
Walker Chandiook & Co LLP

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

To the Board of Directors of Asian Energy Services Limited

Opinion

1. We have audited the accompanying standalone annual financial results ('the Statement') of **Asian Energy Services Limited** ('the Company') for the year ended **31 March 2024**, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations; and
 - (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 ('the Act'), read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the standalone net profit after tax and other comprehensive income and other financial information of the Company for the year ended 31 March 2024.

Basis for Opinion

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



Responsibilities of Management and Those Charged with Governance for the Statement

4. This Statement has been prepared on the basis of the standalone annual financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Company in accordance with the Ind AS specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
5. In preparing the Statement, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
8. As part of an audit in accordance with the Standards on Auditing, specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place an adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
 - Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and



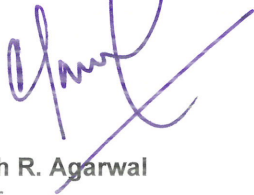
Asian Energy Services Limited
Independent Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

11. The Statement includes the financial results for the quarter ended 31 March 2024, being the balancing figures between the audited figures in respect of the full financial year ended 31 March 2024 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to limited review by us.

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



Rakesh R. Agarwal
Partner
Membership No. 109632

UDIN: 24109632BKFBHQ9593

Place: Mumbai
Date: 03 May 2024



STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2024

(INR in lakhs unless otherwise stated)

| Sr. No. | Particulars | Quarter ended | | | Year ended | |
|---------|--|---------------------------------|--|---------------------------------|----------------------------|----------------------------|
| | | 31 March 2024 (Refer note 4) | 31 December 2023 (Unaudited) (Refer note 11) | 31 March 2023 (Refer note 4) | 31 March 2024 (Audited) | 31 March 2023 (Audited) |
| 1 | Income | | | | | |
| | (a) Revenue from operations | 11,872.72 | 9,483.29 | 2,860.87 | 30,506.40 | 10,987.03 |
| | (b) Other income | 64.47 | 62.53 | 152.14 | 455.94 | 385.49 |
| | Total income (a+b) | 11,937.19 | 9,545.82 | 3,013.01 | 30,962.34 | 11,372.52 |
| 2 | Expenses | | | | | |
| | (a) Project related expense | 8,273.64 | 6,897.23 | 2,006.61 | 22,091.59 | 7,499.03 |
| | (b) Changes in inventories of finished goods | (4.64) | (5.92) | - | (29.01) | - |
| | (c) Employee benefits expense | 658.42 | 695.37 | 561.50 | 2,623.23 | 2,821.13 |
| | (d) Finance costs | 38.02 | 51.23 | 40.77 | 178.39 | 247.77 |
| | (e) Depreciation, depletion and amortisation expense | 370.54 | 358.98 | 368.55 | 1,443.49 | 1,776.30 |
| | (f) Other expenses (Refer note 6) | 455.49 | 339.42 | 404.44 | 1,474.61 | 1,764.57 |
| | Total expenses (a+b+c+d+e+f) | 9,791.47 | 8,336.31 | 3,381.87 | 27,782.30 | 14,108.80 |
| 3 | Profit/ (loss) before exceptional item and tax (1-2) | 2,145.72 | 1,209.51 | (368.86) | 3,180.04 | (2,736.28) |
| 4 | Exceptional item - loss (Refer note 7) | - | - | - | - | (208.50) |
| 5 | Profit/ (loss) before tax (3+4) | 2,145.72 | 1,209.51 | (368.86) | 3,180.04 | (2,944.78) |
| 6 | Tax expense/ (credit) | | | | | |
| | (a) Current tax | 62.52 | 5.72 | - | 68.24 | - |
| | (b) Deferred tax charge/ (credit) | 393.52 | (152.02) | - | 241.50 | (16.92) |
| | Total tax expense/ (credit) (a+b) | 456.04 | (146.30) | - | 309.74 | (16.92) |
| 7 | Net profit/ (loss) after tax for the period (5-6) | 1,689.68 | 1,355.81 | (368.86) | 2,870.30 | (2,927.86) |
| 8 | Other comprehensive income/ (loss) | | | | | |
| | (a) Items not to be reclassified subsequently to profit or loss (net of tax) | | | | | |
| | - Remeasurement gain/ (loss) of defined benefit liability | (3.84) | 1.00 | 84.34 | 13.10 | 59.74 |
| | - Changes in fair value of investments through other comprehensive income | - | - | - | - | 23.42 |
| | (b) Items to be reclassified subsequently to profit or loss | - | - | - | - | - |
| | Total other comprehensive income/ (loss) for the period, net of tax | (3.84) | 1.00 | 84.34 | 13.10 | 83.16 |
| 9 | Total comprehensive income/ (loss) for the period, net of tax (7+8) | 1,685.84 | 1,356.81 | (284.52) | 2,883.40 | (2,844.70) |
| 10 | Paid up equity share capital (Face value of INR 10 each) | 4,065.29 | 3,863.78 | 3,769.37 | 4,065.29 | 3,769.37 |
| 11 | Other equity | | | | 23,584.91 | 15,587.17 |
| 12 | Earnings/ (loss) per share (Face value of INR 10 each)^A | | | | | |
| | (a) Basic (in INR) | 4.20 | 3.51 | (0.98) | 7.48 | (7.77) |
| | (b) Diluted (in INR) | 3.97 | 3.30 | (0.98) | 7.30 | (7.77) |
| | (^A Quarterly figures are not annualised) | | | | | |
| | See accompanying notes to standalone financial results. | | | | | |



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| NOTE 1: STANDALONE BALANCE SHEET | | |
|---|--|--|
| | (INR in lakhs) | |
| Particulars | As at 31 March 2024 (Audited) | As at 31 March 2023 (Audited) |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 10,715.52 | 8,720.90 |
| Capital work in progress | 115.72 | - |
| Intangible assets | 0.06 | 3.30 |
| Intangible assets under development | 23.75 | - |
| Right of use assets | 161.17 | 299.13 |
| Financial assets | | |
| Investment in subsidiaries | 673.95 | 673.95 |
| Investment in joint ventures | - | - |
| Investment other than above | 623.42 | 623.42 |
| Loans | 6.45 | 4.65 |
| Other financial assets | 3,197.78 | 1,143.09 |
| Income tax assets (net) | 443.34 | 287.08 |
| Other non-current assets | 392.63 | 253.00 |
| | 16,353.79 | 12,008.52 |
| Current assets | | |
| Inventories | 29.01 | - |
| Financial assets | | |
| Current investments | 340.93 | 1,314.93 |
| Trade receivables | 12,869.21 | 6,558.66 |
| Cash and cash equivalents | 757.98 | 1,663.82 |
| Bank balances other than above | 3,031.91 | 964.98 |
| Loans | - | 916.43 |
| Other financial assets | 518.75 | 254.18 |
| Contract assets (unbilled work in progress) | 2,575.02 | - |
| Other current assets | 1,221.44 | 1,525.64 |
| | 21,344.25 | 13,198.64 |
| Total assets | 37,698.04 | 25,207.16 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Equity share capital (Refer note 8) | 4,065.29 | 3,769.37 |
| Other equity | 23,584.91 | 15,587.17 |
| | 27,650.20 | 19,356.54 |
| Liabilities | | |
| Non-current liabilities | | |
| Financial liabilities | | |
| Borrowings | 94.19 | 259.47 |
| Lease liabilities | 32.50 | 104.29 |
| Provisions | 99.56 | 35.77 |
| Deferred tax liabilities (net) (Refer note 10) | 241.50 | - |
| | 467.75 | 399.53 |
| Current liabilities | | |
| Financial liabilities | | |
| Borrowings | 2,030.17 | 1,653.28 |
| Lease liabilities | 345.15 | 659.47 |
| Trade payables | | |
| - total outstanding dues of micro and small enterprises | 375.54 | 396.90 |
| - total outstanding dues of trade payables other than micro and small enterprises | 6,074.40 | 1,034.25 |
| Other financial liabilities | 149.53 | 194.12 |
| Provisions | 1.21 | 2.02 |
| Other current liabilities | 604.09 | 1,511.05 |
| | 9,580.09 | 5,451.09 |
| Total equity and liabilities | 37,698.04 | 25,207.16 |



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NOTE 2: STANDALONE STATEMENT OF CASH FLOWS

(INR in lakhs)

| Particulars | Year ended | |
|---|----------------------------|----------------------------|
| | 31 March 2024 (Audited) | 31 March 2023 (Audited) |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit/ (loss) before tax | 3,180.04 | (2,944.78) |
| Adjustments for non cash items and items considered separately: | | |
| Depreciation, depletion and amortisation expense | 1,443.49 | 1,776.30 |
| Interest expense | 95.00 | 97.77 |
| Interest income | (222.79) | (348.91) |
| Liabilities/ provision written back | (4.81) | (91.78) |
| Exceptional item - loss (Refer note 7) | - | 208.50 |
| Provision towards doubtful assets | 6.87 | 61.92 |
| Trade receivables written off | 42.11 | - |
| Unrealized (gain)/ loss on foreign currency transactions | (183.21) | 32.65 |
| Gain on mutual fund investments (net) | (49.95) | (14.93) |
| Sundry balances written off | 6.03 | 151.44 |
| Employee stock option expense | 13.85 | 3.23 |
| Operating profit/ (loss) before working capital changes | 4,326.63 | (1,068.59) |
| Adjustments for changes in working capital: | | |
| (Increase)/ Decrease in trade receivables | (6,359.53) | (1,444.00) |
| (Increase)/ Decrease in inventories | (29.01) | - |
| (Increase)/ Decrease in other assets | 166.37 | (601.46) |
| (Increase)/ Decrease in other financial assets | (2,240.38) | (73.14) |
| (Increase)/ Decrease in contract assets | (2,575.02) | 2,099.70 |
| (Investment in)/ redemption of fixed deposits not considered as cash and cash equivalents | (2,066.93) | 1,261.57 |
| Increase/ (Decrease) in trade and other payables | 5,012.42 | (1,382.58) |
| Increase/ (Decrease) in provisions | 76.08 | 20.00 |
| Increase/ (Decrease) in other liabilities | (1,064.62) | 1,434.69 |
| | (9,080.62) | 1,314.77 |
| Cash generated from/ (used in) operating activities | (4,753.99) | 246.18 |
| Refund / (payment) of direct taxes (net) | (222.08) | 53.33 |
| Net cash generated from/ (used in) operating activities | (4,976.07) | 299.51 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment and capital work in progress (including capital creditors and capital advances) | (2,832.97) | (129.49) |
| Purchase of intangible assets (including intangible assets under development) | (23.75) | - |
| Investment in a subsidiary | - | (20.40) |
| Inter-corporate deposits given | - | (1,200.00) |
| Inter-corporate deposits repayment received | 949.26 | 532.83 |
| Investment in mutual funds | (4,700.53) | (1,400.00) |
| Proceeds from redemption of mutual funds | 5,675.47 | 100.00 |
| Loan to a subsidiary | 1.79 | 1.43 |
| Interest income received | 155.76 | 179.12 |
| Net cash used in investing activities | (774.97) | (1,936.51) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Repayment of long-term borrowings | (69.08) | (55.26) |
| Proceeds from long-term borrowings | 37.00 | 80.00 |
| Proceeds from short-term borrowings (net) | 242.86 | 1,155.97 |
| Proceeds from issue of equity shares (including securities premium) | 3,758.22 | - |
| Proceeds from issue of convertible share warrants | 1,227.19 | - |
| Payment of lease liabilities | (261.14) | (477.57) |
| Interest paid on borrowings | (75.51) | (79.17) |
| Interest paid on lease liabilities | (14.34) | (18.60) |
| Net cash generated from financing activities | 4,845.20 | 605.37 |
| Net decrease in cash and cash equivalents (A+B+C) | (905.84) | (1,031.63) |
| Cash and cash equivalents at the beginning of the year | 1,663.82 | 2,695.45 |
| Cash and cash equivalents at the end of the year | 757.98 | 1,663.82 |



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Notes:

- 3 The above standalone financial results (the 'results') are prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India and are in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). These results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 03 May 2024.
- 4 Figures for the quarters ended 31 March 2024 and 31 March 2023 are the balancing figures between the audited figures for the full financial year and published year to date figures upto the third quarter of the relevant financial year, which were subjected to limited review by the statutory auditors.
- 5 The Company publishes standalone financial results along with the consolidated financial results. Accordingly, as per Ind AS 108 'Operating Segments', no disclosures related to the segments are presented in these standalone financial results.
- 6 Other expenses also includes the expenditure incurred towards travel and conveyance, security expenses and legal and professional charges for the projects undertaken by the Company.
- 7 Exceptional item for the year ended 31 March 2023 represents provision created towards loan given to a subsidiary including interest accrued thereon.
- 8 During the quarter ended 31 March 2024, the Company has allotted 109,183 and 1,905,883 equity shares having face value of INR 10 each pursuant to exercise of employee stock options and conversion of share warrants, respectively.
- 9 As at 31 March 2024, the Company has an investment of INR 651.50 lakhs in its wholly owned subsidiary company, Asian Oilfield and Energy Services DMCC ('ADMCC'). Also, the Company has payable of INR 266.46 lakhs to ADMCC. The contract with a major customer of ADMCC was terminated during the previous year and in the current year, ADMCC has incurred losses amounting to INR 476.52 lakhs. While the discussion with the aforesaid customer is still on and ADMCC has legal rights available for claiming its receivables, ADMCC on prudent basis has recognized loss allowance of INR 166.89 lakhs on its net receivables towards such customer during the current year. As at 31 March 2024, the reported net worth of ADMCC is positive however it is not adequate to cover the exposure in terms of investment which the Company is carrying as on that date. ADMCC is in process of entering into new revenue generating contracts which is expected to generate sufficient profits and cash flows in the forthcoming years. Also, ADMCC has certain capital assets that are completely depreciated but because of their utility, these assets have a value that is higher than the salvage amount. Basis above facts along with other relevant assessment carried out by the management of ADMCC, Company believes that the reported net worth of ADMCC as at 31 March 2024 is not reflective of its future financial position as the execution of new contracts and recovery of receivables shall further enhance ADMCC's net worth. The Company's management is confident of realizing the value of its investments in ADMCC and accordingly no impairment has been recognised in the standalone financial results.
- 10 Deferred tax liabilities as at 31 March 2024 mainly represents temporary difference, reversible in future, arising in carrying amount of property, plant and equipment and its corresponding tax base on account of different useful lives followed under respective frameworks.
- 11 Effective 30 June 2023, the Company acquired 50% Participatory Interest in an Oil & Gas field situated at Indrora, Gujarat for a consideration of INR 1,770 lakhs (including taxes). Such acquisition was earlier recognized on a provisional basis as per Ind AS 103 – Business Combinations till 31 December 2023. During the current quarter, the Company has completed the fair valuation exercise in relation to such acquisition and accordingly the earlier reported net profit after tax and total comprehensive income for the quarter ended 31 December 2023 has now been restated by INR 103.00 lakhs and INR 103.00 lakhs, respectively.

For Asian Energy Services Limited



Kapil Garg
Managing Director
DIN: 01360843

Place: Mumbai
Date: 03 May 2024

