on current assets and second charge on three offshore jack-up rigs and a drill ship of the company. These short term borrowings are repayable over 180 - 360 days and carry interest @ 3% p.a. to 5.35% p.a.
- Short term borrowings (unsecured) represent overdrawn bank balances from banks that are repayable on demand.
- Unsecured loan from a company amounting to Rs.145.00 million (31st March 2014: Nil) carries interest at 16.75% p.a. (31st March 2014: Nil). The loan is repayable over 12 months.
- Unsecured loan from a Director of Company amounting to Rs.180.00 million (31st March 2014: Nil) carries interest @ 16.75% p.a. (31st March 2014: Nil). The loan is repayable over 12 months.



## Aban Offshore Limited

### Notes to Financial Statements for the year ended 31<sup>st</sup> March 2015

#### 10. Current liabilities

	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions
<b>Trade payables</b>	<b>4,582.41</b>	<b>4,519.16</b>
<b>Other Current Liabilities</b>		
Current maturities of long term borrowings (note 6)	1,821.15	1,588.74
Interest accrued but not due on borrowings	5.96	4.39
Interest accrued and due on borrowings	74.88	135.28
Investor Education and Protection Fund will be credited by following amounts (as and when due)		
- Unclaimed dividends	18.02	15.54
<b>Others</b>		
Service tax payable	57.74	189.22
TDS payable	23.93	36.93
	<b>2,001.68</b>	<b>1,970.10</b>

#### 11. Tangible assets

	Rs.Millions									
	Land-Freehold	Buildings	Offshore Jack-up rigs	Drillship	Other Machineries	Wind Mills	Office Equipment	Furniture & Fixtures	Vehicles	Total
<b>Cost or Valuation</b>										
At 1st April 2014	128.57	150.37	11,214.94	5,553.31	80.82	1,841.15	69.49	24.62	54.16	19,117.43
Additions	-	-	2,021.44	13.92	-	-	7.74	0.55	8.96	2,052.60
Disposals	-	-	-	-	-	(584.49)	(1.76)	-	(2.52)	(588.77)
<b>At 31st March 2015</b>	<b>128.57</b>	<b>150.37</b>	<b>13,236.38</b>	<b>5,567.23</b>	<b>80.82</b>	<b>1,256.66</b>	<b>75.47</b>	<b>25.17</b>	<b>60.60</b>	<b>20,581.26</b>
At 1st April 2013	128.57	150.37	10,866.86	2,941.35	80.82	2,351.67	66.53	24.29	53.87	16,664.33
Additions	-	-	348.08	2,611.96	-	-	2.96	0.33	4.67	2,968.00
Disposals	-	-	-	-	-	(510.52)	-	-	(4.38)	(514.90)
<b>At 31st March 2014</b>	<b>128.57</b>	<b>150.37</b>	<b>11,214.94</b>	<b>5,553.31</b>	<b>80.82</b>	<b>1,841.15</b>	<b>69.49</b>	<b>24.62</b>	<b>54.16</b>	<b>19,117.43</b>
<b>Depreciation</b>										
At 1st April 2014	-	41.69	7,177.09	1,604.88	76.74	1,743.80	65.27	20.74	27.89	10,758.10
Charge for the year	-	4.16	544.18	245.01	-	-	2.64	2.48	7.30	805.77
Disposals	-	-	-	-	-	(553.59)	(0.82)	-	(1.79)	(556.20)
<b>At 31st March 2015</b>	<b>-</b>	<b>45.85</b>	<b>7,721.27</b>	<b>1,849.89</b>	<b>76.74</b>	<b>1,190.21</b>	<b>67.09</b>	<b>23.22</b>	<b>33.40</b>	<b>11,007.67</b>
At 1st April 2013	-	39.36	6,896.47	1,481.58	76.74	2,228.68	60.45	19.27	24.53	10,827.08
Charge for the year	-	2.33	280.62	123.30	-	0.12	4.82	1.47	5.24	417.90
Disposals	-	-	-	-	-	(485.00)	-	-	(1.88)	(486.88)
<b>At 31st March 2014</b>	<b>-</b>	<b>41.69</b>	<b>7,177.09</b>	<b>1,604.88</b>	<b>76.74</b>	<b>1,743.80</b>	<b>65.27</b>	<b>20.74</b>	<b>27.89</b>	<b>10,758.10</b>
<b>Net Block</b>										
<b>At 31st March 2015</b>	<b>128.57</b>	<b>104.52</b>	<b>5,515.11</b>	<b>3,717.34</b>	<b>4.08</b>	<b>66.45</b>	<b>8.38</b>	<b>1.95</b>	<b>27.20</b>	<b>9,573.59</b>
<b>At 31st March 2014</b>	<b>128.57</b>	<b>108.68</b>	<b>4,037.85</b>	<b>3,948.43</b>	<b>4.08</b>	<b>97.35</b>	<b>4.22</b>	<b>3.88</b>	<b>26.27</b>	<b>8,359.33</b>

a. Capitalized borrowing costs

The borrowing cost capitalized during the year ended 31st March 2015 was Rs.5.15 million (31st March 2014: Rs.1.27 million).The company capitalized the borrowing cost in the Offshore Jack up rigs.

b. Some of the assets carry charge for bank term loans taken by the wholly owned foreign subsidiary of the Company.

**12. Non- current investments**

	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions
<b>Trade Investment (valued at cost unless stated otherwise) Unquoted equity shares</b>		
<b>Investment in subsidiaries-wholly owned</b>		
0.2 million (31st March 2014:0.2 million) equity shares of Rs.10 each fully paid in Aban Energies Limited	2.00	2.00
562.88 million(31st March 2014:547.82 million) equity shares in Aban Holdings Pte Ltd, Singapore # @	26,046.71	25,415.68
<b>Investment in subsidiaries - Others</b>		
0.076 million (74% holding) (31st March 2014:0.076 million) equity shares of Rs.10 each fully paid in Radhapuram Wintech Private Limited	0.76	0.76
4.011 million (31st March 2014 :4.011 million)10% Non Cumulative Redeemable Preference shares of Rs 10 each fully paid in Radhapuram Wintech Private Limited	40.11	40.11
0.066 million (74% holding) (31st March 2014:Nil) equity shares of Rs.10 each fully paid in Aban Green Power Private Limited	0.66	-
3.471 million (31st March 2014:Nil)10% Non Cumulative Redeemable Preference shares of Rs 10 each fully paid in Aban Green Power Private Limited	34.71	-
<b>Investment in joint ventures</b>		
0.05 million(31st March 2014:0.05 million) equity shares of Rs.100 each fully paid in Frontier Offshore Exploration(India) Limited (at cost less provision for other than temporary diminution in value Rs.4.99 million(31st March 2014:Rs.4.99 million) )	-	-
<b>Other Investments</b>		
0.3 million (31st March 2014: 0.3 million) equity shares of Rs.10 each fully paid in Aban Informatics Private Limited	19.85	19.85
	<u>26,144.80</u>	<u>25,478.40</u>
	<b>As at 31st March 2015 Rs. millions</b>	<b>As at 31st March 2014 Rs. millions</b>
<b>Non-trade investments (valued at cost unless stated otherwise)</b>		
<b>Investment in equity shares (quoted)</b>		
0.01 million (31st March 2014: 0.01 million) equity shares of Rs.10 each fully paid in Arihant Threads Ltd (at cost less provision for other than temporary diminution in value of Rs.0.17 million (31st March 2014: Rs.0.17 million))	-	-
0.01 million (31st March 2014: 0.01 million) equity shares of Rs.10 each fully paid in Punjab Woolcombers Ltd at cost less provision for other than temporary diminution in value of Rs 0.02 million (31st March 2014 : Rs 0.02 million)	-	-
0.01 million(31st March 2014: 0.01 million) equity shares of Rs.10 each fully paid in State Bank of Travancore Ltd	0.15	0.15
0.01 million(31st March 2014: 0.01 million) equity shares of Rs.10		



**Aban Offshore Limited**

**Notes to Financial Statements for the year ended 31<sup>st</sup> March 2015**

each fully paid in ICICI Bank Ltd	0.79	0.79
0.05 million(31st March 2014: 0.05 million)equity shares of Rs.5		
each fully paid in Oil and Natural Gas Corporation Limited	6.32	6.32
0.03 million(31st March 2014:0.03 million)equity shares of Rs.10		
each fully paid in Indian Bank Ltd	2.95	2.95
<b>Investment in equity shares (unquoted)</b>		
0.01 million (31st March 2014: 0.01 million)equity shares of Rs.10		
each fully paid in Madras Stock Exchange Limited	4.00	4.00
	<u>14.21</u>	<u>14.21</u>
	<u>26,159.01</u>	<u>25,492.61</u>
Aggregate amount of quoted investments( Market value: Rs 28.06 million)	10.21	10.21
(31st March 2014: Rs.36.06 million)		
Aggregate amount of unquoted investments	26,148.80	25,482.40
Aggregate provision for diminution in value of investments	5.18	5.18

# Note: Face value of the investment not provided, since investment in share capital in Singapore companies has no face value according to the Company Law of Singapore.

@ Note: The Equity shares held in Aban Holdings Pte Limited Singapore are under pledge with Bank of Baroda,UAE as a security against credit facility availed by Aban Holdings Pte Limited, Singapore.

**13. Loans and advances**

	Long-term		Short-term	
	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions
<b>Capital advances</b>				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	178.06	49.94
(A)	<u>-</u>	<u>-</u>	<u>178.06</u>	<u>49.94</u>
<b>Security deposit</b>				
Secured, considered good	-	-	-	-
Unsecured, considered good	9.69	4.62	1.44	5.84
Doubtful	-	-	-	-
	<u>9.69</u>	<u>4.62</u>	<u>1.44</u>	<u>5.84</u>
Provision for doubtful security deposit	-	-	-	-
(B)	<u>9.69</u>	<u>4.62</u>	<u>1.44</u>	<u>5.84</u>
<b>Loans and advances to related parties</b>				
Unsecured, considered good (Note 33)	-	-	6,146.19	50.75
(C)	<u>-</u>	<u>-</u>	<u>6,146.19</u>	<u>50.75</u>
<b>Advances recoverable in cash or kind</b>				
Secured considered good	-	-	-	-
Unsecured considered good	12.89	-	107.72	54.23
Doubtful	-	-	-	-

	12.89	-	107.72	54.23
Provision for doubtful advances	-	-	-	-
(D)	<u>12.89</u>	<u>-</u>	<u>107.72</u>	<u>54.23</u>
<b>Other loans and advances</b>				
Advance income-tax(net of provision for taxation)	-	-	290.00	149.58
MAT credit entitlement account	306.61	389.16	-	-
Prepaid expenses	5.44	-	47.86	44.29
Loans to employees	35.17	19.91	12.71	5.05
Balances with statutory/government authorities	<u>26.26</u>	<u>26.26</u>	<u>0.40</u>	<u>0.74</u>
(E)	<u>373.48</u>	<u>435.33</u>	<u>350.97</u>	<u>199.66</u>
<b>Total (A+B+C+D+E)</b>	<u>396.06</u>	<u>439.95</u>	<u>6,784.38</u>	<u>360.42</u>

#### 14. Inventories

	As at 31st March 2015 Rs. Millions	As at 31st March 2014 Rs. Millions
Stores, Spares and Fuel	1,039.56	993.59
	<u>1,039.56</u>	<u>993.59</u>

#### 15. Trade receivables and other assets

##### 15.1 Trade receivables

	Non-current		Current	
	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions
<b>Unsecured, considered good unless stated otherwise</b>				
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	1,230.13	370.94
Doubtful	-	-	-	-
	<u>-</u>	<u>-</u>	<u>1,230.13</u>	<u>370.94</u>
Provision for doubtful receivables	-	-	-	-
(A)	<u>-</u>	<u>-</u>	<u>1,230.13</u>	<u>370.94</u>
<b>Other receivables</b>				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	1,623.34	2,549.10
Doubtful	-	-	-	-
	<u>-</u>	<u>-</u>	<u>1,623.34</u>	<u>2,549.10</u>
Provision for doubtful receivables	-	-	-	-
(B)	<u>-</u>	<u>-</u>	<u>1,623.34</u>	<u>2,549.10</u>
<b>Total (A+B)</b>	<u>-</u>	<u>-</u>	<u>2,853.47</u>	<u>2,920.04</u>

**15.2 Other assets**

	Non-current		Current	
	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions
<b>Unsecured, considered good unless stated otherwise</b>				
Non-current bank balances (Note 16)	3.03	69.51	-	-
(A)	<u>3.03</u>	<u>69.51</u>	<u>-</u>	<u>-</u>
<b>Others</b>				
Interest accrued on fixed deposits	-	-	0.16	0.03
(B)	<u>-</u>	<u>-</u>	<u>0.16</u>	<u>0.03</u>
<b>Total (A+B)</b>	<u>3.03</u>	<u>69.51</u>	<u>0.16</u>	<u>0.03</u>

**16. Cash and bank balances**

	Non-current		Current	
	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions
<b>Cash and cash equivalents</b>				
<b>Balances with banks:</b>				
-On current accounts	-	-	106.73	124.68
-On unpaid dividend account	-	-	18.02	15.54
Cash on hand	-	-	0.47	0.70
	<u>-</u>	<u>-</u>	<u>125.22</u>	<u>140.92</u>
<b>Other bank balances</b>				
-Deposits with original maturity for more than 12 months (Note 15.2)	3.03	0.57	-	-
-Deposits with original maturity for more than 3 months but less than 12 months	-	-	-	38.51
- Margin money deposit	-	68.94	123.24	579.62
	<u>3.03</u>	<u>69.51</u>	<u>123.24</u>	<u>618.13</u>
Amount disclosed under non current assets (See note 15.2)	<u>(3.03)</u>	<u>(69.51)</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>248.46</u>	<u>759.05</u>

**17. Revenue from operations**

	Year ended 31st March 2015 Rs. millions	Year ended 31st March 2014 Rs. millions
Revenue from drilling services	7,564.69	8,153.93
Revenue from wind power generation	32.83	45.51
	<u>7,597.52</u>	<u>8,199.44</u>



**18. Other Income**

	Year ended 31st March 2015 Rs. millions	Year ended 31st March 2014 Rs. millions
<b>Interest income on</b>		
-Bank deposits	38.13	12.93
-Long term investments		
-Current investments		
-Loan to foreign subsidiary	86.61	92.91
-Others		
-Loan to Indian subsidiaries	4.66	1.60
<b>Dividend income on</b>		
-Non Current investments	0.79	0.85
-Current investments	137.44	-
Exchange differences(net)		
Miscellaneous Income	263.37	267.81
Net gain on sale of Non Current investments	6.35	32.09
Net gain on sale of Tangible assets	39.99	32.38
Rental income	7.41	3.08
	<u>584.75</u>	<u>443.65</u>

**19. Consumption of stores, spares, power and fuel**

	Year ended 31st March 2015 Rs. millions	Year ended 31st March 2014 Rs. millions
Consumption of stores and spares	391.17	467.11
Power and Fuel	<u>109.37</u>	<u>115.02</u>
	<u>500.54</u>	<u>582.13</u>

**20. Employee benefit expense**

	Year ended 31st March 2015 Rs. millions	Year ended 31st March 2014 Rs. millions
Salaries,wages and bonus	1,060.36	952.68
Contribution to provident and other fund	45.95	40.34
Gratuity expense (note 25)	15.07	13.39
Staff welfare expenses	28.55	29.66
	<u>1,149.93</u>	<u>1,036.07</u>

**21. Finance Costs**

	Year ended 31st March 2015 Rs. millions	Year ended 31st March 2014 Rs. millions
Interest *	920.46	1,593.91
Loan Processing charges	9.69	188.65
Exchange difference to the extent considered as an adjustment to borrowings costs	-	2.11
	<u>930.15</u>	<u>1,784.67</u>

\* Excludes interest capitalised Rs 5.15 million (31st March 2014- Rs 1.27 million)



**22. Depreciation and amortization expense**

	Year ended 31st March 2015 Rs. millions	Year ended 31st March 2014 Rs. millions
Depreciation on tangible assets*	805.77	417.90
	<u>805.77</u>	<u>417.90</u>

\*Pursuant to Companies Act, 2013 (“the Act”) becoming effective 1st April 2014, the Company has provided depreciation based on the useful life of the assets as prescribed In Schedule II of the Act. This has resulted In additional depreciation and amortization expense of Rs. 296.39 million for the year ended 31st March 2015.

**23. Other expenses**

	Year ended 31st March 2015 Rs. millions	Year ended 31st March 2014 Rs. millions
Freight and Forwarding Cost	41.48	47.80
Rent	8.84	5.54
Rates and taxes	5.10	21.81
Rental charges for Machinery	76.73	211.49
Insurance	278.47	315.04
<b>Repairs and maintenance</b>		
-Plant and machinery	189.98	146.90
-Buildings	2.50	2.43
-Others	7.27	2.55
Drilling services and Management Fees	66.78	131.88
Advertising and sales promotion	8.50	5.36
Exchange differences(net)	394.39	397.15
Travelling ,conveyance and Transportation	192.54	223.27
Communication Costs	29.79	30.54
Printing and Stationery	4.97	4.94
Professional and Consultancy Expenses	640.84	444.55
Catering Expenses	68.53	86.82
Directors' Sitting Fees	0.54	0.34
<b>Payment to Auditors</b>		
<b>As Auditor</b>		
-Audit fee *	4.80	3.50
-Tax audit fee	0.75	0.75
-Limited review	1.75	1.58
<b>In other capacity</b>		
-Taxation matters	0.50	0.50
-Other services (Certification Fees)	2.53	1.89
Exchange Losses(net)	55.30	612.68
Corporate Social Responsibility (CSR )Expenditure #	30.00	-
Miscellaneous expenses	21.42	44.75
	<u>2,134.30</u>	<u>2,744.06</u>

\* Includes audit fees with respect to Qualified Institutional Placement of INR 1.20 Million (Previous year :Nil)

# In terms of Section 135 and Section 198 of the Companies Act, 2013, the Company does not have average net profits over the 3 immediately previous financial years and is therefore not required to spend on Corporate Social Responsibility (CSR) activities. However, the Company has spent on CSR activities by making voluntary contributions towards activities promoting health care including preventive health care.

## 24. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations

	Year ended 31st March 2015 Rs. millions	Year ended 31st March 2014 Rs. millions
<b>Total operations for the year</b>		
Profit/(Loss) after tax	1,906.21	1,804.25
Less: Dividends on preference shares and tax thereon	<u>317.52</u>	<u>328.76</u>
<b>Net profit / (loss) for calculation of EPS</b>	<u><u>1,588.69</u></u>	<u><u>1,475.49</u></u>
	<u>No. millions</u>	<u>No. millions</u>
Weighted average number of equity shares in calculating basic EPS	53.18	43.51
<b>Effect of dilution:</b>		
Stock options/Share Warrants Outstanding less number of shares that would have been issued at par value.	0.40	*
<b>Weighted average number of equity shares in calculating diluted EPS</b>	53.58	43.51
Earning per share (basic in Rs)	29.87	33.91
Earning per share (diluted in Rs)	29.65	33.91

\* Since diluted earnings per share shows higher value as compared to basic earnings when taking the options/warrants into account, the options/warrants are anti-dilutive as at the year ended 31.03.2014 and are ignored in the calculation of diluted earnings per share as required under the Accounting Standard.

## 25. Gratuity and other defined benefit plans

The company operates a gratuity benefit plan which is funded with an insurance company in the form of a qualifying insurance policy. The company operates a leave encashment plan which is not funded

The following table summarizes the components of net benefit expense recognized in the statement of profit and loss, the funded status and the amounts recognized in the balance sheet for such plans.

### Statement of profit and loss

#### Net employee benefit expense recognised in the employee cost

	Gratuity		Leave encashment	
	31st March 2015 Rs. Millions	31st March 2014 Rs. Millions	31st March 2015 Rs. Millions	31st March 2014 Rs. Millions
<b>Components of employer expense</b>				
-Current service cost	8.31	6.32	0.79	0.72
-Interest cost	5.20	4.99	1.29	0.93
-Expected return on plan assets	(5.22)	(3.97)	-	-
-Past service cost	-	-	-	-
-Actuarial losses/(gains)	6.78	6.05	0.66	7.94
<b>Total expense recognized in the statement of profit and loss (Note 20)</b>	<u>15.07</u>	<u>13.39</u>	<u>2.74</u>	<u>9.59</u>
<b>Actual return on plan assets</b>	<u>9.57</u>	<u>5.14</u>		



**Balance sheet**

**Benefit (asset)/liability recognized in the balance sheet**

	Gratuity		Leave encashment	
	31st March 2015 Rs. Millions	31st March 2014 Rs. Millions	31st March 2015 Rs. Millions	31st March 2014 Rs. Millions
Present value of defined benefit obligation	89.05	69.09	18.38	17.47
Fair value of plan assets	82.43	48.05	-	-
Status [Deficit/(Surplus)]	6.62	21.04	18.38	17.47
Contribution made towards the fund	-	-	-	-
<b>(Net asset)/liability recognised in balance sheet</b>	<b>6.62</b>	<b>21.04</b>	<b>18.38</b>	<b>17.47</b>

**Changes in the present value of the Defined Benefit Obligation (“DBO”) are as follows:**

	Gratuity		Leave encashment	
	31st March 2015 Rs. Millions	31st March 2014 Rs. Millions	31st March 2015 Rs. Millions	31st March 2014 Rs. Millions
<b>Present value of the DBO at the beginning of the year</b>	69.09	58.88	17.47	12.57
Current service cost	8.31	6.32	0.79	0.72
Interest cost	5.20	4.99	1.29	0.93
Actuarial (gains)/losses	11.13	7.22	0.66	7.94
Benefits paid	(4.68)	(8.32)	(1.85)	(4.70)
<b>Present value of the DBO at the end of the year</b>	<b>89.05</b>	<b>69.10</b>	<b>18.38</b>	<b>17.47</b>

**Changes in the fair value of plan assets are as follows:**

	Gratuity	
	31st March 2015 Rs. Millions	31st March 2014 Rs. Millions
<b>Plan assets at the beginning of the year</b>	48.05	51.23
Expected return on plan assets	5.22	3.97
Actuarial gains/(losses)	4.35	1.17
Actual company contribution	29.49	-
Benefits paid	(4.68)	(8.32)
<b>Plan assets at the end of the year</b>	<b>82.43</b>	<b>48.05</b>

**Major category of plan assets as a percentage of the fair value of the total plan assets are as follows:**

	Gratuity	
	31st March 2015 Rs. Millions	31st March 2014 Rs. Millions
Mutual Funds	100%	100%

The principal assumptions used in determining gratuity obligations for the company's plans are shown below:

	Gratuity		Leave encashment	
	31st March 2015 %	31st March 2014 %	31st March 2015 %	31st March 2014 %
Discount rate	7.79	9.12	7.79	9.12
Expected return on plan assets	8.00	8.00	-	-
Rate of increase in compensation levels	4.50	6.00	4.50	6.00

The estimate of future salary increases, considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors as supply and demand factors in the employment market.

The expected rate of return on plan assets is based on the current investments strategy and market scenario. The above information is certified by the Actuary.

Amounts for the current and previous periods are as follows:

	31st March 2015 Rs. Millions	31st March 2014 Rs. Millions	31st March 2013 Rs. Millions	31st March 2012 Rs. Millions
<b>Gratuity</b>				
Defined benefit obligation	89.05	69.10	58.89	59.06
Plan assets	82.44	48.06	51.24	50.76
Surplus/(deficit)	6.61	21.04	7.65	8.30
Experience adjustments on plan liabilities	11.13	7.22	(0.20)	(0.80)
Experience adjustment on plan assets	4.35	1.17	0.31	(0.82)
<b>Leave encashment</b>				
Defined benefit obligation	18.38	17.47	12.57	13.78
Experience adjustments on plan liabilities	3.28	8.82	(2.70)	0.46

## 26. Employee Stock Option Scheme

The Company has instituted Employee Stock Option Scheme-2005 (ESOS) duly approved by the shareholders in the extra-ordinary general meeting of the Company held on 23rd April 2005. As per the scheme, the compensation committee of the board evaluates the performance and other criteria of employees and approves the grant of option. These options vest with employees over a specified period subject to fulfillment of certain conditions. Upon vesting, employees are eligible to apply and secure allotment of company's equity share at the prevailing market price on the date of the grant of option.

The Securities Exchange Board of India (SEBI) issued the Employee Stock Option Scheme and Employees Stock Purchase Scheme guidelines in 1999, applicable to stock option schemes on or after 19th June 1999. Under these guidelines, the excess of the market price of the underlying equity shares as of the date of the grant over the exercise price of the option is to be recognized and amortized on a straight line basis over the vesting period.

The Company has not recognized any deferred compensation expenses, as the exercise price was equal to the market value (as defined by SEBI) of the underlying equity shares on the grant date.

Excess of exercise price over the nominal value of equity shares allotted during the year under ESOS and credited to securities premium account is Rs 41.30 million (31st March 2014: Rs. Nil)

The details of option granted are given below:

Maximum number of options that may be granted under the scheme is 1.84 million equity shares of Rs.2 each. Options granted during the year- Nil (up to 31st March 2014: 1.84 Million equity shares of Rs.2 each)-Options lapsed during the year 0.009 million equity shares of Rs.2 each (up to 31st March 2014: 0.250 million equity shares of Rs.2 each)-Options exercised during the year- 0.065 million shares equity shares of Rs2 each (up to 31st March 2014: 0.095 million equity shares of Rs.2 each)-Options outstanding at the end of year : 1.424 million equity shares of Rs.2 each (up to 31st March 2014: 1.432 million equity shares of Rs.2 each)-Options yet to be granted under the scheme: 0.26 million (31st March 2014: 0.251 million equity shares of Rs.2 each)



**27. Interest in joint venture**

The company's interest, as a venturer, in jointly controlled entity is as follows:

Name of the company	Country of incorporation	Proportion of ownership interest 31st March 2015	Proportion of ownership interest 31st March 2014
Frontier Offshore Exploration (India) Limited	India	25%	25%

The company has ceased to have joint control over Frontier Offshore Exploration (India) Limited and has also provided for diminution in the value of long term investment considering the state of affairs of the joint venture company.

**28. Segment information**

- A. Primary Segment-**The Company's primary segments are offshore oil drilling and production services and wind power generation (Wind energy). The said business segments have been identified considering the nature of services rendered and the internal financial reporting system. Income and expenses have been accounted for based on their relationship to the operating activities of the segment
- B. Secondary segment-** Substantial assets of the company are offshore rigs, relating to the drilling and production services that are operating in India and Rest of Asia. The assets relating to the wind power generation are operating in India only.

**Primary Segment information**

**Business Segment**

	31st March 2015		31st March 2014	
	Rs. Millions	Rs. Millions	Rs. Millions	Rs. Millions
1. Segment revenue				
- Drilling	8,107.98		8,563.70	
-Wind energy	74.29	8,182.27	79.39	8,643.09
2. Segment results				
- Drilling	2,819.96		3,388.34	
-Wind energy	6.71		9.82	
	2,826.67		3,398.16	
less: interest	(920.46)	1,906.21	(1,593.91)	1,804.25
3. Segment assets				
- Drilling	47,028.16		39,094.42	
-Wind energy	216.42	47,244.58	300.11	39,394.53
4. Segment liabilities				
- Drilling	15,743.59		17,586.77	
-Wind energy	14.34	15,757.93	9.29	17,596.06
5. Depreciation				
- Drilling	805.77		417.78	
-Wind energy	-	805.77	0.12	417.90
6. Capital expenditure including capital work in progress				
- Drilling	2,239.46		2,765.32	
-Wind energy	-	2,239.46	-	2,765.32

The following table shows revenue by area of drilling and production operations and wind power generation, the carrying amount of segment assets and additions to fixed assets by geographical area in which such assets relating to the drilling and production operations and wind power generation are located

**Secondary Segment information**

**Geographical Segment**

	31st March 2015		31st March 2014	
	Rs. millions	Rs. millions	Rs. millions	Rs. millions
1. Segment revenue				
- India	7,051.06		5,025.01	
-Rest of Asia	1,131.21	8,182.27	3,618.08	8,643.09
2. Carrying amount of Segment assets				
- India	10,251.18		10,560.49	
-Rest of Asia*	4,890.51	15,141.69	3,418.36	13,978.85
3. Capital expenditure including Capital Work In Progress				
- India	1,454.41		2,691.91	
-Rest of Asia	785.05	2,239.46	73.41	2,765.32

\* Excludes investment in / receivable from wholly owned foreign subsidiary

**29. Related party disclosures**

**Names of related parties and related party relationship**

**Related parties where control exists**

**A. Subsidiary companies**

Aban Energies Limited, India-Wholly owned subsidiary, India  
 Aban Holdings Pte Limited, Singapore-Wholly owned subsidiary, Singapore  
 Radhapuram Wintech Private Limited-Subsidiary, India  
 Aban Green Power Private Limited-Subsidiary, India

**B. Subsidiaries of Aban Holdings Pte Limited, Singapore**

Aban Singapore Pte Ltd, Singapore  
 Aban 7 Pte Ltd, Singapore  
 Aban 8 Pte Ltd, Singapore  
 Aban Abraham Pte Ltd, Singapore  
 Aban Pearl Pte Ltd, Singapore  
 Aban International Norway As, Norway  
 DDI Holding AS, Norway  
 Deep Drilling Invest Pte Ltd, Singapore  
 Deep Drilling 1 Pte Ltd, Singapore  
 Deep Drilling 2 Pte Ltd, Singapore  
 Deep Drilling 3 Pte Ltd, Singapore  
 Deep Drilling 4 Pte Ltd, Singapore  
 Deep Drilling 5 Pte Ltd, Singapore  
 Deep Drilling 6 Pte Ltd, Singapore  
 Deep Drilling 7 Pte Ltd, Singapore  
 Deep Drilling 8 Pte Ltd, Singapore  
 Deep Driller Mexico S de RL de CV, Mexico  
 Aban Labuan Pvt. Ltd, Labuan, Malaysia

**C. Associate Company of Foreign subsidiary**

Belati Oilfield SdnBhd, Malaysia

**D. Related parties with whom transactions have taken place during the year**

**a. Key Management personnel**

- (i) Mr. Reji Abraham - Managing Director
- (ii) Mr. P.Venkateswaran - Deputy Managing Director
- (iii) Mr.C.P.Gopalkrishnan - Deputy Managing Director & Chief Financial Officer

**b. Relative of Key Management personnel - Ms. Deepa Reji Abraham**

**Related Party transactions during the year**

Nature of transaction	Subsidiary companies		Key Management Personnel/ Relative	
	31st March 2015 Rs. Millions	31st March 2014 Rs. Millions	31st March 2015 Rs. Millions	31st March 2014 Rs. Millions
1. Machinery maintenance charges paid	12.04	9.60	-	-
2. Rent paid/(received)	(3.25)	(0.79)	4.60	4.18
3. Remuneration	-	-	128.20	94.36
4. Interest received/(paid)	91.27	94.51	(4.56)	-
5. Sale of Asset	75.60	62.37	-	-
6. Investment In foreign subsidiary	1,499.44	-	-	-
7. Investment In Indian subsidiary	35.37	29.61	-	-
8. Advances recoverable/(payable)	(35.47)	16.45	-	-
9. Loan given	6,867.51	2,553.12	-	-
10. Loan repaid	848.78	2,557.59	-	-
11. Received/Receivable against sale of investment	874.76	1,870.79	-	-
12. Dividend paid	-	-	29.52	20.52
13. Loan taken	-	-	180.00	-
14. Allotment of Shares	-	-	6.78	-
15. Amount outstanding as at 31st March 2015	-	-	-	-
- Receivable	6,146.20	50.75	-	-
- Payable	-	-	54.88	-



## Aban Offshore Limited

### Notes to Financial Statements for the year ended 31<sup>st</sup> March 2015

Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year

	31st March 2015 Rs. Millions	31st March 2014 Rs. Millions
<b>1. Machinery maintenance charges paid</b>		
- Aban Energies Limited	12.04	9.60
<b>2. Remuneration to Key management personnel</b>		
- Mr. Reji Abraham	94.42	81.70
- Mr. P.Venkateswaran	17.18	6.33
- Mr. C.P.Gopalkrishnan	16.60	6.33
<b>3. Interest received/ (paid)</b>		
- Aban Holdings Pte Ltd, Singapore	86.61	92.91
- Radhapuram Wintech Private Limited	1.78	1.60
- Aban Green Power Private Limited	2.88	-
- Deepa Reji Abraham	(4.56)	-
<b>4. Investment in Indian subsidiary</b>		
- Radhapuram Wintech Pvt Ltd	-	29.61
- Aban Green Power Pvt Ltd	35.37	-
<b>5. Advances recoverable (Net)</b>		
- Aban Energies Limited, India	10.13	18.81
- Radhapuram Wintech Pvt Ltd	12.68	1.20
- Aban Holdings Pte Ltd, Singapore	(58.28)	3.56
<b>6. Loan given to foreign subsidiary</b>		
- Aban Holdings Pte Ltd, Singapore	6,825.01	2,520.55
<b>7. Loan repaid by foreign subsidiary</b>		
- Aban Holdings Pte Ltd, Singapore	831.85	2,550.02
<b>8. Loan given to Indian subsidiary</b>		
- Aban Green Power Private Limited	40.00	-
<b>9. Rent paid</b>		
- Reji Abraham	4.60	4.18
<b>10. Dividend paid</b>		
- Reji Abraham	18.46	18.46
- Deepa Reji Abraham	10.94	1.94
<b>11. Received/Receivable against sale of investment</b>	874.76	1,870.79
<b>12. Sale of Assets-Radhapuram Wintech Private Limited</b>	-	62.37
<b>13. Sale of Assets-Aban Green Power Pvt Limited</b>	75.60	-
<b>14. Loan taken from Deepa Reji Abraham</b>	180.00	-
<b>15. Allotment of Shares:</b>		
- Reji Abraham	1.00	-
- Deepa Reji Abraham	5.78	-

#### Other transactions

Personal guarantee given by Managing Director of the Company to a bank towards availment of non-fund based facilities-NIL (31st March 2014 : Rs 1,000.00 million)

#### 30. Capital and other commitments

	31st March 2015 Rs. millions	31st March 2014 Rs. millions
Capital and Other commitments not provided for	149.26	119.17

#### 31. Contingent liabilities

	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions
(a) Guarantees given by banks on behalf of the company	1,796.59	1,893.91
(b) Corporate guarantees given by the company to banks on behalf of subsidiaries of company's wholly owned foreign subsidiary	1,525.75	20,696.93



(c) Claims against the company not acknowledged as debt:

(i) In respect of civil suits against the company- Rs 95.50 million

(ii) In respect of Income Tax matters:

Income Tax dues relating to the period 2002 - 2006 amounting to INR 556.40 million pending before High Court of Madras; Income Tax dues relating to the period 2006 - 2008 amounting to INR 396.17 million pending before Income Tax Appellate Tribunal; Income Tax dues relating to the period 2008-2009 amounting to INR 418.38 million pending before the Commissioner of Income Tax (Appeals); and the Income Tax dues relating to the period 2009-2010 amounting to INR 812 million pending before Income Tax Appellate Tribunal.

(iii) In respect of Service Tax matters:

Service Tax dues relating to the period 2006- 2007 amounting to INR 17.36 million pending before Supreme Court.

(iv) In respect of Customs duty matter:

Customs Duty dues relating to the period 2003 - 2004 amounting to INR 279.13 million pending before Supreme Court.

The management does not reasonably expect that the aforesaid legal and tax matters when ultimately concluded and determined will have a material and adverse effect on the Company's results of operation or financial condition.

### 32. Derivative instruments and unhedged foreign currency exposures

#### a. Outstanding forward cover contracts/derivatives as at the balance sheet date

	As at 31st March 2015 Rs. Millions	As at 31st March 2014 Rs. Millions	Purpose
- Currency forward contracts/options	Nil	Nil	Hedging risk of exchange rate fluctuations

#### b. Particulars of unhedged foreign currency exposures as at the balance sheet date

	As at 31st March 2015 FCY Millions	As at 31st March 2015 Rs. Millions	As at 31st March 2014 FCY Millions	As at 31st March 2014 Rs. Millions
<b>Receivables</b>				
- In USD	137.31	8,581.38	125.65	7,523.81
- In EURO	8.80	589.93	29.71	2,449.93
<b>Import payables</b>				
- In USD	13.29	830.39	13.58	813.35
- In SGD	0.52	23.74	5.92	282.17
- In AED	5.56	94.53	-	-
<b>Foreign Currency Term Loans/Working Capital Loans (Including Interest Payable)</b>				
- In USD	102.74	6,420.53	117.90	7,060.15

The unhedged exposures are naturally hedged by future foreign currency earnings.

### 33. (i) Loans and advances in the nature of loans given to subsidiaries (disclosures pursuant to clause 32 of the equity listing agreement)

Particulars	Subsidiary	Balance outstanding as at 31st March 2015	Maximum balance outstanding during the year	Balance outstanding as at 31st March 2014	Maximum balance outstanding during the year
		Rs. millions	Rs. millions	Rs. millions	Rs. millions
Aban Energies Limited (advance)	Indian subsidiary	33.37	33.37	24.55	37.32
Aban Holdings Pte Ltd (Loan & advance)	Foreign subsidiary	6,056.19	6,744.22	-	1,710.44
Radhapuram Wintech Pvt Ltd( Loan & advance)	Indian subsidiary	12.35	25.29	26.20	34.31
Aban Green Power Pvt Ltd( Loan & advance)	Indian subsidiary	44.29	44.29	-	-

### (ii) Investment by the Loanee in the shares of the Company

The loanees have not made any investments in the shares of the company.

**34. Value of imports calculated on CIF basis**

	Year ended 31st March 2015 Rs. millions	Year ended 31st March 2014 Rs. millions
a. Capital items	2,110.18	2,947.05
b. Stores and spare parts	316.52	317.86

**35. Expenditure in foreign currency**

	Year ended 31st March 2015 Rs. millions	Year ended 31st March 2014 Rs. millions
a. Interest on foreign currency loans	450.86	528.16
b. Drilling services and management fees	66.78	155.23
c. Travel and transport	61.38	87.35
d. Consultancy fees	242.72	207.46
e. Rental charges for machinery	27.93	117.82
f. Insurance	269.85	299.58
g. Repairs to machinery	28.26	55.71
h. Catering	31.72	54.61
i. Salary and staff welfare	417.94	421.91
j. Others	26.63	23.03

**36. Imported and indigenous stores and spares consumed**

	31st March 2015 Value (Rs. millions)	31st March 2015 % of total consumption	31st March 2014 Value (Rs. millions)	31st March 2014 % of total consumption
<b>Stores and spares</b>				
Imported	322.86	82.54%	258.75	55.39%
Indigenous	68.31	17.46%	208.36	44.61%

**37. Dividend remitted in foreign currency**

Year of remittance (ending on)	31st March 2015 Rs. millions	31st March 2014 Rs. millions
Period to which it relates	2013-14	2012-13
Number of non-resident shareholders	1	1
Number of equity shares held	8.33	8.33
Net dividend remitted	29.98	29.98

**38. Earnings in foreign currency**

	Year ended 31st March 2015 Rs. millions	Year ended 31st March 2014 Rs. millions
a. Drilling and production services	7,564.69	8,077.23
b. Interest from foreign subsidiary	86.61	92.91
c. Others	261.55	267.81

**39. Generation of Electricity from wind power (net)**

Year ended 31st March 2015 Units millions	Year ended 31st March 2015 Rs. millions	Year ended 31st March 2014 Units millions	Year ended 31st March 2014 Rs. millions
12.55	32.83	17.11	45.51

**40. Dues to micro and small enterprises**

The Company has no dues to suppliers registered under the Micro, Small and Medium Enterprises Development Act, 2006 (31st March 2014: Nil)

41. The Board of Directors of the Company is of the opinion that, all assets other than fixed assets and non-current Investments have value on realization in the ordinary course of business at least equal to the amount at which they are stated in the financial statement.

**42. Details of Loans given, Investments made and guarantees given covered u/s 186(4) of the companies Act, 2013**

- (i) Loans given to related parties and Investments made in them are disclosed under the respective heads in the Financial statements.
- (ii) Corporate Guarantees given by the Company in respect of the bank loans availed by the wholly owned foreign subsidiary and its step down subsidiaries as at 31st March 2015: Rs 1,525.75 million (31st March 2014: Rs 20,696.93 million). Security provided for loan are also disclosed under respective head in the Financial Statements.

**43. Previous year figures**

The Company has reclassified previous year figures to conform to this year's classification.

As Per our Report of even date  
For Ford, Rhodes, Parks & Co.  
Chartered Accountants  
ICAI - Registration No.102860W

**Ramaswamy Subramanian**  
Partner  
Membership No: 016059  
Place: Chennai  
Date : May 27, 2015

**P.Murari**  
Chairman

**Ashok Kumar Rout**  
Director

**C.P.Gopalkrishnan**  
Dy.Managing Director &  
Chief Financial Officer

For and On behalf of the Board

**Reji Abraham**  
Managing Director

**K. Bharathan**  
Director

**Subhashini Chandran**  
Director

**P.Venkateswaran**  
Dy. Managing Director

**S.N. Balaji**  
Senior Manager  
(Legal) & Secretary



	Name of the subsidiary Company	Deep Drilling 6 Pte Ltd, Singapore	Deep Drilling 7 Pte Ltd, Singapore	Deep Drilling 8 Pte Ltd, Singapore	Deep Driller Mexico S de RL De CV, Mexico
		Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions
a)	Share Capital	3,206.74	3,510.80	1,753.38	0.01
b)	Reserves & Surplus *	2,876.70	2,807.61	2,036.71	(1,475.77)
c)	Total Assets	9,648.28	6,370.10	3,796.13	1,988.56
d)	Total Liabilities	3,564.84	51.69	6.03	3,464.31
e)	Investments (except in case of investment in subsidiaries)	-	-	-	-
f)	Turnover	2,667.91	2,231.25	1,807.31	6,311.31
g)	Profit/(Loss) before Taxation	874.73	269.12	(129.54)	(61.36)
h)	Provision for Taxation	(205.94)	(223.13)	(0.00)	-
l)	Profit/(Loss) after Taxation	668.79	45.99	(129.55)	(61.36)
j)	Proposed Dividend	-	-	-	-
k)	% of shareholding	100%	100%	100%	100%

\* includes translation reserve

Note :

- Names of Subsidiaries which are yet to commence operations - Nil
- Names of Subsidiaries which have been liquidated or sold during the year - Nil
- Other than the Indian subsidiaries Aban Energies Ltd, Radhapuram Wintech Private Limited and Aban Green Power Private Limited where accounts is in Indian Rupee, other 19 subsidiary accounts which are in US Dollar are converted into Indian Rupee at the Exchange rate of 1USD = Rs. 62.495 for the purpose of the details given above.

**Part "B": Associates**

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate companies

	Name of the Associate	Belati Oilfield Sdn Bhd Malaysia
		Rs in Millions
a)	Latest audited Balance Sheet Date	31/03/2015
b)	Share of Associate/Joint Ventures held by the company on the year end	
	No. in Million	0.17
	Amount of Investment in Associates/Joint Venture	97.18
	Extent of Holding %	49%
c)	Description of how there is significant influence	Due to Percentage of Share Capital
d)	Reason why the associate/Joint Venture is not consolidated	-
e)	Networth attributable to Shareholding as per latest audited Balance Sheet	97.14
f)	Profit/(Loss) for the year	
	Considered in Consolidation	44.82
	Not Considered in Consolidation	-

Note :

- Names of Associates which are yet to commence operations - Nil
- Names of Associates which have been liquidated or sold during the year - Nil

For and On behalf of the Board

**P.Murari**  
Chairman

**Reji Abraham**  
Managing Director

**Ashok Kumar Rout**  
Director

**K. Bharathan**  
Director

**P.Venkateswaran**  
Dy. Managing Director

**C.P.Gopalkrishnan**  
Dy. Managing Director &  
Chief Financial Officer

**Subhashini Chandran**  
Director

**S.N. Balaji**  
Senior Manager  
(Legal)&Secretary

Place: Chennai

Date : May 27, 2015



## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF ABAN OFFSHORE LIMITED**

#### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Aban Offshore Limited (hereinafter referred to as "the Holding company") its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate, comprising of the Consolidated Balance sheet as at 31st, March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements")

#### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (hereinafter referred to as "the Act") with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the group including its Associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group, incorporated in India 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 and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at 31st March, 2015, their consolidated profit and their consolidated cash flows for the year ended on that date.

#### **Other Matters**

We have audited the financial statements of M/s Aban Energies Limited, Chennai, India, M/s Radhapuram Wintech Private Limited, Chennai, India, M/s Aban Green Power Private Limited, Chennai, India, the Indian subsidiaries of the Holding Company. We did not

audit the financial statements of Aban Holdings Pte Limited, Singapore and its Subsidiaries, whose consolidated financial statements have been audited by other auditor. We are informed that Deep Drilling Mexico S DE R L DE CV, Mexico a subsidiary of Aban Singapore Pte Ltd is not required to be audited. The unaudited financial statement of Deep Drilling Mexico S DE R L DE CV, Mexico reflects total assets of INR 1988.56 Million as at March 31, 2015 and total revenue of INR 6311.31 Million for the year then ended. The Consolidated Financial statement of Aban Holdings Pte Limited audited by other auditor reflect total assets of INR 194952.52 Million as at 31st March 2015, total revenue of INR 32748.59 Million and net cash flows amounting to INR 233.27 Million 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 of INR 44.82 Million for the year ended 31st March, 2015, in respect of an associate, whose financial statements have also been audited by other auditor. The audit report have been furnished to us by the Management and our report in terms of sub-sections (3) and (11) of section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and associate, is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

#### Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 (the 'Order') issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable to the Holding Company and its Indian subsidiaries.
2. As required by section 143(3) of the Act, 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 purposes 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.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement 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) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015, and taken on record by the Board of Directors of the Holding Company and our report on the financial statements of its subsidiary companies in India, none of the directors of the Holding Company and its subsidiaries incorporated in India is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Group has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 35 to the consolidated financial statements.
    - ii. The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

**For FORD, RHODES, PARKS & CO.,**  
*Chartered Accountants*  
ICAI – Registration No: 102860W

**Ramaswamy Subramanian**  
*Partner*  
Membership No: 016059  
Place : Chennai  
Date : May 27, 2015

## ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 of our report of even date under the caption "Report on Other Legal and Regulatory requirements")

- (i) (a) The Holding Company and its Indian Subsidiaries have maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) As explained to us, the fixed assets have been physically verified on a random basis by the Management of the respective Companies during the year in a phased manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies have come to the notice on such physical verification.
- (ii) (a) As explained to us, the inventory of stores, spares and fuel have been physically verified on a random basis during the year by the Management of the respective Companies incorporated in India. In our opinion the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations give to us, the procedures of physical verification of inventories followed by the Management of the respective companies incorporated in India are reasonable and adequate in relation to the size of each company and the nature of their respective business.
- (c) The Holding Company and its Indian Subsidiaries have maintained records of inventory. The discrepancies noticed on verification between the physical stocks and the book records have been dealt with in their books of account.
- (iii) The Holding Company has granted unsecured loan, during the year, to its wholly owned foreign subsidiary and its Indian subsidiaries. On consolidated financials the said loans get eliminated and hence the provisions of clause 3 (iii) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the holding Company and its Indian Subsidiaries and the nature of their business with regard to purchase of fixed assets and for sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls in respect of these areas.
- (v) The holding company and its India Subsidiaries have not accepted any deposits during the year from the public within the meaning of the provisions of Section 73 of the Companies Act, 2013 and hence directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the Rules framed there under are not applicable to them at present.
- (vi) The Central Government has prescribed maintenance of Cost Records under sub section (1) of Section 148 of the Companies Act, 2013 in respect of generation of electricity through wind power activity of the Holding Company. We have broadly reviewed the accounts and records of the Holding Company in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been maintained. We have not however, made a detailed examination of the same.
- (vii) (a) According to the information and explanations give to us and on the basis of our examination of the books of account, in our opinion, the Holding Company and its Indian Subsidiaries are regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance fund, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to them. According to the information and explanations given to us, no undisputed amounts payable in respect of above are in arrears as at 31st March, 2015 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 material dues of sales tax or wealth tax or duty of excise or value added tax or cess, which have not been deposited with appropriate authorities on account of any dispute with respect to the Holding Company and its Indian subsidiaries.

However according to information and explanations given to us, the following dues have not been deposited by the Holding Company on account of disputes-

### Income Tax

Income Tax dues relating to the period 2002-2006 amounting to INR 556.40 Million pending before High Court of Madras, Income Tax dues relating to the period 2006- 2008 amounting to INR 396.17 Million pending before Income Tax Appellate Tribunal, Income Tax dues relating to the period 2008 - 2009 amounting to INR 418. 38 Million pending before the Commissioner of Income Tax (Appeals), and the Income Tax dues relating to the period 2009 -2010 amounting to INR 812 Million pending before Income Tax Appellate Tribunal.



Service Tax

Service Tax dues relating to the period 2006- 2007 amounting to INR 17.36 Million pending before Supreme Court.

Customs Duty

Customs Duty dues relating to the period 2003 - 2004 amounting to INR 279.13 Million pending before Supreme Court.

- (c) According to the information and explanations given to us and on the basis of examination of books of account of the holding company and its Indian subsidiaries, in our opinion the amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and Rules made thereunder has been transferred to such fund within time.
- (viii) The Holding Company and one of its Indian Subsidiaries have not incurred cash losses during the financial year covered by the audit and also in the immediately preceding financial year. One of its Indian subsidiaries has incurred cash losses during the year under audit and also in the immediately preceding financial year. An Indian subsidiary which had started commercial operation during the year has incurred cash losses.
- (ix) Based on our audit procedures and according to the information and explanations given to us, we have noted default in repayment of term loan instalments by Holding Company with respect to three bank loan accounts and a loan from a financial institution, and interest during the year which are due to two banks. The unpaid overdue loan instalments and interest during the year in this regard as at 31st March, 2015 are INR 335.06 Million and INR 32.28 Million respectively. The Holding Company has since paid INR 200.92 Million of overdue installment to banks and a financial institution before the date of our report. None of the Indian Subsidiaries have any dues to banks, financial institution or debenture holders.
- (x) The Holding Company has given guarantees for loan taken from banks by a subsidiary of its wholly owned foreign subsidiary. According to the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not prima facie prejudicial to the interest of the holding Company.
- (xi) The Holding Company has taken a term loan during the year from a Company. According to the information and explanations give to us, we are of the opinion that term loan taken by the Holding Company has been applied for the purpose for which it was obtained. The Holding Company's Indian Subsidiaries have not taken any term loan during the year.
- (xii) During the course of our examination of the books of account, we have neither come across any instance of fraud on or by the Holding Company and its Indian Subsidiaries, either noticed or reported during the year, nor have we been informed of any such case by the Management of the respective company.

**For FORD, RHODES, PARKS & CO.,**

*Chartered Accountants*

ICAI – Registration No: 102860W

**Ramaswamy Subramanian**

*Partner*

Membership No: 016059

Place : Chennai

Date : May 27, 2015



**Aban Offshore Limited**

## Consolidated Balance Sheet

As at 31<sup>st</sup> March 2015

	Note No:	As at 31st March 2015 Rs. Millions	As at 31st March 2014 Rs. Millions
<b>Equity and Liabilities</b>			
<b>Shareholders' funds</b>			
Share Capital	6	2,925.51	2,897.04
Reserves and Surplus	7	54,025.38	38,374.22
Money received against Share Warrants	8	59.63	391.00
		<u>57,010.52</u>	<u>41,662.26</u>
<b>Minority Interest</b>		<b>0.50</b>	<b>0.27</b>
<b>Non-current liabilities</b>			
Long-term borrowings	9	130,877.51	110,508.32
Deferred tax liabilities (net)	10	744.42	609.17
Long-term provisions	11	17.93	35.10
		<u>131,639.86</u>	<u>111,152.59</u>
<b>Current liabilities</b>			
Short -term borrowings	12	2,318.73	3,896.04
Trade payables	13	8,950.02	9,116.57
Other current liabilities	13	9,227.72	33,563.00
Short -term provisions	11	578.53	1,083.20
		<u>21,075.00</u>	<u>47,658.81</u>
<b>TOTAL</b>		<b><u>209,725.88</u></b>	<b><u>200,473.93</u></b>
<b>Assets</b>			
<b>Non-current assets</b>			
Fixed Assets			
Tangible assets	14.1	114,640.02	112,555.41
Intangible assets	14.2	68,989.67	66,102.91
Capital work-in-progress		186.85	-
Non-current investments	15	131.24	83.27
Long-term loans and advances	16	3,349.06	1,883.71
Other non-current assets	17.2	23.35	69.51
		<u>187,320.19</u>	<u>180,694.81</u>
<b>Current assets</b>			
Inventories	18	3,786.52	3,789.60
Trade receivables	17.1	15,941.33	12,796.05
Cash and bank balances	19	1,153.88	1,410.06
Short-term loans and advances	16	1,523.80	1,783.38
Other current assets	17.2	0.16	0.03
		<u>22,405.69</u>	<u>19,779.12</u>
<b>TOTAL</b>		<b><u>209,725.88</u></b>	<b><u>200,473.93</u></b>

Summary of significant accounting policies

4

The accompanying notes 1 to 39 are an integral part of the financial statements

As per our report of even date  
For Ford, Rhodes, Parks & Co  
Chartered Accountants  
ICAI-Registration No.102860W

For and on behalf of the Board

Ramaswamy Subramanian  
Partner  
Membership No: 016059  
Place: Chennai  
Date: May 27, 2015

**Reji Abraham**  
Managing Director

**C.P.Gopalkrishnan**  
Dy.Managing Director &  
Chief Financial Officer

**S.N. Balaji**  
Senior Manager,  
(Legal) & Secretary

## Consolidated Statement of Profit and Loss

For the year ended 31<sup>st</sup> March 2015

	Note No:	Year ended 31st March 2015 Rs. Millions	Year ended 31st March 2014 Rs. Millions
<b>Income</b>			
Revenue from operations	20	40,408.38	39,362.55
Other income	21	443.59	308.62
<b>Total revenue</b>		<b><u>40,851.97</u></b>	<b><u>39,671.17</u></b>
<b>Expenses</b>			
Consumption of stores, spares, power and fuel	22	2,065.55	2,453.22
Employee benefits expense	23	5,675.46	4,903.19
Finance costs	24	10,910.02	11,406.25
Depreciation and amortization expense	25	5,979.52	5,483.77
Other expenses	26	8,879.24	9,967.19
<b>Total Expenses</b>		<b><u>33,509.79</u></b>	<b><u>34,213.62</u></b>
Profit before exceptional items and tax		<b><u>7,342.18</u></b>	<b><u>5,457.55</u></b>
Less : Exceptional items		-	-
<b>Profit before tax</b>		<b><u>7,342.18</u></b>	<b><u>5,457.55</u></b>
<b>Tax expenses</b>			
-Current tax		1,802.33	1,712.77
-Minimum Alternate Tax (MAT) Credit Entitlement		-	(389.16)
-Deferred tax		135.25	221.65
<b>Total tax expense</b>		<b><u>1,937.58</u></b>	<b><u>1,545.26</u></b>
<b>Profit for the year after tax and before share in earnings of associate</b>		<b><u>5,404.60</u></b>	<b><u>3,912.29</u></b>
Share of profit of associate		<b><u>44.82</u></b>	<b><u>18.36</u></b>
<b>Profit for the year after tax and after share in earnings of associate</b>		<b><u>5,449.42</u></b>	<b><u>3,930.65</u></b>
<b>Earnings per equity share of Rs.2 each (31st March 2014: Rs.2 each)</b>	27		
<b>Basic</b>			
Computed on the basis of profit for the year		96.50	82.78
<b>Diluted</b>			
Computed on the basis of profit and dilutive effects for the year		95.78	82.78
Summary of significant accounting policies	4		

The accompanying notes 1 to 39 are an integral part of the financial statements

As per our report of even date  
For Ford, Rhodes, Parks & Co  
Chartered Accountants  
ICAI-Registration No.102860W

Ramaswamy Subramanian  
Partner  
Membership No: 016059  
Place: Chennai  
Date: May 27, 2015

For and on behalf of the Board

**Reji Abraham**  
Managing Director

**C.P.Gopalkrishnan**  
Dy.Managing Director &  
Chief Financial Officer

**S.N. Balaji**  
Senior Manager,  
(Legal) & Secretary



**Aban Offshore Limited**

## Consolidated Cash Flow Statement

For the year ended 31<sup>st</sup> March 2015

	Year ended 31st March 2015 Rs. millions	Year ended 31st March 2014 Rs. millions
<b>Cash Flow from operating activities</b>		
Profit before tax from continuing Operations	7,342.18	5,457.55
<b>Profit before tax</b>	<b>7,342.18</b>	<b>5,457.55</b>
<u>Non cash adjustment to reconcile profit before tax to net cash flows</u>		
Depreciation/amortization on continuing operations	5,979.52	5,483.77
Loss/(profit) on sale of fixed assets	1.11	1.49
Provision for Employee Benefits	(10.85)	25.20
Provision for Doubtful Debts	759.12	713.34
Unrealized foreign exchange loss/(gain)	459.76	371.28
Interest expenses	10,331.51	10,776.66
Interest income	(38.21)	(13.11)
Dividend income	(138.23)	(0.85)
Operating profit before working capital changes	<b>24,685.91</b>	<b>22,815.33</b>
<u>Movements in working capital:</u>		
Increase/(Decrease) in trade payables	(259.21)	115.86
Increase/(Decrease) in other current liabilities	(23,932.84)	13,380.68
Decrease/(Increase) in trade receivables	(3,981.09)	(2,683.64)
Decrease/(Increase) in inventories	3.09	(508.97)
Decrease/(Increase) in long term loans and advances	(1,465.36)	(1,797.41)
Decrease/(Increase) in short term loans and advances	594.60	(187.64)
Decrease/(Increase) in other current assets	(0.13)	4.84
Decrease/(Increase) in other non current assets	46.16	35.44
Cash generated from/(used in) operations	(4,308.87)	31,174.49
Direct taxes paid (net of refunds)	(2,330.18)	(1,257.79)
<b>Net cash flow from /(used in) operating activities (A)</b>	<b><u>(6,639.05)</u></b>	<b><u>29,916.70</u></b>
<b>Cash Flow from investing activities</b>		
Purchase of fixed assets including Intangible Assets #	(9,169.21)	(14,399.59)
Capital advances	(178.06)	(49.94)
Proceed from sale of fixed assets	0.54	1.01
Purchase of non-current investments	(47.97)	-
Interest received	38.08	17.95
Dividends received	138.23	0.85
<b>Net cash flow from /(used in) investing activities (B)</b>	<b><u>(9,218.39)</u></b>	<b><u>(14,429.72)</u></b>

## Consolidated Cash Flow Statement

For the year ended 31<sup>st</sup> March 2015

	Year ended 31st March 2015 Rs. millions	Year ended 31st March 2014 Rs. millions
<b>Cash Flow from financing activities</b>		
Money received against Share Warrants	-	391.00
Proceeds from issuance of share capital	8,406.17	-
Proceeds from long term borrowings	20,107.10	-
Repayment of long term borrowings	-	(3,530.51)
Proceeds from short term borrowings	515.10	89.94
Repayment of short term borrowings	(2,126.88)	(1,236.98)
Interest paid	(10,740.49)	(10,854.12)
Dividends paid on equity shares	(204.70)	(156.66)
Dividends paid on preference shares	(281.00)	(275.07)
Tax on equity dividend paid	(34.79)	(26.62)
Tax on preference dividend paid	(47.76)	(46.75)
<b>Net cash flow from /(used in) financing activities (C)</b>	<b><u>15,592.75</u></b>	<b><u>(15,645.77)</u></b>
<b>Net increase /(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(264.69)</b>	<b>22.78</b>
<b>Effect of exchange differences on cash and cash equivalents held in foreign currency</b>	<b>8.51</b>	<b>1.23</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b><u>1,410.06</u></b>	<b><u>1,386.05</u></b>
<b>Cash and cash equivalents at the end of the year</b>	<b><u>1,153.88</u></b>	<b><u>1,410.06</u></b>
<b><u>Components of cash and cash equivalents</u></b>		
Cash on hand	0.58	0.85
With banks on current account	991.40	745.67
On deposit account	143.88	648.00
unpaid dividend account*	18.02	15.54
<b>Total cash and cash equivalents (note 19)</b>	<b><u>1,153.88</u></b>	<b><u>1,410.06</u></b>

Summary of significant accounting policies

4

**\*The company can utilize these balances only towards settlement of the respective unpaid dividend liability.**

**# Includes exchange differences on translation.**

As per our report of even date  
For Ford, Rhodes, Parks & Co  
Chartered Accountants  
ICAI-Registration No.102860W

For and on behalf of the Board

**Reji Abraham**  
Managing Director

Ramaswamy Subramanian  
Partner  
Membership No: 016059  
Place: Chennai  
Date: May 27, 2015

**C.P.Gopalkrishnan**  
Dy.Managing Director &  
Chief Financial Officer

**S.N. Balaji**  
Senior Manager,  
(Legal) & Secretary



**1. Corporate Information**

Aban Offshore Limited (AOL) (the Parent Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India. The Parent Company and its 22 subsidiaries are referred to as “Group” for the purpose of this Consolidated Financial Statements. The Parent Company has three Indian subsidiary companies - Aban Energies Ltd (wholly owned subsidiary), Radhapuram Wintech Private Limited and Aban Green Power Private Limited and a wholly owned foreign subsidiary Aban Holdings Pte. Limited, Singapore. The Parent Company, the wholly owned foreign subsidiary and its step-down subsidiaries are engaged in the business of providing offshore drilling and production services to companies engaged in exploration, development and production of oil and gas both in domestic and international markets. The Parent Company and its Indian subsidiaries are engaged in the ownership, operation and maintenance of wind turbines for generation of electricity through wind power in India

**2. Basis of preparation**

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on accrual basis. Indian GAAP Comprises Accounting Standards notified by the Central Government of India under section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 and other pronouncements of the Institute of Chartered Accountants of India.

All the assets and liabilities have been classified as current and non-current as per the Company’s normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of business operations, the Company has ascertained its operating cycle as 12 months for the purpose of current and non current classification of assets and liabilities.

**3. Principles of consolidation**

The consolidated financial statements have been prepared in accordance with the Accounting Standard-21 “Consolidated Financial Statement”, Accounting Standard-27- “Financial reporting of Interests in Joint Ventures”, and Accounting Standard-23 - “Accounting for Investment in Associates in Consolidated Financial Statements” issued by the Institute of Chartered Accountants of India. (ICAI)/Companies (Accounting Standards) Rules, 2006.

The financial statements of the Parent Company and its subsidiaries have been consolidated on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/transactions and profits in full.

The excess/deficit of cost to the Parent Company of its investment over its portion of net worth in consolidated Subsidiaries at the respective dates on which the investment in such entities was made is recognized in the financial statements as goodwill/capital reserve.

Foreign Subsidiaries account their transactions in United State Dollar as Reporting currency. Foreign subsidiaries are non-integral in nature. For the purpose of consolidation, monetary items and non-monetary items of assets and liabilities are translated at exchange rate prevailing at the Balance Sheet date. The items of revenue income and expenditure reflected in the Profit and Loss Account are translated at the average exchange rate during the period. The differences arising out of translation are transferred to “Translation Reserve”.

**4. Summary of significant accounting policies**

**a. Use of estimates**

The preparation of financial statements in conformity with the Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result on the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**b. Tangible fixed assets**

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from existing asset beyond its previously assessed standard of performance. All other expenses on existing assets, including day to day repair and maintenance expenditure are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Gains or losses from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the assets are derecognized.

**c. Depreciation on tangible fixed assets**

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful life of the assets which is in accordance with the rates prescribed under Schedule II of the Companies Act, 2013 as under-

Fixed Assets	Rates (SLM)
Buildings	60 years
Drilling Rigs	30 years
Drillship	25 years
Office Equipment	5 years
Computers	3 years
Windmills	22 years
Furniture and fixtures	10 years
Motor Vehicles	8 years

Depreciation on fixed assets of foreign subsidiaries is determined using the straight line method over the useful life of assets based on the technical evaluation of the expected useful life.

**d. Intangible assets**

Intangible assets include Goodwill that reflects the excess of the purchase price over the book value of the net assets acquired. Goodwill arising on consolidation (acquisition of subsidiaries) is not amortized but tested for impairment on an annual basis.

**e. Leases**

**Where the Company is a lessee**

Leases in which significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

**f. Borrowings costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent that they are regarded as adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**g. Impairment of tangible assets**

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Statement of Income in the year when the asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there is a change in the estimate of recoverable value.

**h. Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Current investments, if any, are carried in the financial statements at lower of cost or fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.



**i. Inventories**

Inventory of stores, spares and fuel is valued at cost or net realizable value, whichever is lower, based on a weighted average cost first-in-first-out basis.

**j. Revenue recognition**

Income from drilling and production services is recognized as earned, based on contractual daily rates billed on monthly basis. Mobilization /demobilization fees received, if any, is recognized as earned in the the year of mobilization/demobilization.

Income from generation of electricity through wind power is recognized based on the number of units of power generated every month at contracted rates.

Interest income is recognized on time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the Statement of Profit and Loss.

Dividend income is recognized when the company's right to receive dividend is established by the reporting date

**k. Foreign currency translation**

**Foreign currency transactions and balances**

**Initial recognition**

Foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction. Realized gains and losses on foreign exchange transactions during the year are recognized in the Statement of Profit and Loss. Exchange differences in respect of foreign currency loans/liabilities relating to fixed assets are accounted in the Statement of Profit and Loss.

**Conversion**

Foreign currency current assets and current liabilities are translated at the exchange rates prevailing on the reporting date. Non-monetary items such as investments, fixed assets, denominated in foreign currency are translated at exchange rate prevailing on the date of transaction.

**Exchange differences**

All exchange differences are recognized as income or as expense in the Statement of Profit and Loss during the period in which they arise.

**Forward exchange contracts/derivative contracts entered into to hedge foreign currency risk of an existing asset/liability**

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/income over the life of the contract. Any profit or loss arising on cancellation or renewal of such forward contract is also recognized as income or as expense for the period under the respective head of account for the period. In respect of derivative contracts, gains / losses on any such contracts are recognized in the Statement of Profit and Loss.

**Translation of integral and non-integral foreign operation**

The Company classifies all its foreign operations as either "integral foreign operations" or "non-integral foreign operations".

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the company itself.

The assets and liabilities of a non-integral foreign operation are translated into the reporting currency at the exchange rate prevailing at the Balance Sheet date and the Statement of Profit and Loss are translated at average daily rates prevailing during the reporting period. The exchange differences arising on translation are accumulated in the foreign currency translation reserve. On disposal of a non-integral foreign operation, the accumulated foreign currency translation reserve relating to that foreign operation is recognized in the statement of profit and loss.

Where there is a change in the classification of a foreign operation, the translation procedures applicable to the revised classification are applied from the date of change in the classification.

**l. Retirement and other employee benefits**

(a) Contribution to Provident Fund which is a defined contribution retirement plan is made monthly at a predetermined rate to the Provident Fund Authorities and is debited to the statement of profit and loss on accrual basis.



- (b) Contribution to Superannuation Scheme which is defined contribution retirement plan is made annually at predetermined rate to insurance companies which administer the fund and debited to the statement of Profit and Loss
- (c) Annual contribution is made to Gratuity Funds administered by Insurance Companies, which is considered as defined benefit plan. The present value of the defined benefit is measured using the 'Projected Unit Credit method with actuarial valuation being carried out at each Balance Sheet date by an independent valuer. Actuarial gain and losses are immediately recognized in the statement of profit and loss. Amount of contribution, computed by the insurers is paid by the company and charged to statement of profit and loss. No additional liability is anticipated under the scheme administered by the Insurance Companies.
- (d) Provision for leave encashment is based on actuarial valuation carried out by an independent actuary at the Balance Sheet date.

**m. Taxes on income**

The income tax provision comprises of current tax and deferred tax. Current tax is the amount of tax payable in respect of income for the year. In accordance with the Accounting Standard-22 -Accounting for taxes on income issued by the Institute of Chartered Accountants of India, the deferred tax on timing difference between book profit and tax profit for the year is accounted based on the rates and laws that have been enacted or substantially enacted as on the Balance Sheet date. However, deferred tax assets arising from timing difference are recognized to the extent of their virtual /reasonable certainty about its realisability in future years.

Minimum Alternate Tax (MAT) credit - MAT is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period ie the period for which MAT credit is allowed to be carried forward. In the year in which MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in the Guidance Note issued by ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and is shown as MAT credit entitlement in the Balance Sheet. The company reviews the MAT credit entitlement asset at each reporting date and writes down the carrying amount of MAT credit entitlement asset to the extent the Company does not have convincing evidence that it will pay normal income tax during the specified period.

**n. Segment reporting**

**Identification of segments**

The Group's operating businesses are organized and managed separately according to the nature of services provided with each segment representing strategic business unit that offers different services. The analysis of geographical segments is based on the areas in which the main assets of the company operate.

**Segment accounting policies**

The segment information in the financial statement for the Group is prepared in conformity with the accounting policies.

**o. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**p. Provisions**

A provision is recognized when the entity has a present obligation as a result of past event. It is probable that an outflow of resources embodying economic benefits will be required to settle obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. The estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.



**q. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where the liability cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but disclose its existence in the financial statements.

**r. Cash and cash equivalents**

Cash and cash equivalents for the purpose of the cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

5. The Consolidated financial statements include the financial statements of Aban Offshore Limited (“the Parent Company”), its subsidiaries and its associate company. The details of the subsidiaries and the associate company are given below:

<b>Name of the company</b>	<b>Country of Incorporation</b>	<b>Percentage of holding</b>	<b>Accounts considered</b>	<b>Reporting Currency</b>
Aban Energies Limited	India	100%	31st March 2015 (audited)	Indian Rupee
Radhapuram Wintech Private Limited	India	74%	31st March 2015 (audited)	Indian Rupee
Aban Green Power Private Limited	India	74%	31st March 2015 (audited)	Indian Rupees
Aban Holdings Pte Ltd	Singapore	100%	31st March 2015 (audited)	US Dollars
Aban Singapore Pte Ltd	Singapore	(a)	31st March 2015 (audited)	US Dollars
Aban International Norway AS	Norway	(b)	31st March 2015 (audited)	US Dollars
Aban 7 Pte Ltd	Singapore	(b)	31st March 2015 (audited)	US Dollars
Aban 8 Pte Ltd	Singapore	(b)	31st March 2015 (audited)	US Dollars
Aban Abraham Pte Ltd	Singapore	(b)	31st March 2015 (audited)	US Dollars
Aban Pearl Pte Ltd	Singapore	(b)	31st March 2015 (audited)	US Dollars
DDI Holding AS	Norway	(c)	31st March 2015 (audited)	US Dollars
Deep Drilling Invest Pte Ltd	Singapore	(d)	31st March 2015 (audited)	US Dollars
Deep Drilling 1 Pte Ltd	Singapore	(e)	31st March 2015 (audited)	US Dollars
Deep Drilling 2 Pte Ltd	Singapore	(e)	31st March 2015 (audited)	US Dollars
Deep Drilling 3 Pte Ltd	Singapore	(e)	31st March 2015 (audited)	US Dollars
Deep Drilling 4 Pte Ltd	Singapore	(e)	31st March 2015 (audited)	US Dollars
Deep Drilling 5 Pte Ltd	Singapore	(e)	31st March 2015 (audited)	US Dollars

**Notes to Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2015**

Deep Drilling 6 Pte Ltd	Singapore	(e)	31st March 2015 (audited)	US Dollars
Deep Drilling 7 Pte Ltd	Singapore	(e)	31st March 2015 (audited)	US Dollars
Deep Drilling 8 Pte Ltd	Singapore	(e)	31st March 2015 (audited)	US Dollars
Deep Driller Mexico S de RL de CV, Mexico	Mexico	(e)	31st March 2015 (not required to be audited)	US Dollars
Aban Labuan Pvt Limited	Labuan, Malaysia	(b)	31st March 2015 (audited)	US Dollars

Note:

- a) Wholly-owned subsidiary of Aban Holdings Pte Ltd
- b) Wholly-owned subsidiaries of Aban Singapore Pte Ltd
- c) Wholly-owned subsidiary of Aban International Norway AS
- d) Subsidiary of DDI Holding AS (66%) and Aban Singapore Pte Ltd (34%)
- e) Wholly-owned subsidiaries of Deep Drilling Invest Pte Ltd

Besides the above, the financials of Belati Oilfield SdnBhd, Malaysia, an associate company with 49% interest held by Aban Singapore Pte Ltd, have been considered in the consolidated accounts of Aban Holdings Pte Ltd under Equity method of accounting.

The consolidated financial statements have been prepared after considering adjustments to align the accounts of foreign subsidiaries with the requirements of applicable Indian Accounting Standards.

**6. Share Capital**

	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions
<b>Authorised shares (No. millions)</b>		
2,500 (31st March 2014: 2,500 ) equity shares of Rs.2/- each	5,000.00	5,000.00
1,000 (31st March 2014: 1,000 ) Cumulative non convertible redeemable preference shares of Rs.10/- each	<u>10,000.00</u>	<u>10,000.00</u>
	<u>15,000.00</u>	<u>15,000.00</u>
<b>Issued , subscribed and fully paid -up shares (No. millions)</b>		
<b>Equity shares:</b>		
36.88 (31st March 2014: 36.88) equity shares of Rs.2/- each	73.75	73.75
0.85 (31st March 2014: 0.85) equity shares of Rs.2/- each issued against conversion of foreign currency convertible bonds	1.70	1.70
0.16 (31st March 2014: 0.09 ) equity shares of Rs.2/- each issued against employee stock option scheme	0.33	0.19
16.47 (31st March 2014: 5.69) equity shares of Rs.2/- each issued against qualified institutional placement	32.94	11.39
3.39 (31st March 2014:Nil) equity shares of Rs. 2/- each issued against conversion of share warrants allotted on a preferential basis	6.78	-
Shares Forfeited, 0.01(31st March 2014: 0.01) equity shares at Re 1/- each	0.01	0.01
(A)	<u>115.51</u>	<u>87.04</u>

**Preference shares:(No. millions)**

60 (31st March 2014: 60 @ 10%) 10% non-convertible cumulative redeemable preference shares of Rs.10/-each	<b>600.00</b>	600.00
45 (31st March 2014: 45 @ 10%) 10% non-convertible cumulative redeemable preference shares of Rs.10/-each	<b>450.00</b>	450.00
61 (31st March 2014: 61 @ 10%) 10% non-convertible cumulative redeemable preference shares of Rs.10/-each	<b>610.00</b>	610.00
95 (31st March 2014: 95 @ 10%) 10% non-convertible cumulative redeemable preference shares of Rs.10/-each	<b>950.00</b>	950.00
20 (31st March 2014:20 @ 10%) 10% non-convertible cumulative redeemable preference shares of Rs.10/-each	<b>200.00</b>	200.00
(B)	<u><b>2,810.00</b></u>	<u>2,810.00</u>
<b>TOTAL (A+B)</b>	<u><b>2,925.51</b></u>	<u><b>2,897.04</b></u>

**a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

	As at 31st March 2015		As at 31st March 2014	
	No. millions	Rs. millions	No. millions	Rs. millions
<b>Equity shares of Rs 2 each</b>				
At the beginning of the period	43.51	87.04	43.51	87.04
Issued during the period	14.24	28.47	-	-
<b>Outstanding at the end of the period (A)</b>	<u><b>57.75</b></u>	<u><b>115.51</b></u>	<u><b>43.51</b></u>	<u><b>87.04</b></u>
<b>Preference shares of Rs 10 each</b>				
At the beginning of the period	281.00	2,810.00	281.00	2810.00
Issued during the period	-	-	-	-
Redeemed during the period	-	-	-	-
<b>Outstanding at the end of the period (B)</b>	<u><b>281.00</b></u>	<u><b>2,810.00</b></u>	<u><b>281.00</b></u>	<u><b>2,810.00</b></u>
<b>Total Value of Outstanding Shares (A) +(B)</b>		<u><b>2,925.51</b></u>		<u><b>2,897.04</b></u>

**b. Terms/ rights attached to equity shares**

The Parent Company has only one class of equity shares having a face value of Rs.2 per share. Each holder of equity shares is entitled to one vote per share. The Parent Company declares and pays dividend 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.

**c. During the year ended 31st March 2015, the amount of per share dividend recognized as distributions to equity shareholders is Rs. 3.60 (31st March 2014: Rs.3.60).**
**d. Terms of Non-convertible Cumulative Redeemable Preference shares issued by Parent company**

The terms and conditions of the Non-Convertible Cumulative redeemable preference shares are as under:

- 55 million 10% non-convertible cumulative redeemable preference shares were due for redemption on 29-12-2014 (Not redeemed). Dividend provided upto the due date for redemption.
- 40 million 10 % non-convertible cumulative redeemable preference shares were due for redemption on 28-02-2015 (Not redeemed). Dividend provided upto the due date for redemption.
- 61 million 10 % non-convertible cumulative redeemable preference shares were due for redemption on 30-03-2015 (Not

**Notes to Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2015**

- redeemed). Dividend provided upto the due date for redemption.
- 45 million 10% non- convertible cumulative redeemable preference shares will be redeemed at par on 16-06-2015
  - 60 million 10% non-convertible cumulative redeemable preference shares will be redeemed at par on 16-06-2016
  - 20 million 10 % non-convertible cumulative redeemable preference shares will be redeemed at par on 03-08-2016
- e. During the year ended 31st March 2015, the amount of per share dividend recognized as distributions to preference shareholders is Re 1 (31st March 2014: Re 1).
- f. The parent company has reserved 1.84 million equity shares of Rs.2 each for offering to employees under the Employee Stock Option Scheme (ESOS) (31st March 2014:1.84 million equity shares of Rs.2 each) out of which 0.16 million equity shares of Rs.2 each have been already allotted up to the balance sheet date under the scheme and included under the paid up capital (31st March 2014: 0.095 million equity shares of Rs.2 each) (Refer note 28 for details)
- g. During the year 2014 15, the Parent Company has allotted 10.78 million equity shares of Rs.2/- each to eligible Qualified Institutional Buyers at a price of Rs.695.60 per equity share including premium of Rs.693.50 per share aggregating to Rs.750.00 million in accordance with the applicable provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009 and Companies Act, 2013. (Previous year: Nil)
- h. During the year 2014-15, the Parent Company has allotted 0.06 million and 0.004 million equity shares of Rs.2/- each on exercise of stock options by employees/whole time directors/independent director at a price of Rs.649.75 per equity share (including premium of Rs.647.75 per equity share) and Rs.416.55 per equity share (including premium of Rs.414.55 per equity share respectively aggregating to Rs 41.43 million (Refer note 28 for details)
- i. During the year 2014-15, the Parent Company has allotted 3.39 million equity shares of Rs.2/- each fully paid to Promoter / Promoter group at a price of Rs.391/- per equity share (including premium of Rs.389/- per equity share) aggregating to Rs 1325.49 million against conversion of share warrants allotted to them on a preferential basis (Refer note 8 for details)
- j. **Details of shareholders holding more than 5% shares in the Parenty Company**

	As at 31st March 2015		As at 31st March 2014	
	No. millions	% holding in the class	No. millions	% holding in the class
<b>Equity shares of Rs.2 each fully paid</b>				
Reji Abraham	5.63	9.74%	5.13	11.78%
Deepa Reji Abraham	3.43	5.94%	0.54	1.24%
India Offshore Inc	8.33	14.42%	8.33	19.14%
Aban Investments Private Limited	5.65	9.79%	5.65	12.99%
	<b>23.04</b>	<b>39.89%</b>	<b>19.65</b>	<b>45.15%</b>
	As at 31st March 2015		As at 31st March 2014	
	No. millions	% holding in the class	No. millions	% holding in the class
<b>Preference shares of Rs.10 each fully paid</b>				
<b>10% Non-Convertible Cumulative Redeemable Preference Shares of Rs.10 Each</b>				
Syndicate Bank	10.50	10.00%	10.50	10.00%
Canara Bank	17.50	16.67%	17.50	16.67%
Indian Overseas Bank	14.00	13.33%	14.00	13.33%
Vijaya Bank	17.50	16.67%	17.50	16.67%
Axis Bank Limited	42.00	40.00%	42.00	40.00%
	<b>101.50</b>	<b>96.67%</b>	<b>101.50</b>	<b>96.67%</b>
<b>10% Non Convertible Cumulative Redeemable Preference Shares of Rs.10 Each</b>				
Indian Bank	10.00	16.39%	10.00	16.39%
Vijaya Bank	5.00	8.20%	5.00	8.20%
UCO Bank	10.00	16.39%	10.00	16.39%
Aban Infrastructure Private Limited	27.00	44.26%	-	-
Indusind Bank Limited	-	-	30.00	49.18%
Yes Bank Limited	5.00	8.20%	5.00	8.20%



**Aban Offshore Limited**

Notes to Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2015

<b>10% Non Convertible Cumulative Redeemable Preference Shares of Rs.10 Each</b>	<u>57.00</u>	<u>93.44%</u>	<u>60.00</u>	<u>98.36%</u>
Punjab National Bank	20.00	50.00%	20.00	50.00%
Canara Bank	10.00	25.00%	10.00	25.00%
Indian Overseas Bank	10.00	25.00%	10.00	25.00%
	<u>40.00</u>	<u>100.00%</u>	<u>40.00</u>	<u>100.00%</u>
<b>10% Non Convertible Cumulative Redeemable Preference Shares of Rs.10 Each</b>				
Syndicate Bank	15.00	27.27%	15.00	27.27%
Bank of India	15.00	27.27%	15.00	27.27%
Central Bank of India	5.00	9.10%	5.00	9.10%
Bank of Baroda	10.00	18.18%	10.00	18.18%
Oriental Bank of Commerce	10.00	18.18%	10.00	18.18%
	<u>55.00</u>	<u>100.00%</u>	<u>55.00</u>	<u>100.00%</u>
<b>10% Non Convertible Cumulative Redeemable Preference Shares of Rs.10 Each</b>				
Bank of India	<u>20.00</u>	<u>100.00%</u>	<u>20.00</u>	<u>100.00%</u>

As per the records of the company, including its register of shareholders/members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**7. Reserves and Surplus**

	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions
<b>Capital Reserve - as per last Balance Sheet</b>	<u>0.03</u>	<u>0.03</u>
<b>Securities Premium Account</b>		
Balance as per last financial statements	8,854.42	8,854.42
Add: On Allotment under ESOS	41.30	-
Add: On Allotment under Qualified Institutional Buyers	7,478.43	-
Add: On Allotment against Conversion of Equity Warrants	1,318.71	-
Less: Qualified Institutional Placement Issue Expenses	(129.37)	-
	<u>17,563.49</u>	<u>8,854.42</u>
<b>Investment Allowance Reserve (utilised) -as per last Balance Sheet</b>	<u>52.40</u>	<u>52.40</u>
<b>Capital Redemption Reserve</b>		
Balance as per last financial statements	2,270.00	2,000.00
Add: Transfer from statement of profit and loss	200.00	270.00
	<u>2,470.00</u>	<u>2,270.00</u>
<b>General Reserve</b>		
Balance as per last financial statements	1,479.72	1,299.29
Add: Transfer from statement of profit and loss	-	180.43
	<u>1,479.72</u>	<u>1,479.72</u>

<b>Surplus / (deficit) in the statement of profit and loss</b>		
Balance as per last financial statements	15,211.86	12,243.68
Profit for the year	5,449.42	3,930.65
Less: Appropriations		
Transfer to capital redemption reserve	(200.00)	(270.00)
Transfer to general reserve	-	(180.43)
Equity dividend paid Rs 3.60 Per equity share *	(48.04)	-
Tax on equity dividend *	(8.16)	-
Proposed equity dividend-Rs 3.60 Per equity share (31st March 2014-Rs.3.60 Per equity share)	(207.92)	(156.66)
Tax on proposed equity dividend	(42.56)	(26.62)
Dividend on preference shares	(263.57)	(281.00)
Tax on preference dividend	(53.95)	(47.76)
Total appropriations	<u>(824.20)</u>	<u>(962.47)</u>
<b>Net Surplus/(deficit) in the statement of profit and loss</b>	<u>19,837.08</u>	<u>15,211.86</u>
<b>Translation Reserve</b>	<u>12,622.66</u>	<u>10,505.79</u>
<b>Total reserves and surplus</b>	<u>54,025.38</u>	<u>38,374.22</u>

\* Relates to the Equity Shares issued to Qualified Institutional Buyers ,promoter/promoter group against conversion of share warrants and employees under stock option scheme in July 2014.

#### 8. Money received against Share Warrants:

During 2013-14, the Company had allotted 4.00 million share warrants on a preference basis to the Promoter/ Promoter Group entitling them to apply for and obtain allotment of one equity share of Rs 2/- each fully paid at a price of Rs 391/- per share against each such share warrant at any time after the date of allotment but on or before the expiry of 18 months from the date of allotment in one or more tranches. The Company has received Rs.391 million being 25% of the total value of share warrants issued. During the year 2014-15, the Company received Rs.994.12 million against share warrants issued. The Company issued 3.39 million equity shares of Rs.2 /- each to the Promoter/Promoter group aggregating to Rs. 1325.49 million during the year. As at 31st March, 2015, 0.61 million share warrants are pending conversion into equity shares against which the Company has received Rs. 59.63 million being 25% of the outstanding 0.61 million share warrants.

#### 9. Long term borrowings

	Non-Current maturities		Current maturities	
	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions
<b>Term loans</b>				
Rupee term loans from banks (secured)	175.00	262.40	108.19	100.00
Rupee term loan from Financial institution (secured)	-	150.00	225.00	300.00
Foreign currency term loans from banks (secured)	130,282.20	104,856.42	1,313.18	17,042.87

<b>Other loans</b>				
Bonds	-	5,239.50	<b>5,468.31</b>	13,682.58
Hire purchase loan (secured)	<b>3.64</b>	-	<b>2.31</b>	-
From a Director (unsecured)	-	-	-	-
From a company (unsecured)	-	-	-	79.00
From companies (secured)	<b>416.67</b>	-	<b>283.33</b>	-
	<b><u>130,877.51</u></b>	<b><u>110,508.32</u></b>	<b><u>7,400.32</u></b>	<b><u>31,204.45</u></b>
<b>The above amount includes</b>				
Secured borrowings	<b>130,877.51</b>	110,508.32	<b>7,400.32</b>	31,125.45
Unsecured borrowings	-	-	-	79.00
Amount disclosed under the head "Other currentliabilities" (note 13 )	-	-	<b>(7,400.32)</b>	(31,204.45)
<b>Net Amount</b>	<b><u>130,877.51</u></b>	<b><u>110,508.32</u></b>	<b><u>-</u></b>	<b><u>-</u></b>

**1. The rupee term loans from banks include the following:**

Indian Rupee Loan of Rs. 283.19 million (31st March 2014- Rs.362.40 million) from a bank carries interest@ 15% p.a. (31st March 2014- 14.75% p.a.). The loan is repayable in 19 unequal quarterly installments along with interest from 30th June 2013. The loan is secured by First charge on the specific offshore drill rig owned by foreign subsidiaries. Amount overdue as on the balance sheet date on account of principal is Rs.20.80 million for a period of 1 day. Amount since paid is Rs 7.18 million.

**2. Rupee term loan from a financial institution:**

Rupee term loan from a Financial institution of Rs.225.00 million (31st March 2014 - Rs.450.00 million) carries interest@ 13.00% p.a. (31st March 2014- 13.00% p.a.). The loan is repayable in 11 quarterly installments of Rs.50 million each along with interest from June 2013. The loan is secured by paripassu first charge on drill ship and drilling rig. Amount overdue as on the balance sheet date on account of principal is Rs.75.00 million for a period 23 to 113 days. Amount since paid is Rs 25.00 million.

**3. The Foreign currency term loans from banks include the following:**

- i. Foreign currency term loan of Rs.4,344.67 million [USD 69.52 million] (31st March 2014 - Rs.4,829.58 million [USD 80.65 million]) from a bank carries interest@ 6 Months LIBOR + 6% p.a. (31st March 2014 -6 Months LIBOR + 6% p.a.).The Loan is repayable in 32 quarterly installments of USD 2.78 million each along with interest from 30th April 2013. The loan is secured by second charge on the specific offshore drill rigs, Floating Production Unit and Second charge on drilling rig owned by foreign subsidiaries. Amount overdue on account of interest and principal as on balance sheet date is Rs.21.03 million and Rs.173.24 million respectively for a period of 1 month and 2 months. Amount since paid Rs 168.73 million.
- ii. Foreign currency term loan of Rs.1,776.46 million [USD 28.43 million] (31st March 2014 - Rs.1,915.24 million [USD 31.99 million]) from a bank carries interest@ 6 Months LIBOR + 7.00% p.a. (31st March 2014- 6 Months LIBOR + 7.25% p.a.).The Loan is repayable in 96 monthly installments of USD 0.36 Million each along with interest from 30th September 2013. The loan is secured by first charge on the specific offshore drill rig owned by foreign subsidiaries. Amount overdue as on the balance sheet date on account of interest and principal is Rs.11.25 million and Rs. 66.74 million for a period of 1 month and 2 months respectively.
- iii. Foreign currency term loan of Rs.615.57 million [USD 9.85 million] (31st March 2014: Rs.595.81million [USD 9.95 million]) is secured by a standby letter of credit issued by a bank, which is secured by a first pari-passu charge on a drill ship and a rig owned by the Parent Company.The borrowings mature on 30th June 2022 and have an interest rate of 6.00% p.a.-6.50% p.a.(31st March 2014: 6.00% p.a.-6.50% p.a.). Amount overdue as on the balance sheet date on account of principal and interest is Rs. 6.25 million and Rs.24.99 million respectively for a period of 1-90 days. Amount since paid Rs 3.13 million.
- iv. Foreign currency term loan of Rs.910.11 million [USD 14.56 million] (31st March 2014: Rs.874.25 million [USD14.60 million]) is secured by a standby letter of credit issued by a bank, which is secured by a first pari-passu charge on a drill ship owned by the Parent Company, a first pari-passu charge on a rig owned by the Parent Company. The borrowings mature on 30th Sep 2023 and have an interest rate of 6.25% p.a.-6.75% p.a.(31st March 2014: 6.25% p.a.-6.75% p.a.). This loan carries a moratorium in respect of repayment of principal for a period of 15 months ending 31st December 2014.Amount overdue as on the balance sheet date on account of interest is Rs.18.25 million for a period of 1 day that has since been paid.



- v. Foreign currency term loan aggregating to Rs.115,460.97 million [USD1,847.52 million] (31st March 2014 :Rs. 34,453.26 million [USD 575.37 million] are secured by stand-by letters of credit issued by banks. These stand-by letters of credit are secured by a first / second priority mortgages over the rigs / drillships owned by the company / foreign subsidiaries, a first charge on the receivables of the rigs owned by the foreign subsidiaries and pledge of shares of the foreign subsidiaries. The borrowings mature between on 31st March 2028 and have an interest rate of 5.00% p.a.-6.00% p.a. (31st March 2014: 5.00% p.a.-6.00% p.a.). These loans carry a moratorium in respect of repayment of principal ranging up to a period of 35 months ending 30th June 2016. An amount of Rs15,330 million [USD 245.30 million] of the stand-by letters of credit is guaranteed by a Managing Director of the Parent Company. Amount overdue as on the balance sheet date on account of interest is Rs.686.20 million for a period of 1-35 days. Amount since paid Rs 481.82 million.
- vi. Foreign currency term loan of Rs. 791.08 Million (USD 12.66 million) 31st March 2014: Rs. 4,614.95 million [USD 77.07 million] is secured by a first priority mortgage on a drill ship and first charge by way of hypothecation of moveable assets and receivables of a step-down subsidiary of the wholly-owned foreign subsidiary that owns this drill ship and a pledge over 30% of the shares in a step-down subsidiary of the wholly-owned foreign subsidiary. The borrowings mature on 1st February 2019 and have an interest rate of 6.00% p.a.-6.50% p.a. (31st March 2014: 5.50 % p.a.). Amount overdue at the balance sheet date on account of interest is Rs.1.31 million for a period of 30- 60 days that has since been paid.
- vii. Foreign currency term loan of Rs.4,696.23 million [USD75.15 million] (31st March 2014: Rs.17,564.24 million [USD293.32 million]) is secured by a pari passu pledge over 100% of the shares in a step down subsidiary of the wholly owned foreign subsidiary of the company, a charge over escrow account into which dividends from such shares are to be deposited and a second charge over a drill ship owned by a step-down subsidiary of the wholly-owned foreign subsidiary. The borrowings mature on 3rd January 2019 and have an interest rate of 6.00% p.a.-6.50% p.a. (31st March 2014: 4.00% p.a.-5.50% p.a.). Amount overdue at the balance sheet date on account of principal and interest is Rs.37.43 million and Rs.31.82 million respectively for a period of 30- 179 days that has since been paid.
- viii. Foreign currency term loan of Rs.3,000.29 million [USD 48.01 million] (31st March 2014: Rs.5,690.70 million [USD 95.04 million]) is secured by a first priority mortgage over a rig of a step-down subsidiary of the wholly-owned foreign subsidiary, a first charge by way of hypothecation of moveable assets and receivables of a step-down subsidiary of the wholly-owned subsidiary of the Parent Company that owns this rig and a corporate guarantee of Aban Singapore Pte Ltd. The borrowings mature on 24th March 2019 and have an interest rate of 6.00% p.a.-6.50% p.a. (31st March 2014: 5.00% p.a.-5.90% p.a.). Amount overdue at the balance sheet date on account of interest is Rs.36.43 million for a period of 7-10 days. Amount since paid Rs 21.30 million.

#### 4. Bonds

Bond of Rs.5,468.31million [USD87.50 million] (31st March 2014: Rs.5,988.00 million [USD 100.00 million]) is secured by a first priority mortgage on a rig owned by a step-down subsidiary of the wholly-owned foreign subsidiary, a pledge over 100% of the shares in a step-down subsidiary of the wholly-owned foreign subsidiary, assignment of insurances, corporate guarantee of a step-down subsidiary of the wholly-owned foreign subsidiary of the Parent Company, and a charge over bank accounts to be maintained by the Borrower in respect of the rig. The Bond matures on 21st December 2015 and have an interest rate 12. 00% p.a. (31st March 2014: 12.00% p.a.)

- 5. Term loan facility of Rs.350.00 million (31st March 2014-Nil) from NBFC carries interest @14.50% p.a. (31st March 2014-Nil). The loan is repayable in 30 equated monthly installments from 5th July 2014 and is secured by mortgage of land and pledge of shares owned by a promoter group company and by second charge of current assets of the Company.
- 6. Term Loan facility of Rs.250.00 million (31st March 2014-Nil) from a NBFC carries interest @ 13.50% p.a. (31st March 2014: Nil). The loan is repayable in 60 equated monthly installments from 5th April 2015 and is secured by a charge on properties owned by Promoter/ Promoter group companies.
- 7. Short term facility of Rs.100.00 million (31st March 2014-Nil) from a NBFC carries interest @12.00% p.a.(31st March 2014-Nil). The loan is repayable in full on 2nd February 2018 and is secured by shares of the Company held by a promoter group company.
- 8. Hire purchase loans for Vehicles amount to Rs 5.95 million (31st March 2014: Nil) availed from a NBFC carries interest @ 9.72% p.a. (31st March 2014: Nil) and is secured by hypothecation of Vehicles.
- 9. Unsecured loan from a company amounting to Rs.Nil (31st March 2014: Rs.79.00 million) carries interest Nil (31st March 2014: 16.50% p.a.).



**10. Deferred tax liabilities (net)**

	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions
<b>Deferred tax liability on timing differences</b>		
On depreciation	744.42	609.17
	<u>744.42</u>	<u>609.17</u>

**11. Provisions**

	Long - Term		Short - Term	
	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions
<b>Provision for employee benefits</b>				
Provision for provident fund	-	-	2.38	4.58
Provision for gratuity	4.67	19.14	1.95	3.03
Provision for leave encashment	<u>13.26</u>	<u>15.96</u>	<u>6.06</u>	<u>2.25</u>
	<u>17.93</u>	<u>35.10</u>	<u>10.39</u>	<u>9.86</u>
<b>Other provisions</b>				
Proposed equity dividend	-	-	207.92	156.66
Provision for tax on proposed equity dividend	-	-	42.56	26.62
Proposed preference dividend	-	-	263.57	281.00
Provision for tax on proposed preference dividend	-	-	53.95	47.76
Provision for taxation (net of advance payment of taxes)	-	-	0.14	561.30
	<u>-</u>	<u>-</u>	<u>568.14</u>	<u>1,073.34</u>
	<u>17.93</u>	<u>35.10</u>	<u>578.53</u>	<u>1,083.20</u>

**12. Short term borrowings**

	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions
Cash credit from banks (secured)	1,593.25	1,258.16
Short term borrowings (secured)	400.48	2,037.68
Short term borrowings (unsecured)	-	12.06
Short term borrowings from a Director (unsecured)	180.00	-
-Intercompany deposits repayable on demand (unsecured)	145.00	588.14
	<u>2,318.73</u>	<u>3,896.04</u>
<b>the above amount includes</b>		
Secured borrowings	1,993.73	3,295.84
Unsecured borrowings from Holding company	325.00	600.20
	<u>2,318.73</u>	<u>3,896.04</u>

**Notes to Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2015**

1. Cash credit from banks is secured by way of hypothecation of inventory of stores and spares and book debts. Moreover, two offshore jack-up rigs of the company have been offered as a second charge for certain cash credit facilities. The cash credit is repayable on demand and carries interest @ 14.75% p.a. to 16.75% p.a.
2. Short term borrowings (secured) from banks represent buyer's credit availed against letters of credit / packing credit secured by charge on current assets and second charge on three offshore jack-up rigs and a drill ship of the company. These short term borrowings are repayable over 180 - 360 days and carry interest @ 3% p.a. to 5.35% p.a.
3. Short term borrowings (unsecured) represent overdrawn bank balances from banks that are repayable on demand.
4. Unsecured loan from a company amounting to Rs.145.00 million (31st March 2014: Nil) carries interest at 16.75% p.a. (31st March 2014: Nil). The loan is repayable over 12 months.
5. Unsecured loan from a Director of Company amounting to Rs.180.00 million (31st March 2014: Nil) carries interest @ 16.75% p.a. (31st March 2014: Nil). The loan is repayable over 12 months.

**13. Current liabilities**

	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions
<b>Trade payables</b>	<b>8,950.02</b>	<b>9,116.33</b>
<b>Other liabilities</b>		
Current maturities of long term borrowings (note 9)	<b>7,400.32</b>	31,204.45
Interest accrued but not due on borrowings	<b>1,632.83</b>	1,981.41
Interest accrued and due on borrowings	<b>74.88</b>	135.28
Investor Education and Protection Fund will be credited by following amounts (as and when due)		
- Unclaimed dividends	<b>18.02</b>	15.54
<b>Others</b>		
Service tax payable/Other Liabilities	<b>77.49</b>	189.23
Tax deducted at source payable	<b>24.18</b>	37.09
	<b><u>9,227.72</u></b>	<b><u>33,563.00</u></b>

**14.1. Tangible assets**

	Rs.Millions									
	Land- Freehold	Buildings	Offshore Jack-up rigs	Drillship	Other Machineries	Wind Mills	Office Equipment	Furniture & Fixtures	Vehicles	Total
<b>Cost</b>										
At 1st April 2014	128.57	150.37	116,614.46	38,848.93	80.82	1,880.99	105.10	72.85	60.24	157,942.33
Additions	-	-	2,579.81	861.32	-	34.50	15.52	0.55	8.96	3,500.66
Disposals	-	-	-	-	-	(584.49)	(1.76)	-	(2.52)	(588.77)
Other adjustments	-	-	-	-	-	-	-	-	-	-
-Exchange differences	-	-	4,602.87	1,454.04	-	-	1.54	2.11	0.16	6,060.72
<b>At 31st March 2015</b>	<b>128.57</b>	<b>150.37</b>	<b>123,797.14</b>	<b>41,164.29</b>	<b>80.82</b>	<b>1,331.00</b>	<b>120.40</b>	<b>75.51</b>	<b>66.84</b>	<b>166,914.94</b>
At 1st April 2013	128.57	150.37	105,805.26	33,047.28	80.82	2,363.01	99.39	68.01	59.60	141,802.31
Additions	-	-	1,014.52	2,695.66	-	28.50	2.96	0.33	4.67	3,746.64
Disposals	-	-	-	-	-	(510.52)	-	-	(4.38)	(514.90)
Other adjustments	-	-	-	-	-	-	-	-	-	-
-Exchange differences	-	-	9,794.68	3,105.99	-	-	2.75	4.51	0.35	12,908.28
<b>At 31st March 2014</b>	<b>128.57</b>	<b>150.37</b>	<b>116,614.46</b>	<b>38,848.93</b>	<b>80.82</b>	<b>1,880.99</b>	<b>105.10</b>	<b>72.85</b>	<b>60.24</b>	<b>157,942.33</b>



## Aban Offshore Limited

### Notes to Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2015

	Land-Freehold	Buildings	Offshore Jack-up rigs	Drillship	Other Machineries	Wind Mills	Office Equipment	Furniture & Fixtures	Vehicles	Total
<b>Depreciation</b>										
At 1st April 2014	-	41.69	36,280.75	7,080.82	76.74	1,749.34	87.30	39.73	30.55	45,386.92
Charge for the year	-	4.16	4,256.41	1,679.70	-	25.83	3.64	2.48	7.30	5,979.52
Disposals	-	-	-	-	-	(553.59)	(0.84)	-	(1.79)	(556.22)
-Exchange differences	-	-	1,236.71	226.35	-	-	0.89	0.75	-	1,464.70
<b>At 31st March 2015</b>	<b>-</b>	<b>45.85</b>	<b>41,773.87</b>	<b>8,986.87</b>	<b>76.74</b>	<b>1,221.58</b>	<b>90.99</b>	<b>42.96</b>	<b>36.06</b>	<b>52,274.92</b>
At 1st April 2013	-	39.36	29,945.12	5,198.05	76.74	2,229.48	79.71	36.48	27.19	37,632.13
Charge for the year	-	2.33	3,963.09	1,501.21	-	4.86	5.58	1.46	5.24	5,483.77
Disposals	-	-	-	-	-	(485.00)	-	-	(1.88)	(486.88)
Other adjustments	-	-	-	-	-	-	-	-	-	-
-Exchange differences	-	-	2,372.54	381.56	-	-	2.01	1.79	-	2,757.90
<b>At 31st March 2014</b>	<b>-</b>	<b>41.69</b>	<b>36,280.75</b>	<b>7,080.82</b>	<b>76.74</b>	<b>1,749.34</b>	<b>87.30</b>	<b>39.73</b>	<b>30.55</b>	<b>45,386.92</b>
<b>Net Block</b>										
<b>At 31st March 2015</b>	<b>128.57</b>	<b>104.52</b>	<b>82,023.27</b>	<b>32,177.42</b>	<b>4.08</b>	<b>109.42</b>	<b>29.41</b>	<b>32.55</b>	<b>30.78</b>	<b>114,640.02</b>
<b>At 31st March 2014</b>	<b>128.57</b>	<b>108.68</b>	<b>80,333.71</b>	<b>31,768.11</b>	<b>4.08</b>	<b>131.65</b>	<b>17.80</b>	<b>33.12</b>	<b>29.69</b>	<b>112,555.41</b>

#### A. Capitalised borrowing costs

The borrowing cost capitalized during the year ended 31st March 2015 was Rs.5.15 million (31st March 2014: 1.27 million). The company capitalized the borrowing cost in the Offshore Jack-up Rigs. (Refer Note: 24)

#### 14.2. Intangible assets

	Rs.millions	
	Goodwill	Total
<b>Cost</b>		
At 1st April 2014	66,102.91	66,102.91
Additions	-	-
Disposals	-	-
Other adjustments	-	-
-Exchange differences	2,886.76	2,886.76
<b>At 31st March 2015</b>	<b>68,989.67</b>	<b>68,989.67</b>
At 1st April 2013	59,920.94	59,920.94
Additions	-	-
Disposals	-	-
Other adjustments	-	-
-Exchange differences	6,181.97	6,181.97
<b>At 31st March 2014</b>	<b>66,102.91</b>	<b>66,102.91</b>
<b>Net Block</b>		
<b>At 31st March 2015</b>	<b>68,989.67</b>	<b>68,989.67</b>
At 31st March 2014	66,102.91	66,102.91

Goodwill on consolidation (acquisition of foreign subsidiaries) is tested for impairment annually and whenever there is an impairment indication, that the goodwill may be impaired. For the year 2014-15, the management did not note any indication that the goodwill related to the acquisition of such foreign subsidiaries may be impaired due to any reason.

**15. Non - current investments**

	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions
<b>Investment in joint venture/associate</b>	-	
0.05 million(31st March 2014:0.05 million) equity shares of Rs.100 each fully paid in Frontier Offshore Exploration(India) Limited	-	-
(at cost less provision for other than temporary diminution in value Rs.4.99 million(31st March 2014:Rs.4.99 million) )	-	-
0.17 million (31st March 2014 : 0.17 million) equity shares of MYR 1 each in Belati Oilfield Sdn Bhd [(Note 31(b))]	97.18	49.21
<b>Other Investments</b>		
0.3 million (31st March 2014: 0.3 million) equity shares of Rs.10 each fully paid in Aban Informatics Private Limited	19.85	19.85
	<u>117.03</u>	<u>69.06</u>
<b>Non-trade investments (valued at cost unless stated otherwise)</b>		
<b>Investment in equity shares (quoted)</b>		
0.01 million (31st March 2014: 0.01 million) equity shares of Rs.10 each fully paid in Arihant Threads Ltd	-	-
(at cost less provision for other than temporary diminution in value of Rs.0.17 million(31st March 2014: Rs.0.17 million))	-	-
0.01 million (31st March 2014: 0.01 million) equity shares of Rs.10 each fully paid in Punjab Woolcombers Ltd at cost less provision for other than temporary diminution in value of Rs 0.02 million (31st March 2014 : Rs 0.02 million)	-	-
0.01 million(31st March 2014: 0.01 million) equity shares of Rs.10 each fully paid in State Bank of Travancore Ltd	0.15	0.15
0.01 million(31st March 2014: 0.01 million) equity shares of Rs.10 each fully paid in ICICI Bank Ltd	0.79	0.79
0.05 million(31st March 2014: 0.05 million)equity shares of Rs.5 each fully paid in Oil and Natural Gas Corporation Limited	6.32	6.32
0.03 million(31st March 2014:0.03 million)equity shares of Rs.10 each fully paid in Indian Bank Ltd	2.95	2.95
<b>Investment in equity shares (unquoted)</b>		
0.01 million (31st March 2014: 0.01 million)equity shares of Rs.10 each fully paid in Madras Stock Exchange Limited	4.00	4.00
	<u>14.21</u>	<u>14.21</u>
	<u>131.24</u>	<u>83.27</u>
Aggregate amount of quoted investments( Market value: Rs.28.06 million (31st March 2014: Rs.36.06 million)	10.21	10.21
Aggregate amount of unquoted investments	121.03	73.06
Aggregate provision for diminution in value of investments	5.18	5.18

**16. Loans and advances**

	Long-term		Short-term	
	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions
<b>Capital advances</b>				
Unsecured, considered good	-	-	178.06	49.94
(A)	-	-	178.06	49.94
<b>Security deposit</b>				
Unsecured, considered good	17.06	4.62	73.01	5.84
Doubtful	-	-	-	-
	17.06	4.62	73.01	5.84
Provision for doubtful security deposit	-	-	-	-
(B)	17.06	4.62	73.01	5.84
<b>Loans and advances to related parties</b>				
Unsecured, considered good	123.65	30.35	45.98	-
(C)	123.65	30.35	45.98	-
<b>Advances recoverable in cash or kind</b>				
Unsecured considered good	619.23	261.29	616.38	55.21
Doubtful	-	-	-	-
	619.23	261.29	616.38	55.21
Provision for doubtful advances	-	-	-	-
(D)	619.23	261.29	616.38	55.21
<b>Other loans and advances</b>				
Advance income-tax(net of provision for taxation)	-	-	206.90	-
MAT Credit Entitlement Account	306.61	389.16	-	-
Prepaid expenses	2,220.70	1,151.92	368.61	1,665.93
Loans to employees	35.55	20.11	29.65	5.72
Balances with statutory/government authorities	26.26	26.26	5.21	0.74
(E)	2,589.12	1,587.45	610.36	1,672.39
<b>Total (A+B+C+D+E)</b>	<b>3,349.06</b>	<b>1,883.71</b>	<b>1,523.80</b>	<b>1,783.38</b>

**17. Trade receivables and other assets**
**17.1 Trade receivables**

	Non-current		Current	
	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions	As at 31st March 2015 Rs. millions	As at 1st March 2014 Rs. millions
<b>Unsecured, considered good unless stated otherwise Outstanding for a period exceeding six months from the date they are due for payment</b>				
Unsecured, considered good	-	-	5,718.24	5,126.98

Notes to Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2015

Doubtful		-	-	2,886.66	2,022.28
		-	-	8,604.90	7,149.26
Provision for doubtful receivables		-	-	(2,886.66)	(2,022.28)
	(A)	-	-	5,718.24	5,126.98
<b>Other receivables</b>					
Secured, considered good		-	-	-	-
Unsecured, considered good		-	-	10,223.09	7,669.07
Doubtful		-	-	-	-
		-	-	10,223.09	7,669.07
Provision for doubtful receivables		-	-	-	-
	(B)	-	-	10,223.09	7,669.07
<b>Total (A+B)</b>		-	-	15,941.33	12,796.05

**17.2 Other assets**

		Non-current		Current	
		As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions
<b>Unsecured, considered good unless stated otherwise</b>					
Non-current bank balances (Note 19)	(A)	23.35	69.51	-	-
<b>Others</b>					
Interest accrued on fixed deposits	(B)	-	-	0.16	0.03
		-	-	0.16	0.03
<b>Total (A+B)</b>		23.35	69.51	0.16	0.03

**18. Inventories**

		As at 31st March 2015 Rs. Millions	As at 31st March 2014 Rs. Millions
Stores, Spares and Fuel (including stock-in- transit)		3,786.52	3,789.60
		3,786.52	3,789.60

**19. Cash and bank balances**

		Non-current		Current	
		As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions
<b>Cash and cash equivalents</b>					
<b>Balances with banks:</b>					
-On current accounts		-	-	991.40	745.67
-Deposits with original maturity of less than three months		-	-	20.64	-



-On unpaid dividend account	-	-	18.02	15.54
Cash on hand	-	-	0.58	0.85
	<u>-</u>	<u>-</u>	<u>1,030.64</u>	<u>762.06</u>
<b>Other bank balances</b>				
-Deposits with original maturity for more than 12 months	23.35	0.57	-	-
-Deposits with original maturity for more than 3 months but less than 12 months	-	-	-	68.38
- Margin money deposit	-	68.94	123.24	579.62
	<u>23.35</u>	<u>69.51</u>	<u>123.24</u>	<u>648.00</u>
	<u>23.35</u>	<u>69.51</u>	<u>1,153.88</u>	<u>1,410.06</u>
Amount disclosed under non current assets (See note 17.2)	(23.35)	(69.51)	-	-
	<u>-</u>	<u>-</u>	<u>1,153.88</u>	<u>1,410.06</u>

**20. Revenue from operations**

	Year ended 31st March 2015 Rs. millions	Year ended 31st March 2014 Rs. millions
Revenue from drilling services	40,313.20	39,300.01
Revenue from generation of electricity from wind power	95.18	62.54
	<u>40,408.38</u>	<u>39,362.55</u>

**21. Other Income**

	Year ended 31st March 2015 Rs. millions	Year ended 31st March 2014 Rs. millions
-Interest Income on Bank deposits	38.21	13.11
Dividend income on		
-Long term investments	0.79	0.85
-Current investments	137.44	-
Miscellaneous Income	263.39	291.58
Rental income	3.76	3.08
	<u>443.59</u>	<u>308.62</u>

**22. Consumption of stores, spares, power and fuel**

	Year ended 31st March 2015 Rs. millions	Year ended 31st March 2014 Rs. millions
Consumption of stores and spares	1,875.10	2,287.35
Power and Fuel	190.45	165.87
	<u>2,065.55</u>	<u>2,453.22</u>



**23. Employee benefit expense**

	Year ended 31st March 2015 Rs. millions	Year ended 31st March 2014 Rs. millions
Salaries, wages and bonus	5,537.01	4,766.65
Contribution to provident and other fund	46.89	41.19
Gratuity expense	15.07	14.35
Staff welfare expenses	76.49	81.00
	<u>5,675.46</u>	<u>4,903.19</u>

**24. Finance Costs**

	Year ended 31st March 2015 Rs. millions	Year ended 31st March 2014 Rs. millions
Interest *	10,331.51	10,776.66
Loan Processing Charges	9.69	188.65
Amortization of ancillary borrowings costs	568.82	438.83
Exchange difference to the extent considered as an adjustment to borrowings costs	-	2.11
	<u>10,910.02</u>	<u>11,406.25</u>

\* Excludes interest capitalised Rs 5.15 Million (31st March 2014- Rs 1.27 million)

**25. Depreciation and amortization expense**

	Year ended 31st March 2015 Rs. millions	Year ended 31st March 2014 Rs. millions
Depreciation on tangible assets*	5,979.52	5,483.77
	<u>5,979.52</u>	<u>5,483.77</u>

\* Pursuant to Companies Act, 2013 ("the Act") becoming effective from 1st April 2014, the Parent Company has provided depreciation based on the useful life of the assets as prescribed in Schedule II of the Act. This has resulted in additional depreciation and amortization expense of Rs. 296.39 million for the year ended 31st March 2015.

**26. Other expenses**

	Year ended 31st March 2015 Rs. millions	Year ended 31st March 2014 Rs. millions
Freight and forwarding cost	41.48	47.80
Rent	90.97	98.85
Rates and taxes	5.18	22.98
Rental charges for machinery	252.65	397.30
Insurance	1,361.81	1,438.48
<b>Repairs and maintenance</b>		
-Plant and machinery	181.75	138.61
-Buildings	2.50	2.43



-Others	19.41	5.77
Drilling services and management fees	1,413.83	1,488.82
Advertising and sales promotion	8.50	5.36
Exchange differences(net)	394.39	397.15
Travelling ,conveyance and transportation	759.60	681.73
Communication costs	152.82	147.02
Printing and stationery	5.11	5.07
Professional and Consultancy expenses	2,367.23	1,607.54
Catering expenses	423.25	440.31
Directors' sitting fees	0.54	0.34
<b>Payment to auditors</b>		
<b>As auditor</b>		
-Audit fee*	39.60	39.70
-Tax audit fee	0.86	0.85
-Limited review	1.75	1.58
<b>In other capacity</b>		
-Taxation matters	0.50	0.50
-Company law matters	-	-
-Management services	-	-
-Other services(certification fees)	2.53	1.89
<b>Reimbursement of expenses</b>	-	-
Provision for diminution in value of long term investments	-	-
Exchange losses(net)	113.35	612.68
Pre Operating expenses - Written off	1.37	-
Corporate Social Responsibility (CSR )Expenditure #	30.00	-
Loss on sale of assets	1.11	1.49
Provision for doubtful debts and advances	759.12	713.34
Miscellaneous expenses	448.03	1,669.60
	<u>8,879.24</u>	<u>9,967.19</u>

\* Includes audit fees with respect to Qualified Institutional Placement of INR 1.20 Million (Previous year :Nil)

# In terms of Section 135 and Section 198 of the Companies Act, 2013, the Parent Company does not have average net profits over the 3 immediately previous financial years and is therefore not required to spend on Corporate Social Responsibility (CSR) activities. However the Company has spent on CSR activities by making voluntary contributions towards activities promoting health care including preventive health care.

## 27. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations

	Year ended 31st March 2015 Rs. millions	Year ended 31st March 2014 Rs. millions
Profit after tax	5,449.42	3,930.65
Less: Dividends on preference shares and tax thereon	317.52	328.76
<b>Net profit for calculation of EPS</b>	<u>5,131.90</u>	<u>3,601.90</u>
	<b>No. millions</b>	<b>No. millions</b>
Weighted average number of equity shares in calculating basic EPS	<u>53.18</u>	<u>43.51</u>

<b>Effect of dilution:</b>		
Stock options/Share Warrants Outstanding less number of shares that would have been issued at par value.	<b>0.40</b>	*
<b>Weighted average number of equity shares in calculating diluted EPS</b>	<b>53.58</b>	43.51
<b>Earning per share - basic (in Rs)</b>	<b>96.50</b>	82.78
<b>Earning per share - diluted ( in Rs)</b>	<b>95.78</b>	82.78*

\*Since diluted earnings per share shows higher value as compared to basic earnings when taking the options/warrants into account, the options/warrants are anti-dilutive as at the year ended 31.03.2014 and are ignored in the calculation of diluted earnings per share as required under the Accounting Standard.

### 28. Employee stock option scheme

The Parent Company has instituted Employee Stock Option Scheme-2005 (ESOS) duly approved by the shareholders in the extra-ordinary general meeting of the company held on 23rd April 2005. As per the scheme, the compensation committee of the board evaluates the performance and other criteria of employees and approves the grant of option. These options vest with employees over a specified period subject to fulfillment of certain conditions. Upon vesting, employees are eligible to apply and secure allotment of company's equity share at the prevailing market price on the date of the grant of option.

The Securities Exchange Board of India (SEBI) issued the Employee Stock Option Scheme and Employees Stock Purchase Scheme guidelines in 1999, applicable to stock option schemes on or after 19th June 1999. Under these guidelines, the excess of the market price of the underlying equity shares as of the date of the grant over the exercise price of the option is to be recognized and amortized on a straight line basis over the vesting period.

The Company has not recognized any deferred compensation expenses, as the exercise price was equal to the market value (as defined by SEBI) of the underlying equity shares on the grant date. Excess of exercise price over the nominal value of equity shares allotted during the year under ESOS and credited to securities premium account is Rs 41.30 million (31st March 2014: Rs. Nil)

The details of option granted are given below:

Maximum number of options that may be granted under the scheme is 1.84 million equity shares of Rs.2 each. Options granted during the year- Nil (up to 31st March 2014: 1.84 Million equity shares of Rs.2 each)-Options lapsed during the year 0.009 million equity shares of Rs.2 each (up to 31st March 2014: 0.250 million equity shares of Rs.2 each)-Options exercised during the year- 0.065 million equity shares of Rs. 2 each (up to 31st March 2014: 0.095 million equity shares of Rs.2 each) Options outstanding at the end of year :1.424 million equity shares of Rs.2 each (up to 31st March 2014: 1.432 million equity shares of Rs.2 each)-Options yet to be granted under the scheme: 0.26 million (31st March 2014: 0.251 million equity shares of Rs.2 each)

29. The Maritime and Port Authority of Singapore has awarded "Approved International Shipping Enterprise "(AIS) status to Aban Singapore Pte Ltd and its subsidiaries with effect from 1 June 2006 and with effect from 27th June 2006 for some of its subsidiaries for an initial period of 10 years. Aban Singapore and its operating subsidiaries are exempted from Singapore Income tax from the qualifying income under Section 13F of the Singapore Income Tax Act. However, in respect of income earned outside Singapore, necessary provision for tax has been made in accordance with applicable tax laws in respective countries.

### 30. Leases

#### Operating lease: Company as lessee

The wholly owned foreign subsidiary leases, office space and accommodation for certain employees from non-related parties under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewable rights.

The future aggregate minimum payments under the operating leases contracted for at the balance sheet date but not recognized as liabilities are analyzed as follows:

	<b>31st March 2015</b> Rs.millions	<b>31st March 2014</b> Rs.millions
Within one year	<b>73.93</b>	78.62
After one year but not more than two years	<b>47.87</b>	54.19
	<b><u>121.80</u></b>	<u>132.81</u>



**32. Interest in joint venture/associate**

(a) The Parent company's interest, in joint venture entity/associate is as follows:

Name of the company	Country of incorporation	Nature of Interest	Proportion of ownership interest 31st March 2015	Proportion of ownership interest 31st March 2014
Frontier Offshore Exploration (India) Limited	India	Joint Venture	25%	25%
Belati Oilfield SdnBhd	Malaysia	Associate	49%	49%

The Parent company has ceased to have joint control over Frontier Offshore Exploration (India) Limited and has also provided for diminution in the value of long term investment considering the state of affairs of the joint venture company.

(b) The company's share of the assets, liabilities, Revenue and Profit in the associate company -Belati Oilfield Sdn Bhd, based on the audited financial statements are as follows:

	As at 31st March 2015 Rs.millions	As at 31st March 2014 Rs.millions
Assets	450.49	454.43
Liabilities	(353.35)	(405.22)
Revenue	1,825.38	1,731.96
Net Profit	44.82	18.36

**32. Segment information**

**A. Primary Segment-**The Group's primary segments are offshore oil drilling and production services and wind power generation (Wind energy). The said business segments have been identified considering the nature of services rendered and the internal financial reporting system. Income and expenses have been accounted for based on their relationship to the operating activities of the segment

**B. Secondary segment-** Substantial assets of the Group are offshore rigs, relating to the drilling and production services that are operating in India and Rest of Asia. The assets relating to the wind energy are operating in India only.

Primary Segment information	31st March 2015		31st March 2014	
	Rs. millions	Rs. millions	Rs. millions	Rs. millions
1. Segment revenue				
- Drilling	40,764.70		39,608.62	
-Wind energy	87.27	40,851.97	62.55	39,671.17
2. Segment results				
- Drilling	17,693.82		16,232.12	
-Wind energy	(20.13)		2.09	
	17,673.69		16,234.21	
less: interest expenses	(10,331.51)	7,342.18	(10,776.66)	5,457.55
3. Segment assets				
- Drilling	209,401.73		200,107.93	
-Wind energy	324.15	209,725.88	366.00	200,473.93
4. Segment liabilities				
- Drilling	152,706.02		158,792.20	
-Wind energy	9.34	152,715.36	19.47	158,811.67

5. Depreciation				
- Drilling	5,953.69		5,478.91	
-Wind energy	<u>25.83</u>	5,979.52	<u>4.86</u>	5,483.77
6. Capital expenditure including work in progress				
- Drilling	12,559.40		22,571.85	
-Wind energy	<u>75.60</u>	12,635.00	<u>62.37</u>	22,634.22

The following table shows revenue by area of drilling and production operations and wind power generation, the carrying amount of segment assets and additions to fixed assets by geographical area in which such assets relating to the drilling and production operations and wind energy are located.

### Secondary Segment information

Geographical Segment information	31st March 2015		31st March 2014	
	Rs. millions	Rs. millions	Rs. millions	Rs. millions
1. Segment revenue				
- India	6,972.25		4,937.11	
-Americas	10,371.93		9,842.32	
-Rest of Asia	<u>23,507.79</u>	<b>40,851.97</b>	<u>24,891.74</u>	39,671.17
2. Carrying amount of Segment assets				
- India	10,124.32		10,363.78	
-Americas	51,429.36		30,278.80	
-Rest of Asia	<u>148,172.20</u>	<b>209,725.88</b>	<u>159,831.35</u>	200,473.93
3. Capital expenditure including Capital Work In Progress				
- India	1,488.99		2,720.39	
-Americas	3,409.31		8,387.53	
-Rest of Asia	<u>7,736.70</u>	<b>12,635.00</b>	<u>11,526.30</u>	22,634.22

### 33. Related party disclosures

#### Names of related parties and related party relationship

#### Related parties where control exists

#### **A. Subsidiary companies**

Aban Energies Limited, India (wholly owned subsidiary)  
 Aban Holdings Pte Limited, Singapore (wholly owned foreign subsidiary)  
 Radhapuram Wintech Private Limited  
 Aban Green Power Private Limited

#### **B. Subsidiaries of Aban Holdings Pte Limited, Singapore**

Aban Singapore Pte Ltd, Singapore  
 Aban 7 Pte Ltd, Singapore  
 Aban 8 Pte Ltd, Singapore  
 Aban Abraham Pte Ltd, Singapore  
 Aban Pearl Pte Ltd, Singapore  
 Aban International Norway As, Norway  
 DDI Holding AS, Norway  
 Deep Drilling Invest Pte Ltd, Singapore  
 Deep Drilling 1 Pte Ltd, Singapore  
 Deep Drilling 2 Pte Ltd, Singapore  
 Deep Drilling 3 Pte Ltd, Singapore



Deep Drilling 4 Pte Ltd, Singapore  
 Deep Drilling 5 Pte Ltd, Singapore  
 Deep Drilling 6 Pte Ltd, Singapore  
 Deep Drilling 7 Pte Ltd, Singapore  
 Deep Drilling 8 Pte Ltd, Singapore  
 Deep Driller Mexico S de RL de CV, Mexico  
 Aban Labuan Pvt Ltd, Labuan, Malaysia

**C. Associate Company of Aban Holding Pte Ltd, (WOS) of Aban Offshore Ltd**

Belati Oilfield SdnBhd, Malaysia

**D. Related parties with whom transactions have taken place during the year**

**a. Key Management personnel**

- (i) Reji Abraham - Managing Director
- (ii) P.Venkateswaran - Deputy Managing Director
- (iii) C.P.Gopalkrishnan - Deputy Managing Director & Chief Financial Officer

**b. Relative of Key Management personnel - Deepa Reji Abraham**

**Related Party transactions during the year**

**Nature of transaction**

- 1. Rent paid
- 2. Remuneration
- 3. Interest received/(paid)
- 5. Dividend paid
- 6. Loan taken
- 6. Allotment of Shares
- 7. Amount outstanding as at 31st March 2015
- Receivable
- Payable

**Key Management Personnel / Relative**

	31st March 2015 Rs. millions	31st March 2014 Rs. millions
	4.60	4.18
	187.39	147.58
	(4.56)	-
	29.52	20.52
	180.00	-
	6.78	-
	-	-
	54.88	-

**Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year**

	31st March 2015 Rs. millions	31st March 2014 Rs. millions
<b>1. Remuneration to Key management personnel</b>		
Reji Abraham	94.42	81.70
P. Venkateswaran	36.50	23.00
C. P. Gopalkrishnan	56.47	42.88
<b>2. Rent paid</b>		
Reji Abraham	4.60	4.18
<b>3. Dividend paid</b>		
Reji Abraham	18.46	18.46
Deepa Reji Abraham	10.94	1.94
<b>14. Loan taken from Deepa Reji Abraham</b>	180.00	-
<b>15. Allotment of Shares:</b>		
Reji Abraham	1.00	-
Deepa Reji Abraham	5.78	-

**Other transactions**

Personal guarantee given by Managing Director of the Company to banks towards availment of Loan and non-fund based facilities-Rs 15,330 million (31st March 2014: Rs 11,470 million)

**34. Capital and other commitments**

	31st March 2015 Rs. millions	31st March 2014 Rs. millions
Capital and Other commitments not provided for	149.26	119.17

**35. Contingent liabilities**

	As at 31st March 2015 Rs. millions	As at 31st March 2014 Rs. millions
(a) Guarantees given by banks on behalf of the company	1,796.59	1,893.91
(b) Claims against the company not acknowledged as debt :		
(i) In respect of civil suits against the company- Rs 95.50 million		
(ii) In respect of Income Tax matters:		
Income Tax dues relating to the period 2002 - 2006 amounting to INR 556.40 million pending before High Court of Madras; Income Tax dues relating to the period 2006 - 2008 amounting to INR 396.17 million pending before Income Tax Appellate Tribunal; Income Tax dues relating to the period 2008-2009 amounting to INR 418.38 million pending before the Commissioner of Income Tax (Appeals); and the Income Tax dues relating to the period 2009 - 2010 amounting to INR 812 million pending before Income Tax Appellate Tribunal.		
(iii) In respect of Service Tax matters:		
Service Tax dues relating to the period 2006 - 2007 amounting to INR 17.36 million pending before Supreme Court.		
(iv) In respect of Customs duty matter:		
Customs Duty dues relating to the period 2003-2004 amounting to INR 279.13 million pending before Supreme Court.		

The management of the Parent Company does not reasonably expect that the aforesaid legal and tax matters when ultimately concluded and determined will have a material and adverse effect on the group's results of operation or financial condition.

**36. Derivative instruments and unhedged foreign currency exposures**

**a. Outstanding forward cover contracts/derivatives as at the balance sheet date**

	As at 31st March 2015 Rs. Millions	As at 31st March 2014 Rs. Millions
- Currency forward contracts/options	Nil	Nil

**b. Particulars of unhedged foreign currency exposures as at the balance sheet date**

	As at 31st March 2015 FCY Millions	As at 31st March 2015 Rs. Millions	As at 31st March 2014 FCY Millions	As at 31st March 2014 Rs. Millions
<b>Receivables</b>				
- In USD	137.31	8,581.38	125.65	7,523.81
- In EURO	8.80	589.93	29.71	2,449.93
<b>Import payables</b>				
- In USD	13.29	830.39	13.58	813.35
- In SGD	0.52	23.74	5.92	282.17
- In AED	5.56	94.53	-	-
<b>Foreign Currency Term Loans/Working Capital Loans (Including Interest Payable)</b>				
- In USD	102.74	6,420.53	117.90	7,060.15

The unhedged exposures are naturally hedged by future foreign currency earnings.



## Aban Offshore Limited

### Notes to Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2015

37. The Board of Directors of the Company is of the opinion that, all assets other than fixed assets and non-current Investments have value on realization in the ordinary course of business at least equal to the amount at which they are stated in the financial statement.

38. Additional Information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/Associate

Name of the Enterprise	Net Assets i.e total assets minus total liabilities		Share in Profit or loss	
	As % of consolidated net assets	Amount Rs in Millions	As%of consolidated Profit or loss	Amount Rs in Millions
Parent				
Aban Offshore Limited	55.43	31,737.13	34.98	1,906.21
Subsidiaries				
Indian				
Aban Energies Limited	(0.04)	(24.16)	(0.05)	(2.63)
Radhapuram wintech Private Limited	(0.07)	(41.14)	(0.13)	(6.83)
Aban Greenpower Private Limited	(0.10)	(58.48)	(0.32)	(17.39)
Foreign				
Aban Holdings Pte Ltd, Singapore	0.73	419.28	(11.32)	(617.09)
Aban Singapore Pte Ltd, Singapore	0.60	341.53	19.87	1,082.95
Aban Abraham Pte Ltd, Singapore	(3.07)	(1,759.82)	(6.62)	(360.81)
Aban 7 Pte Ltd, Singapore	(4.73)	(2,710.85)	(19.99)	(1,089.13)
Aban 8 Pte Ltd, Singapore	12.43	7,115.37	26.94	1,467.97
Aban Pearl Pte Ltd, Singapore	(6.75)	(3,863.52)	(11.72)	(638.80)
Aban International Norway AS, Norway	(37.80)	(21,646.46)	(47.14)	(2,568.92)
Aban Labuan Pvt Ltd Malaysia	0.19	108.46	0.78	42.73
DDI Holding AS Norway	(33.37)	(19,106.91)	(1.57)	(85.67)
Deep Drilling Invest Pte Ltd, Singapore	1.44	822.61	(0.07)	(3.83)
Deep Drilling 1 Pte Ltd, Singapore	9.56	5,473.48	1.48	80.48
Deep Drilling 2 Pte Ltd, Singapore	26.75	15,318.98	25.27	1,376.95
Deep Drilling 3 Pte Ltd, Singapore	24.51	14,034.78	22.34	1,217.55
Deep Drilling 4 Pte Ltd, Singapore	22.67	12,979.90	30.24	1,647.97
Deep Drilling 5 Pte Ltd, Singapore	20.57	11,777.94	26.59	1,449.00
Deep Drilling 6 Pte Ltd, Singapore	5.02	2,876.70	12.27	668.79
Deep Drilling 7 Pte Ltd, Singapore	4.90	2,807.61	0.84	45.99
Deep Drilling 8 Pte Ltd, Singapore	3.56	2,036.71	(2.38)	(129.55)
Deep Driller Mexico S de RL De CV, Mexico	(2.58)	(1,475.77)	(1.13)	(61.36)
Minority Interest	-	0.50	-	-
Associates (Investment as per Equity Method)	0.17	97.14	0.82	44.82



**38. Previous year figures**

The Group has reclassified previous year figures to conform to this year's classification.

As per our report of even date  
For Ford, Rhodes, Parks & Co  
Chartered Accountants  
ICAI-Registration No.102860W

**Ramaswamy Subramanian**  
Partner  
Membership No: 016059  
Place: Chennai  
Date: May 27, 2015

For and on behalf of the Board

**Reji Abraham**  
*Managing Director*

**C.P.Gopalkrishnan**  
*Dy.Managing Director &  
Chief Financial Officer*

**S.N. Balaji**  
*Senior Manager  
(Legal) & Secretary*

**Financial Highlights- 10 years at a glance (Consolidated)**

PARTICULARS	2014-15 (Rs. Millions)	2013-14 (Rs. Millions)	2012-13 (Rs. Millions)	2011-12 (Rs. Millions)	2010-11 (Rs. Millions)	2009-10 (Rs. Millions)	2008-09 (Rs. Millions)	2007-08 (Rs. Millions)	2006-07 (Rs. Millions)	2005-06 (Rs. Millions)
<b>STATEMENT OF PROFIT &amp; LOSS ACCOUNT</b>										
Income from Operation & Other Income	40,851.97	39,871.17	36,993.64	32,286.87	33,732.04	33,804.68	34,543.61	21,350.09	8,067.68	5,049.39
Profit before Finance Cost, Tax, Depreciation and Amortisation	24,231.71	22,347.58	20,125.86	19,061.83	20,930.88	18,814.16	21,369.83	11,605.68	4,355.04	2,951.43
Finance Cost	10,910.02	11,406.25	11,884.49	9,890.85	9,335.97	9,768.22	8,553.03	6,658.47	2,686.42	436.33
Depreciation/Exceptional Items/Amortisation	5,979.52	5,483.77	4,909.47	5,160.41	8,280.01	4,615.56	6,014.72	3,140.40	1,265.56	1,014.03
Profit before Tax	7,342.18	5,457.55	3,331.90	4,010.57	3,314.90	4,430.39	6,802.07	1,806.81	403.06	1,501.07
Tax	1,937.58	1,545.26	1,418.24	795.38	2,530.86	2,570.74	2,507.66	1,430.12	746.63	678.45
Profit after Tax	5,404.60	3,912.29	1,913.66	3,215.19	784.04	1,859.65	4,294.41	376.69	(343.57)	822.62
Minority Interest	-	-	-	-	-	-	3.51	(0.11)	-	-
Share of profit/(loss) of associate	44.82	18.36	25.07	-	665.41	1,250.39	1,116.03	853.08	203.56	-
Profit after Tax and Minority Interest	5,449.42	3,930.65	1,938.73	3,215.19	1,449.45	3,110.03	5,406.93	1,229.88	(140.01)	822.62
<b>BALANCE SHEET</b>										
Non Current Assets (including Net Fixed Assets)	183,839.90	178,727.83	164,398.75	157,718.96	139,726.19	153,644.92	175,603.52	126,246.93	97,647.51	15,466.34
Investment	131.24	83.27	62.17	34.06	153.46	4,950.56	5,750.52	6,390.86	4,682.53	192.13
Net Current Assets	14,380.87	9,069.41	5,231.26	6,266.45	11,998.66	5,287.67	2,964.11	6,573.12	12,240.95	399.68
Total Assets	198,352.01	187,880.51	169,692.18	164,019.47	151,878.30	163,883.15	184,318.14	139,210.91	114,571.00	16,058.15
Share Holders Fund	57,011.02	41,662.53	32,837.28	28,616.45	21,337.72	21,806.51	17,447.83	8,123.27	5,308.24	4,304.18
Borrowings (including current maturities of long term borrowings)	140,596.57	145,608.81	136,467.37	135,134.46	130,248.65	141,641.00	166,354.78	130,433.99	108,525.28	11,098.07
Deferred Tax Liability	744.42	609.17	387.52	268.56	291.93	435.65	515.53	653.65	737.47	655.90
Total Liabilities	198,352.01	187,880.51	169,692.18	164,019.47	151,878.30	163,883.15	184,318.14	139,210.91	114,571.00	16,058.15
Return on Networth	9.56%	9.43%	5.90%	11.24%	6.79%	14.26%	30.99%	15.14%	-2.64%	19.11%
EPS (Basic)-Rs.	96.50	82.78	37.16	67.16	25.86	69.84	134.65	24.85	(8.10)	19.39
EPS (Diluted)-Rs.	95.78	82.78	37.01	66.68	25.71	68.77	134.05	24.31	(7.76)	19.39
Debt Equity Ratio	2.47	3.49	4.16	4.72	6.10	6.50	9.53	16.06	20.44	2.58



# Aban Offshore Limited

CIN: L01119TN1986PLC013473

Regd. Office : "Janpriya Crest", 113, Pantheon Road, Egmore, Chennai 600 008.

Tel:+91-44-49060606, Fax: +91-44-28195527, e-mail:ir@aban.com, Website:www.abanoffshore.com

**ATTENDANCE SLIP**

I/We hereby record my/our presence at the **Twenty Ninth Annual General Meeting** of the shareholders of the Company at **10.15 a.m. on Wednesday, the 23<sup>rd</sup> September 2015, at The Music Academy, Kasturi Srinivasan Hall (Mini Hall), New No.168, T.T.K. Road, Royapettah, Chennai - 600 014.**

Member's Folio/DP ID-Client ID No.

Member's / Proxy's name in Block Letters

Member's / Proxy's Signature

Note: 1. Please fill up the details, sign and handover this attendance slip at the attendance verification counter at the entrance of the meeting hall. Members/ their proxies would be allowed to attend the meeting on production of this slip duly completed and signed. Duplicate attendance slips will not be issued at the venue of the meeting.  
2. Members holding shares in physical form are requested to advise the change in address/contact nos./e-mail ids to M/s. Cameo Corporate Services Limited, "Subramanian Building", No.1, Club House Road, Chennai - 600 002. email: cameo@cameoindia.com. Members holding shares in electronic form to update such changes with their Depository Participant(S).



# Aban Offshore Limited

CIN: L01119TN1986PLC013473

Regd. Office : "Janpriya Crest", 113, Pantheon Road, Egmore, Chennai 600 008.

Tel:+91-44-49060606; Fax: +91-44-28195527, e-mail:ir@aban.com, Website:www.abanoffshore.com

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**PROXY FORM**

Name of the Member(s) :

Registered Address :

E-mail ID :

Folio/DP ID-Client ID No. :

I/We, being the member(s) holding.....shares of the above named Company, hereby appoint:

(1) Name..... Address.....  
Email Id:.....Signature.....or failing him/her;

(2) Name..... Address.....  
Email Id:.....Signature.....or failing him/her;

(3) Name..... Address.....  
Email Id:.....Signature.....or failing him/her;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Ninth Annual General Meeting of the Company, to be held at 10.15 a.m. on Wednesday, the 23<sup>rd</sup> September 2015, at The Music Academy, Kasturi Srinivasan Hall (Mini Hall), New No.168, T.T.K. Road, Royapettah, Chennai - 600 014. and at any adjournment thereof in respect of such resolutions as indicated below:

Resolution No.	Resolutions	Vote (Optional)		
		For	Against	Abstain
1	Adoption of Audited Financial Statement for the year ended 31 <sup>st</sup> March 2015 together with the reports of the Board of Directors and Auditors thereon.			
2	Declaration of Dividend @ 10% p.a(pro rata)on the paid up Non Convertible Cumulative Redeemable Preference Shares for the year ended 31 <sup>st</sup> March, 2015.			
3	Declaration of Dividend on Equity Shares for the year ended 31 <sup>st</sup> March, 2015			
4	Reappointment of Mr.C.P.Gopalkrishnan (DIN 00379618) as a Director liable to retire by rotation			
5	To ratify the appointment of Statutory Auditors.			
6	Appointment of Ms. Subhashini Chandran (DIN : 00075592) as an Independent Director.			
7	Appointment of Ms. Deepa Reji Abraham (DIN : 00212451) as a Director liable to retire by rotation.			
8	Consent for issue of Foreign Currency Convertible Bonds (FCCBs)/Depository Receipts (GDRs)/American Depository Receipts (ADRs)/ Warrants and/or other instruments convertible in equity shares.			
9	Consent for issue of securities to Qualified Institutional Buyers.			

Signed this ..... day of September, 2015.

Member's Folio/DP ID-Client ID No.....Signature of Shareholder(s).....

Signature of Proxyholder(s).....

Affix  
₹ 1/- Revenue  
stamp

Note: 1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company not less than 48 hours before commencement of the meeting.  
2. For the resolutions, Explanatory Statements and Notes, please refer to the notice of 29<sup>th</sup> Annual General Meeting.  
3. Please complete all details before submission.

### ELECTRONIC VOTING PARTICULARS

Electronic Voting Event Number	User ID	Password

