

FORD RHODES PARKS & CO. LLP

CHARTERED ACCOUNTANTS

Shakthi Towers III
E1 & E2, Sixth Floor,
766, Anna Salai, Chennai - 600002.
Tamilnadu, India

Phone : 28514498 / 42029940
e-mail : frpchennai@gmail.com
frpco@fordrhodesparks.com
website : www.fordrhodesparks.com

Independent Auditors report on consolidated audited quarterly and year to date financial results of the company Pursuant to regulation 33 of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015, as amended

TO THE BOARD OF DIRECTORS OF ABAN OFFSHORE LIMITED

I. Disclaimer of Opinion

We were engaged to audit the accompanying Consolidated Financial Results ("the Statement") of **Aban Offshore Limited** (the "**Holding Company**") and its subsidiaries (the Holding company and its subsidiaries together referred to as "**the Group**") for the quarter and year ended 31st March 2023, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulations 33 of the SEBI (Listing obligation and Disclosure requirements) Regulations, 2015, as amended ("Listing Regulations").

We do not express an opinion on the accompanying consolidated financial results of the Group. Because of the significance of the matters described in the 'Basis for Disclaimer of Opinion' section of our report, we have not been able to obtain sufficient audit evidence to provide a basis for an audit opinion on these consolidated financial results.

The accompanying consolidated financial results include the results of the following entities:

- i. **Aban Holdings Pte Ltd, Singapore** – Wholly owned subsidiary (includes its subsidiary corporations)
- ii. **Aban Energies Ltd, India** – Wholly owned subsidiary.

It is presented in accordance with the requirements of Regulation 33 of the listing regulations as amended.



FORD RHODES PARKS & CO. LLP

II. Basis for Disclaimer of Opinion

1. Relating to the wholly owned foreign subsidiary

In case of wholly owned subsidiary of the company, Aban Holdings Pte Ltd, Singapore along with its subsidiaries and associate whose consolidated Financial Statements have been audited by other auditor "CLA Global TS Public Accounting Corporation – (Formerly Nexia TS Public Accounting Corporation), Public accountants and Chartered Accountants, Singapore" have expressed disclaimer of opinion on the consolidated financial statements for the year ended 31st March, 2023 which is reproduced as under:

Beginning of Reproduction of other auditor's disclaimer conclusion:

"Disclaimer of Opinion

We were engaged to audit the accompanying financial statements of Aban Holdings Pte, Ltd. (the "Company") and its subsidiary corporations (the "Group") which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at 31 March 2023, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 7 to 51:

We do not express an opinion on the accompanying financial statements of the Group and the balance sheet of the Company. Because of the significance of the matters described in the Bases of Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Bases for Disclaimer of Opinion

Going concern

As disclosed in Note 2.1 to the financial statements, in preparing the financial statements, the Board of Directors have considered the operations of the Group and the Company as going concerns notwithstanding that the Group incurred a net loss of US\$120,270,000 for the financial year ended 31 March 2023, and as at that date, the Group and the Company were in net current liabilities position of US\$2,697,399,000 and US\$2,547,128,000 respectively. The Group and the Company were also in net liabilities position of US\$2,609,862,000 and US\$1,881,819,000 respectively as at 31 March 2023.

As disclosed in Note 19 to the financial statements, the Group's rigs with carrying amount of US\$30,899,000 has been pledged as security for the borrowings of the Group and the Company amounted to US\$1,763,551,000 and US\$1,643,394,000 respectively.

In addition, the Group and the Company have defaulted on payment of their borrowings which have fallen due and have breached the covenants of their borrowings which give the lenders the right to demand the related borrowings be due and payable immediately. The lenders had issued recall notices to the Group and the Company. Management had reclassified these borrowings of the Group and the Company, with original repayment terms beyond 12 months from the balance sheet date as current liabilities.



FORD RHODES PARKS & CO. LLP

The above conditions indicate the existence of material uncertainties which may cast significant doubt on the Group's and the Company's ability to continue as going concerns. Nevertheless, the Board of Directors believes that the use of the going concern assumption on the preparation of the financial statements of the Group and the Company for the financial year ended 31 March 2023 is still appropriate after taking into consideration that, as at the date of this report, the Group has sold and delivered to the buyers seven rigs except for one rig under operation during the financial year ended 31 March 2023, and are in discussions with its lenders to obtain approval for and implementation of an appropriate debt resolution plan for the Group.

The ability of the Group and the Company to continue in operational existence in the foreseeable future and to meet their financial obligations as and when they fall due are dependent on the actions and measures undertaken as disclosed above and it is uncertain whether the Group and the Company will raise further funds through any fund-raising exercises. Therefore, we were unable to obtain sufficient audit evidence to be able to form an opinion as to whether the going concern basis of preparation of the accompanying financial statements of the Group and the Company is appropriate.

If the Group and the Company are unable to continue in operational existence in the foreseeable future, the Group and the Company may be unable to discharge their liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets, in particular the rigs of the Group, may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the balance sheets. In addition, the Group and the Company may have to reclassify non-current assets and liabilities to current assets and liabilities respectively. The financial statements do not include any adjustment which may arise from these uncertainties.

Incompleteness of bank confirmations

We were unable to obtain bank confirmations to confirm the Group's bank balances of US\$44,000 as well as the bank borrowings of the Group and the Company amounted to US\$1,763,551,000 and US\$1,643,394,000 respectively as at 31 March 2023.

There were also no practicable audit procedures available to us to confirm or to verify these balances and transactions. As a result, we were unable to ascertain the accuracy and completeness of the aforesaid bank balances and bank borrowings. In addition, we were unable to verify the completeness of the Group's and the Company's transactions with the banks for the aforesaid bank balances and bank borrowings. Consequently, we were unable to determine whether any adjustments and disclosures might have been found necessary in respect of unrecorded and/or undisclosed transactions, facilities and information with the banks in the financial statements.

Investments in subsidiary corporations and amounts due from subsidiary corporations and immediate and ultimate holding corporation

As disclosed in Note 16 to the financial statements, the Company's carrying amount of the investments in subsidiary corporations as at 31 March 2023 amounted to US\$520,337,000. Management has determined that no objective evidence or indication that the carrying amount of the investments in subsidiary corporations may not be recoverable, accordingly no impairment assessment is required.



FORD RHODES PARKS & CO. LLP

As disclosed in Notes 16 and 25 to the financial statements, the amounts due from subsidiary corporations and immediate and ultimate holding corporation as at 31 March 2023 amounted to US\$136,125,000 and US\$8,847,000 respectively. Management has determined that no impairment is required as there was no significant increase in credit risk.

Based on the latest financial performance and financial position of subsidiary corporations and immediate and ultimate holding corporation as well as other information made available to us, we were unable to obtain sufficient appropriate audit evidence in respect of the management's assessment of the recoverability of the investments in subsidiary corporations and the expected credit losses associated with the amounts due from subsidiary corporations and the immediate and ultimate holding corporation as at 31 March 2023. Consequently, we were unable to determine whether any adjustments might have been found necessary in respect of the carrying amounts of the investment in subsidiary corporations and amounts due from subsidiary corporations and the immediate and ultimate holding corporation as at 31 March 2023".

End of Reproduction of other auditor's disclaimer conclusion

2. Relating to the Holding Company

We refer to "Basis for qualified opinion", "Material uncertainty related to Going Concern" and "Emphasis of Matters Paragraph" in our Independent Auditor's Report on the Standalone financial statements of ABAN OFFSHORE LIMITED for the year ended 31st March 2023, which is reproduced below :

"Basis for Qualified Opinion

Non-receipt of confirmation of bank account balances including loan accounts as stated below:
Bank Balances including Deposits INR 16.28 million
Term Loans including Non-Convertible Redeemable Preference Shares INR 6,737.19 million

In view of the non-confirmation of bank and loan balances, we are not in a position to ascertain and comment on the correctness of the above mentioned outstanding balances and the resultant impact of the same on the standalone financial statements of the Company.

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



FORD RHODES PARKS & CO. LLP

Material Uncertainty Related to Going Concern

We draw attention to Note - 33 to the accompanying standalone financial statements - the Company has incurred a net loss of INR 1,149.92 million for the year ended 31 March 2023 and, as of that date Company's accumulated loss amounts to INR 31,030.92 million on account of which the net worth is eroded and also, current liabilities exceeded current assets by INR 11,497.47 million as at 31 March 2023. The company has defaulted in repayment of loan instalments, payment of interest on term loans, and redemption of non-convertible redeemable preference shares. These conditions indicate that material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. However, the management believes that the use of the going concern assumption on the preparation of the standalone financial statements of the Company is still appropriate in view of its continuing discussions with its lenders to obtain approval for and implementation of an appropriate debt resolution plan and that the Company will continue to be in operation in the foreseeable future with new business contracts.

Our opinion is not modified in respect of this matter.

Emphasis of Matters

We draw attention to Note 26 – 'Contingent Liabilities' of the standalone financial statements which, disclose the amounts not paid under disputes with various Government Authorities amounting to INR 16858.18 million and are awaiting adjudication as at 31.03.2023 as mentioned in detail under point no VII (b) in 'Annexure A' of our report.

Our opinion is not modified in respect of this matter."

The basis for the disclaimer conclusion (para 1 of this report) of the other auditor indicates the existence of material uncertainties which may cast doubt on the ability to continue as a going concern of the wholly owned foreign subsidiary Aban Holdings Pte Ltd and its subsidiary companies which is material to the Group. The said disclaimer of the other auditor and our qualification on stand-alone financial statements (para 2 of this report) cast significant doubt on the ability of the Group to continue as a going concern and on the appropriateness of the preparation of accompanying financial information of the Group as a going concern. However, the Management of the Group believes that the use of the going concern assumption or the preparation of the financial statements of the Group is still appropriate in view of its continuing discussions with its lenders to obtain approval for and implementation of an appropriate debt resolution plan and that the Group will continue to be in operation in the foreseeable future.

Our conclusion is not modified in respect of this matter.



FORD RHODES PARKS & CO. LLP

III Management's Responsibilities for the consolidated financial results:

These consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit and total comprehensive income and other financial information of the Group in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the respective companies or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the respective companies.

IV Auditors responsibility for the Audit of the Consolidated Financial Results

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



FORD RHODES PARKS & CO. LLP

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of consolidated financial statements on whether the company has adequate internal financial controls with reference to the consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.



FORD RHODES PARKS & CO. LLP

- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditor. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

V Other Matters

- a. We have audited the financial statements of **Aban Energies Limited**, Chennai, India.
- b. The financial statements of Aban Holdings Pte Limited, Singapore and its Subsidiary Corporations, whose consolidated financial statements have been audited by other auditor reflect total assets of INR 12,178.68 million as at 31st March 2023, total revenue of INR 4,336.20 million for the year ended on that date, as considered in the consolidated financial statements. We are informed that Deep Drilling Mexico S DE R L DE CV, Mexico ('DD Mexico') a subsidiary of Aban Singapore Pte Ltd is not required to be audited. The audit report of the consolidated accounts of Aban Holdings Pte Ltd, the wholly owned foreign subsidiary and its subsidiaries includes unaudited financials of 'DD Mexico'. The unaudited financial statement of Deep Drilling Mexico S DE R L DE CV, Mexico reflects the total assets of INR 3.70 million as at 31st March, 2023 and total revenue of INR Nil for the year then ended.



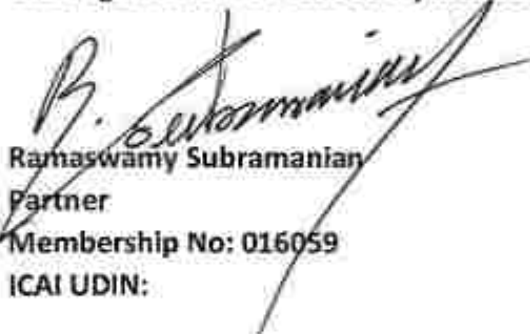
FORD RHODES PARKS & CO. LLP

The financial statements of the said foreign subsidiary have been furnished by the Management and our opinion on the consolidated financial statements in respect of the foreign subsidiary and its subsidiary corporations and our report in terms of sub Section (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid Subsidiary is solely based on report of the other auditor.

Our opinion on the Consolidated Financial Results is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

The financial results include the results for the Quarter ended 31st March, 2023 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures upto the third quarter of the current financial year which was subject limited review by us.

For Ford Rhodes Parks & Co. LLP
Chartered Accountants
ICAI registration No: 102860W/W100089


Ramaswamy Subramanian
Partner
Membership No: 016059
ICAI UDIN:



Place: Chennai
Date: May 24, 2023

Particulars	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs. millions
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	3,274.49	3,685.41
Intangible assets	5,654.97	3,357.22
Assets held for Sale	130.59	11,789.22
Financial Assets		
(i) Investments	234.31	226.40
(ii) Loans	926.30	294.39
(iii) Other financial assets	1,132.44	702.04
Deferred Tax Asset	464.37	579.37
Total-Non-current assets	9,817.47	20,634.06
Current assets		
Inventories	966.14	1,963.57
Financial Assets		
(i) Trade receivables	3,268.12	4,181.59
(ii) Cash and cash equivalents	1,485.03	864.45
(iii) Other Bank balances	-	14.58
(iv) Loans	1,159.65	587.51
(v) Other financial assets	684.50	1,389.46
Other current assets	20.15	48.77
Total-current assets	7,583.70	9,049.92
Total- Assets	17,401.18	29,683.98
EQUITY AND LIABILITIES		
Equity		
(i) Equity Share Capital	116.73	116.73
(ii) Other Equity	(2,23,084.44)	(1,95,241.53)
Equity attributable to shareholders of the Company	(2,22,967.72)	(1,95,124.80)
Total-Equity	(2,22,967.71)	(1,95,124.80)
Non-current liabilities		
Financial Liabilities		
(i) Borrowings	-	-
Employee benefit obligations	4.10	0.81
Total-Non-Current Liabilities	4.10	0.81
Current liabilities		
Financial Liabilities		
(i) Borrowings	1,51,348.41	1,52,486.93
(ii) Trade payables		
a) Dues of Micro and Small Enterprises	-	-
b) Total outstanding dues of Other Creditors	3,920.13	3,309.78
(iii) Other financial liabilities	84,951.39	68,842.75
Employee benefit obligations	9.19	0.47
Other current liabilities	135.66	108.04
Total-Current Liabilities	2,40,364.79	2,24,807.97
Total-Liabilities	2,40,368.89	2,24,808.78
Total-Equity and Liabilities	17,401.18	29,683.98



Aban Offshore Limited



STATEMENT OF AUDITED CONSOLIDATED RESULTS
FOR THE QUARTER / YEAR ENDED 31ST MARCH 2021

Rs. Lakhs

PARTICULARS	QUARTER ENDED 31.03.2021 (PARTIAL)	QUARTER ENDED 31.03.2022 (UNAUDITED)	QUARTER ENDED 31.03.2023 (AUDITED)	YEAR ENDED 31.03.2022 (AUDITED)	YEAR ENDED 31.03.2023 (AUDITED)
1. INCOME					
INCOME FROM OPERATIONS	725.50	789.22	1,300.25	3,367.21	3,881.42
OTHER INCOME	204.24	114.42	34.72	402.84	148.22
REVERSAL OF IMPAIRMENT LOSS - NET	-	-	-	860.47	-
TOTAL INCOME	929.74	903.64	1,335.97	4,630.52	4,108.64
2. EXPENSES					
COST OF MATERIALS CONSUMED	125.15	109.87	321.05	945.20	885.22
EMPLOYEE BENEFITS EXPENSE	200.54	200.12	405.15	1,600.20	1,609.52
FINANCE COSTS	2,007.28	2,328.92	2,880.40	11,005.27	10,888.94
DEPRECIATION AND AMORTISATION EXPENSES	107.00	522.24	530.25	471.02	1,448.64
IMPAIRMENT LOSS OF RECEIVABLES	859.64	-	87.85	362.64	71.85
IMPAIRMENT LOSS OF PROFITABILITY, PLANT AND EQUIPMENT	208.02	-	6,304.02	229.89	10,174.20
INVENTORY WRITS-DOWNS	81.94	-	370.24	81.94	470.19
OTHER EXPENDITURE	323.08	481.02	427.80	2,418.25	2,205.41
TOTAL EXPENSES	4,832.68	3,712.08	14,813.24	18,842.75	24,223.42
3. LOSS FROM ORDINARY ACTIVITIES BEFORE EXCEPTIONAL ITEMS (1-2)	(3,704.88)	(2,814.42)	(13,487.27)	(14,212.23)	(20,114.78)
4. EXCEPTIONAL ITEMS (WHICH ARE: (i))	-	-	-	523.12	541.17
5. LOSS FROM ORDINARY ACTIVITIES BEFORE TAX (1+4)	(3,704.88)	(2,814.42)	(13,487.27)	(13,689.11)	(19,573.61)
6. TAX EXPENSES					
-CURRENT TAX	56.20	44.54	1.21	167.42	178.16
-DEFERRED TAX (NET)	42.02	70.38	(16.52)	115.01	60.02
7. NET LOSS FROM ORDINARY ACTIVITIES AFTER TAX (5+6)	(3,784.88)	(2,873.47)	(13,486.06)	(13,821.68)	(19,725.45)
8. EXTRAORDINARY ITEMS (NET OF TAX EFFECT)	-	-	-	-	-
9. NET LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS (7+8)	(3,784.88)	(2,873.47)	(13,486.06)	(13,821.68)	(19,725.45)
10. LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS	(21.23)	(1.22)	(1.27)	(21.52)	(2.20)
11. TAX EXPENSE (CREDIT) FROM DISCONTINUED OPERATIONS	-	-	-	-	-
12. LOSS FOR THE PERIOD FROM DISCONTINUED OPERATIONS (10+11)	(21.23)	(1.22)	(1.27)	(21.52)	(2.20)
13. LOSS FOR THE PERIOD (9+12)	(3,806.11)	(2,874.69)	(13,487.33)	(13,843.20)	(19,727.65)
14. SHARE OF PROFIT (LOSS) OF ASSOCIATE	10.21	0.02	(6,830)	1,410)	(11,000)
15. NON-CONTROLLING INTERESTS	-	-	-	-	-
16. NET LOSS AFTER NON-CONTROLLING INTERESTS AND SHARE OF LOSS OF ASSOCIATE (13+14)	(3,816.32)	(2,874.67)	(13,494.13)	(13,842.27)	(19,738.65)
17. OTHER COMPREHENSIVE INCOME (NET OF TAX)	302.21	(2,018.36)	(2,011.31)	(16,326.31)	(2,125.44)
18. TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (16+17)	(3,514.11)	(4,893.03)	(15,505.44)	(30,168.58)	(21,864.09)
19. PAID UP EQUITY SHARE CAPITAL (Equity Share of Rs.2-coats)	116.73	116.72	116.72	116.72	116.72
20. Net worth (Refer Note 4)	-	-	-	(3,02,854.00)	(2,87,261.20)
21. Reserves including Revaluation Reserves	-	-	-	(1,30,871.20)	(1,30,341.20)
22 (i) Basic and Diluted Earning per share (Before extraordinary items) (cf. Note 24) (net amount)					
(a) From Continuing Operations	(14.25)	(18.21)	(216.01)	(188.55)	(273.29)
(b) From Discontinued Operations	(0.30)	(0.25)	(0.00)	(0.40)	(0.41)
(ii) Basic and Diluted Earning per share (after extraordinary items) (cf. Note 24) (net amount)					
(a) From Continuing Operations	(14.45)	(18.21)	(220.91)	(188.10)	(277.07)
(b) From Discontinued Operations	(0.30)	(0.22)	(0.00)	(0.40)	(0.41)



Regd. Office : Jaopriya Crest, 113, Pantheon Road, Egmore, Chennai - 600 008, India
 CIN : L01119TN1986PLC013473 Phone : (91) (44) 49060606 Fax : (91) (44) 28195527
 e-mail : abanoffshore@aban.com website : www.abanoffshore.com



Consolidated IND AS Cash Flow Statement for the year ended 31st March 2023

	Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs. millions
Cash Flow from operating activities		
Loss before tax from continuing Operations	(10,601.51)	(25,666.10)
Loss before tax from discontinuing Operations	(23.53)	(0.28)
Loss before tax	(10,625.04)	(25,667.25)
Non-cash adjustments to reconcile profit before tax to net cash flows		
Depreciation/amortization on continuing operations	471.05	1,448.64
Impairment/other write off on tangible assets	208.09	10,176.22
to continuing operations		
Impairment reversal	(890.47)	-
Loss/(profit) on sale of fixed assets	(0.56)	(7.09)
Provision for Employee Benefits	83.43	8.47
Inventory write-down	81.54	(10.19)
Bad Debts Written off/Impairment of receivables	667.64	82.85
Unrealized foreign exchange loss/(gain)	316.37	(116.82)
Provision no longer required written back	(50.14)	19.64
Interest on borrowings and dividend on redeemable preference shares	11,095.77	30,966.34
Interest income	(45.91)	(44.40)
Exceptional items	(933.22)	(541.13)
Operating profit/(loss) before working capital changes	300.03	(3,902.11)
Movements in working capital:		
Increase/(Decrease) in trade payables and other liabilities	(18.97)	(2,385.07)
Decrease/(Increase) in trade receivables and other assets	(6.94)	1,645.30
Decrease/(Increase) in inventories	915.46	268.88
Cash generated from/(used in) operations	1,269.63	(4,276.01)
Direct taxes paid (net of refunds)	35.08	(59.03)
Net cash flow from / (used in) operating activities (A)	1,304.71	(4,335.04)
Cash Flow from investing activities		
Purchase of fixed assets including Intangible Assets net of exchange difference on translation of	(5.20)	(8.89)
Proceed from sale of fixed assets/intangible assets net of translation impact	13,955.12	2,049.46
Proceed from sale /maturity of current investment	0.41	-
Interest received	45.05	43.76
Net cash flow from / (used in) investing activities (B)	13,995.38	2,064.33

	Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs. millions
Cash Flow from financing activities		
Repayment of short term borrowings/Proceeds from short term borrowings	(14,695.09)	1,075.60
Interest paid/Effect of translation of interest on Foreign Currency Loans	-	1,458.86
Net cash used in/from financing activities (C)	(14,695.09)	2,534.46
Net increase / (decrease) in cash and cash equivalents (A+B+C)	606.02	261.79
Effect of exchange differences on cash and cash equivalents held in foreign currency	(0.02)	0.01
Cash and cash equivalents at the beginning of the year	879.05	617.26
Cash and cash equivalents at the end of the year	1,485.03	879.03
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per above comprise of the following		
	31st March 2023	31st March 2022
Cash and cash equivalents (note 5 (d) & (e)) *	1,485.03	879.03
Balance as per statement of cash flows	1,485.03	879.03

* Includes Restricted Cash balance

9/55

8.77



Consolidated Notes:

- (i) The above audited financial results were reviewed and recommended by the Audit Committee and taken on record by the Board of Directors of the Company at their meeting held on 24th May 2023
- (ii) The statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 (IND AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting principles and policies to the extent applicable.
- (iii) In respect of Non-Current Assets held for sale, the Company sold and delivered its drillship along with inventory during last quarter of FY 2022-23 after impairing it to the sale value as per the Sale and Purchase agreement.
- (iv) Pursuant to the notice issued under the SARFAESI Act by one of the secured lenders has taken possession of the windmill land and is in the process of being auctioned. In view of this probable auction sale, the said land has been re-classified as Non-current asset held for sale as on 31st March 2023.
- (v) In view of the probable auction of the windmill land by the secured lenders, the wind energy business of the Company has been discontinued effective January 2023 and disclosure made in accordance with IND AS 105 "Non-current Assets Held for Sale and Discontinued Operations"
- (vi) The Company has charged for expected credit loss allowance for the trade receivables of Rs. 667.64 Million (Previous year: Rs.82.85 million) as per Ind AS 109 "Financial Instruments"
- (vii) Information pursuant to Regulation 52(6)(b) of the Listing Regulations are below:
 - i) Free Reserves as on 31st March 2023 is (Rs.27,287.44) Million.
 - ii) Securities Premium account balance as on 31st March 2023 is Rs.17,800.78 Million.
 - iii) The Company hasn't redeemed its Non-Convertible Redeemable Preference Shares on due dates
- (viii) The Company is engaged primarily in the business of Offshore Drilling Services. The Wind Energy Division has been discontinued and does not meet the quantitative threshold as per Ind AS 108. Accordingly, there is no requirement of segment reporting as per the said Accounting Standard.



(ix) The Standalone financial results are as under:

Particulars	Rs. in Millions				
	Quarter ended 31.03.2023 (Audited)	Quarter ended 31.12.2022 (Unaudited)	Quarter ended 31.03.2022 (Audited)	Year ended 31.03.2023 (Audited)	Year ended 31.03.2022 (Audited)
Total Income (includes other income)	224.35	199.54	277.05	908.96	955.41
Profit before tax	(1,031.45)	(233.30)	(538.80)	(1,011.38)	(1,003.21)
Profit/(loss) after tax	(1,301.78)	(248.25)	(517.69)	(1,157.49)	(1,053.79)

(x) The Standalone financial results of the Company for the aforesaid period can be viewed on its website at www.abanoffshore.com

Place: Chennai
Date: 24th May 2023



For and on behalf of the Board



C.P. Gopalkrishnan
By: Managing Director & CFO

1. Pursuant to the requirements of SEBI circular dt: 22nd Oct 2019, the Company has listed Non-Convertible Cumulative Redeemable Preference Shares (Regulation 52(4) of Securities Additional Information pursuant to Regulation 52 (4) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended based on Consolidated financial results as at and for the year ended 31st March 2023.

Consolidated

Ratio	Numerator	Denominator	Quarter Ended 31.03.2023	Quarter Ended 31.12.2022	Quarter Ended 31.03.2022	Year Ended 31.03.2023	Year Ended 31.03.2022
Current Ratio (in times)	Total Current Assets	Total Current Liabilities	0.03	0.04	0.04	0.03	0.04
Debt-Equity Ratio (in times)	Debt consists of borrowings & lease liabilities	Total Equity	-ve	-ve	-ve	-ve	-ve
Non-Convertible Cumulative Redeemable Preference Shares (Qty / value)			281 Million/ 2,810.00	281 Million/ 2,810.00	281 Million/ 2,810.00	281 Million/ 2,810.00	281 Million/ 2,810.00
Capital Redemption Reserve (Rs. in Million)			2,810.00	2,810.00	2,830.00	2,810.00	2,810.00
Debt Service Coverage Ratio (in times)	Earning for Debt Serv-ice = Net Profit after Taxes + Non-Cash Operating Expenses + Interest + Other non-cash adjustments	Debt Service = Interest & Lease Payments + Principal Repayments	-ve	-ve	0.08	-ve	0.10
Return on Equity Ratio (in %)	Profit for the year less Preference Dividend (if any)	Average Total Equity	N.A.	N.A.	N.A.	N.A.	N.A.
Trade Receivables Turnover Ratio (in times)	Revenue from Operations	Average Trade Receivables	0.20	0.17	0.24	1.07	1.15
Trade Payables Turnover Ratio (in times)	Cost of Equipment and software less depreciation	Average Trade Payables	0.12	0.07	0.15	0.89	0.68
Net Capital Turnover Ratio (in times)	Revenue from Operations	Average Capital Employed	-ve	-ve	-ve	-ve	-ve
Net Profit Ratio	Profit for the year	Revenue from Operations	-ve	-ve	-ve	-ve	-ve
Return of Capital Employed (in %)	Profit before tax and finance costs	Capital Employed = Networth + Lease Liabilities + Deferred Tax Liabilities	-ve	-ve	-ve	-ve	-ve
Return on Investment (in %)	Income generated from invested funds	Average invested funds in Treasury Investments	N.A.	N.A.	N.A.	N.A.	N.A.

Place : Chennai
Date: 24th May 2023

for and on behalf of the board



C.P. Gopalakrishnan
Managing Director & CFO

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted alongwith Annual Audited Financial Results- Consolidated

Statement on Impact of Audit Qualifications for the Financial Year ended 31st March 2023

[See Regulation 33/52 of the SEBI (LODR) (Amendment) Rules,2016]

I. Consolidated Financial Results

Sl.No	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
		(Rs. Millions)	(Rs.Millions)
1.	Turnover/Total income	5,310.58	5,310.58
2.	Total Expenditure	16,843.75	Not ascertainable (Refer Note II(e) (ii) below
3.	Net Profit/(Loss) for the year	(10,907.47)	Not ascertainable (Refer Note II(e) (ii) below
4.	Earnings Per Share (Rs.)	(186.90)	Not ascertainable (Refer Note II(e) (ii) below
5.	Total Assets	17,401.18	Not ascertainable (Refer Note II(e) (ii) below
6.	Total Liabilities	240,368.89	Not ascertainable (Refer Note II(e) (ii) below
7.	Net Worth	(195,854.50)	Not ascertainable (Refer Note II(e) (ii) below
8.	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil

II. Audit Qualifications (each qualification separately)

(a) Details of Disclaimer of Opinion:

In case of wholly owned subsidiary of the company "Aban Holdings Pte Ltd" Singapore along with its subsidiaries and associates whose consolidated Financial Statements have been audited by other auditors "CLA Global TS Public Accounting Corporation, Public Accountants and Chartered Accountants, Singapore" have not expressed opinion on the consolidated financial statements for the year ended 31st March, 2023 which is reproduced as under:



Basis for Disclaimer of Opinion

Going concern

As disclosed in Note 2.1 to the financial statements, in preparing the financial statements, the Board of Directors have considered the operations of the Group and the Company as going concerns notwithstanding that the Group incurred a net loss of US\$120,270,000 for the financial year ended 31 March 2023, and as at that date, the Group and the Company were in net current liabilities position of US\$2,697,399,000 and US\$2,547,128,000 respectively. The Group and the Company were also in net liabilities position of US\$2,609,862,000 and US\$1,881,819,000 respectively as at 31 March 2023.

As disclosed in Note 19 to the financial statements, the Group's rigs with carrying amount of US\$30,899,000 has been pledged as security for the borrowings of the Group and the Company amounted to US\$1,763,551,000 and US\$1,643,394,000 respectively.

In addition, the Group and the Company have defaulted on payment of their borrowings which have fallen due and have breached the covenants of their borrowings which give the lenders the right to demand the related borrowings be due and payable immediately. The lenders had issued recall notices to the Group and the Company. Management had reclassified these borrowings of the Group and the Company, with original repayment terms beyond 12 months from the balance sheet date as current liabilities.

The above conditions indicate the existence of material uncertainties which may cast significant doubt on the Group's and the Company's ability to continue as going concerns. Nevertheless, the Board of Directors believes that the use of the going concern assumption on the preparation of the financial statements of the Group and the Company for the financial year ended 31 March 2023 is still appropriate after taking into consideration that, as at the date of this report, the Group has sold and delivered to the buyers seven rigs except for one rig under operation during the financial year ended 31 March 2023, and are in discussions with its lenders to obtain approval for and implementation of an appropriate debt resolution plan for the Group.

The ability of the Group and the Company to continue in operational existence in the foreseeable future and to meet their financial obligations as and when they fall due are dependent on the actions and measures undertaken as disclosed above and it is uncertain whether the Group and the Company will raise further funds through any fund-raising exercises. Therefore, we were unable to obtain sufficient audit evidence to be able to form an opinion as to whether the going concern basis of preparation of the accompanying financial statements of the Group and the Company is appropriate.

If the Group and the Company are unable to continue in operational existence in the foreseeable future, the Group and the Company may be unable to discharge their liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets, in particularly the rigs of the Group, may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at



which they are currently recorded in the balance sheets. In addition, the Group and the Company may have to reclassify non-current assets and liabilities to current assets and liabilities respectively. The financial statements do not include any adjustment which may arise from these uncertainties.

2. Incompleteness of bank confirmations

We were unable to obtain bank confirmations to confirm the Group's bank balances of US\$44,000 as well as the bank borrowings of the Group and the Company amounted to US\$1,763,551,000 and US\$1,643,394,000 respectively as at 31 March 2023.

There were also no practicable audit procedures available to us to confirm or verify these balances and transactions. As a result, we were unable to ascertain the accuracy and completeness of the aforesaid bank balances and bank borrowings. In addition, we were unable to verify the completeness of the Group's and the Company's transactions with the banks for the aforesaid bank balances and bank borrowings. Consequently, we were unable to determine whether any adjustments and disclosures might have been found necessary in respect of unrecorded and/or undisclosed transactions, facilities and information with the banks in the financial statements.

3. Investments in subsidiary corporations and amounts due from subsidiary corporation and immediate and ultimate holding corporation

As disclosed in Note 16 to the financial statements, the Company's carrying amount of the investments in subsidiary corporations as at 31 March 2023 amounted to US\$520,337,000. Management has determined that no objective evidence or indication that the carrying amount of the investments in subsidiary corporations may not be recoverable, accordingly no impairment assessment is required.

As disclosed in Notes 16 and 25 to the financial statements, the amounts due from subsidiary corporations and the immediate and ultimate holding corporation as at 31 March 2023 amounted to US\$136,125,000 and US\$8,847,000 respectively. Management has determined that no impairment is required as there was no significant increase in credit risk.

Based on the latest financial performance and financial position of the subsidiary corporations and immediate and ultimate holding corporation as well as other information made available to us, we were unable to obtain sufficient appropriate audit evidence in respect of the management's assessment of the recoverability of the investments in subsidiary corporations and the expected credit losses associated with the amounts due from subsidiary corporations and the immediate and ultimate holding corporation as at 31 March 2023. Consequently, we were unable to determine whether any adjustments might have been found necessary in respect of the carrying amounts of the investment in subsidiary corporations and amounts due from subsidiary corporations and the immediate and ultimate holding corporation as at 31 March 2023.



In the case of the Parent Company, the Statutory Auditors have given a qualified opinion on the matter of non-receipt of confirmation of bank account balances and term loans in their Report on the Standalone financial statements of ABAN OFFSHORE LIMITED for the year ended 31st March 2023, which is reproduced below:

"Basis for Qualified Opinion

-Non-receipt of confirmation of bank account balances including loan accounts as stated below:

- Bank Balances including Deposits INR 16.28 million
- Term Loans including Non-Convertible Redeemable Preference Shares INR 6,737.19 million

In view of the non-confirmation of bank and loan balances, we are not in a position to ascertain and comment on the correctness of the abovementioned outstanding balances and the resultant impact of the same on the standalone financial statements of the Company.

a. Type of Audit Qualification	Disclaimer of opinion/Qualified opinion
b. Frequency of Qualification	Each year for the foreign subsidiary /first year qualified report for Standalone
c. For Audit Qualification(s) where impact is quantified by the auditors, Management's views:	Not quantified by auditors
d. For Audit Qualification(s) where the impact is not quantified by the auditors:	Cannot be quantified
<p>i. Management's estimation on the impact of audit qualification</p>	
<p>ii. If Management is unable to estimate the impact, reasons for the same</p>	<p>The disclaimer of opinion is on preparation of the financial statements, the Management has considered the operations of the Group and the Company as going concerns notwithstanding that the Group and the Company have incurred net loss; the Group and the Company defaulting on payment of borrowings that have become due for payment and breach of certain covenants of the borrowings that have given right to the lenders to demand the borrowings to be paid immediately. They have also expressed existence of material uncertainties on the going concern assumption. The Management believes that the use of the</p>



going concern assumption in the preparation of the financial statements for the financial year ended 31st March 2023 is still appropriate. The Management is in discussions with its lenders to obtain approval for and implementation of an appropriate debt resolution plan.

In view of the foregoing the impact of the disclaimer of opinion cannot be ascertained.

The basis of disclaimer is also on account of

- incompleteness of bank confirmations relating to material bank loan balances and Bank accounts relating deposits and current accounts The impact of this disclaimer cannot be ascertained
- Unable to ascertain recoverability of the carrying amounts of the investments the subsidiary corporations and amounts due from subsidiary corporations and ultimate holding corporation as at 31st March 2023

The Management has determined that there is no objective evidence or indication that the carrying amount of investments in subsidiary corporations may not be recoverable and accordingly no impairment is required. In respect of the amounts due from subsidiary corporations and the ultimate holding company the Management has determined that there is no significant increase in credit risk and no impairment is required.

The statutory auditors of the Parent Company have given qualified report due to non-receipt of confirmations of bank balances, outstanding term loans and Non-convertible Redeemable Preference Shares and the impact of this qualification cannot be quantified.



(iii). Auditors' comments on (i) and (ii) above	Refer the Basis of Disclaimer and the qualified opinion in the auditors' report dated May 24,2023 in the Consolidated financial results of the Group for the year ended March 31,2023. No further comments.
---	---

III.

	Signatories:
Managing Director	 
Dy. Managing Director & Chief Financial Officer	 
Audit Committee Chairman	 
Statutory Auditors	 

Place: Chennai

Date: 24th May 2023