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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 (formerly, Asian Oilfield Services Limited)

Opinion

1. We have audited the accompanying standalone annual financial results ('the Statement') of **Asian Energy Services Limited (formerly, Asian Oilfield Services Limited)** ('the Company') for the year ended **31 March 2021**, 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'), including relevant circulars issued by the SEBI from time to time.
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 applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the standalone net profit after tax and other comprehensive loss and other financial information of the Company for the year ended 31 March 2021.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') 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 statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

4. We draw attention to:

- a) Note 3 to the accompanying Statement regarding recoverability of amounts withheld towards non-performance of obligations for certain projects awarded to the Company. The Company's management has assessed the tenability of its claims and submissions made to these customers and based on the legal advice obtained, management is of the view that the amounts withheld are recoverable, and accordingly, no adjustments have been made to the accompanying Statement.
- b) Note 4 to the accompanying Statement, which describes the impact of COVID-19 pandemic on the Company's operations. In view of the uncertainties in the economic environment due to the outbreak of COVID-19 pandemic, the impact on the financial position and performance of the Company is dependent on the future developments as they evolve.

Our opinion is not modified in respect of above matters.

Responsibilities of Management and Those Charged with Governance for the Statement

5. This Statement has been prepared on the basis of the standalone annual audited 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 accounting principles generally accepted in India, including Ind AS 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
6. In preparing the Statement, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

8. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

9. As part of an audit in accordance with the Standards on Auditing, 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 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 management.
 - Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

12. The Statement includes the financial results for the quarter ended 31 March 2021, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us.

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

Rakesh R. Agarwal
Partner
Membership No:109632

UDIN:21109632AAAAFZ2690

Place: Mumbai
Date: 19 June 2021

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2021

Sr. No.	Particulars	INR in lakhs unless otherwise stated				
		Quarter ended			Year ended	
		31 March 2021 (Unaudited) (Refer Note 1)	31 December 2020 (Unaudited)	31 March 2020 (Unaudited) (Refer Note 1)	31 March 2021 (Audited)	31 March 2020 (Audited)
1	Income					
	(a) Revenue from operations	8,594.79	3,160.33	2,734.13	14,074.84	6,449.81
	(b) Other income (Refer note 8)	59.72	102.08	726.36	1,165.38	1,144.43
	Total income (a+b)	8,654.51	3,262.41	3,460.49	15,240.22	7,594.24
2	Expenses					
	(a) Oilfield services related expense	4,922.10	2,248.73	891.45	8,295.01	2,487.61
	(b) Employee benefits expense	592.74	389.83	195.09	1,381.14	936.15
	(c) Finance costs	18.89	30.32	79.93	76.02	323.81
	(d) Depreciation and amortisation expense	381.84	336.83	249.31	1,357.55	1,329.29
	(e) Other expenses (Refer note 7)	373.89	353.30	505.63	1,078.91	1,218.03
	Total expenses (a+b+c+d+e)	6,289.46	3,359.01	1,921.41	12,188.63	6,294.89
3	Profit/ (loss) before exceptional items and tax (1-2)	2,365.05	(96.60)	1,539.08	3,051.59	1,299.35
4	Exceptional items (Refer note 5)	-	-	(176.74)	(887.17)	(829.14)
5	Profit/ (loss) before tax (3+4)	2,365.05	(96.60)	1,362.34	2,164.42	470.21
6	Tax expense (Refer note 9)	-	-	-	-	-
7	Net profit/ (loss) for the period (5-6)	2,365.05	(96.60)	1,362.34	2,164.42	470.21
8	Other comprehensive income/ (loss)					
	(a) Items not to be reclassified subsequently to profit or loss (net of tax)					
	- Gain/ (loss) on fair value of defined benefit plans	(1.86)	(0.06)	(3.31)	(2.04)	(0.23)
	(b) Items to be reclassified subsequently to profit or loss	-	-	-	-	-
	Total other comprehensive income/ (loss) for the period, net of tax	(1.86)	(0.06)	(3.31)	(2.04)	(0.23)
9	Total comprehensive income for the period, net of tax (7+8)	2,363.19	(96.66)	1,359.03	2,162.39	469.98
10	Paid up equity share capital (Face value of INR 10 each)	3,769.37	3,769.37	3,769.37	3,769.37	3,769.37
11	Other equity (excluding revaluation reserve)				12,307.30	10,116.58
12	Earnings per share (Face value of INR 10 each)					
	(a) Basic (not annualised) (in INR)	6.27	(0.26)	3.61	5.74	1.24
	(b) Diluted (not annualised) (in INR)	6.26	(0.26)	3.60	5.73	1.24
	See accompanying notes to the standalone financial results					

STANDALONE STATEMENT OF ASSETS AND LIABILITIES

INR in lakhs

Particulars	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	10,588.71	6,184.12
Intangible assets	53.39	76.73
Right of use assets	294.96	577.03
Investments in subsidiaries	653.55	653.55
Financial assets		
Loans	354.24	174.67
Other financial assets	488.13	1,166.07
Income tax assets (net)	460.59	1,594.02
Other non-current assets	44.15	0.86
	12,937.72	10,427.05
Current assets		
Inventories	-	1.61
Financial assets		
Trade receivables	5,929.72	2,262.24
Cash and cash equivalents	543.74	353.40
Bank balances other than above	114.81	2,001.92
Loans	109.91	4.49
Other financial assets	26.46	203.99
Other current assets	4,959.30	1,555.79
	11,683.94	6,383.44
Total assets	24,621.66	16,810.49
EQUITY AND LIABILITIES		
Equity		
Equity share capital	3,769.37	3,769.37
Other equity	12,307.30	10,116.58
	16,076.67	13,885.95
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	217.95	-
Other financial liabilities	43.91	624.38
Other non-current liabilities	-	100.64
Provisions	21.05	10.62
	282.91	735.64
Current liabilities		
Financial liabilities		
Trade payables		
- total outstanding dues of micro and small enterprises	1.93	6.52
- total outstanding dues of creditors other than micro and small enterprises	3,903.00	427.95
Other financial liabilities	4,251.68	1,662.85
Other current liabilities	102.35	88.96
Provisions	3.12	2.62
	8,262.08	2,188.90
Total equity and liabilities	24,621.66	16,810.49

See accompanying notes to the standalone financial results

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021				INR in lakhs	
Particulars	Year ended 31 March 2021 (Audited)		Year ended 31 March 2020 (Audited)		
A. CASH FLOW FROM OPERATING ACTIVITIES					
Profit before tax		2,164.42			470.21
Adjustments for non cash items and items considered separately					
Depreciation and amortisation expense	1,357.55		1,329.29		
Interest expense	14.36		208.10		
Interest on lease liability	35.26		80.52		
Interest income	(355.11)		(334.94)		
Dividend income from subsidiary	(748.00)		(745.35)		
Liabilities/ provision written back	(132.38)		(0.97)		
Profit on sale of property, plant and equipment (net)	-		(21.95)		
Provision towards doubtful trade receivable and other assets (Current and Non current)	4.27		284.26		
Unrealized (gain)/ loss on foreign currency transactions	(38.34)		38.67		
Amortisation of security deposits received	-		(14.38)		
Sundry balances written off	-		18.25		
Expenses disclosed as exceptional items	887.17		829.14		
Write down of inventories	1.61		15.00		
Provision for employee stock option expense	28.33	1,054.72	32.88	1,718.52	
Operating profit before working capital changes		3,219.14			2,188.73
Adjustments for changes in working capital:					
(Increase)/ Decrease in trade receivables	(3,671.75)		1,804.06		
(Increase)/ Decrease in inventories	-		52.78		
(Increase)/ Decrease in other current and other non current assets	(3,445.90)		(1,576.31)		
Investment in/ (redemption of) fixed deposits	1,407.74		420.45		
Increase/ (Decrease) in trade and other payables	3,602.85		(2,179.18)		
Increase/ (Decrease) in provisions	8.90		(506.39)		
Increase/ (Decrease) in other liabilities	(709.34)		658.69		
		(2,807.51)			(1,325.92)
Cash generated from operating activities		411.63			862.81
Refund/ (payment) of direct taxes (net)		1,335.55			(345.45)
Net cash generated from operating activities		1,747.18			517.36
B. CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment (including capital creditors and capital advances)	(2,679.60)		(1,420.61)		
Proceeds from disposal of property, plant and equipment	-		27.03		
Purchase of Intangible assets	(2.87)		-		
Investment in subsidiary	-		(0.51)		
Interest received	321.77		430.60		
Dividend received from subsidiary	748.00		745.35		
Loans given to related parties	-		(1.70)		
Repayment of loans by related parties	-		1,827.57		
Net cash generated from / (used in) investing activities		(1,612.70)			1,607.74
C. CASH FLOW FROM FINANCING ACTIVITIES					
Repayment of long-term borrowings	(10.49)		(556.44)		
Proceeds from long-term borrowings	258.36		-		
Inter corporate deposit taken	-		1,605.00		
Inter corporate deposit repaid	-		(2,045.00)		
Payment of lease liability and interest (net)	(122.66)		(242.12)		
Purchase of treasury shares	-		(294.06)		
Interest paid	(69.35)		(308.03)		
Net cash generated from / (used in) financing activities		55.86			(1,840.65)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)		190.34			284.45
Cash and cash equivalents at the beginning of the year		353.40			68.95
Cash and cash equivalents at the end of the year		543.74			353.40
See accompanying notes to the standalone financial results					

Notes:

- 1 The above standalone financial results for the quarter and year ended 31 March 2021 have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. Figures for the quarters ended 31 March 2021 and 31 March 2020 are the balancing figures between the audited financial statements for the years ended on that date and the year to date figures up to the end of third quarter of the respective financial year.
- 2 The Audit Committee has reviewed the standalone financial results for the quarter and year ended 31 March 2021 and the Board of Directors have approved the same, in their respective meetings held on 19 June 2021.
- 3 Trade receivables (current) as at 31 March 2021, includes an amount of INR 424.79 lakhs (31 March 2020: INR 424.79 lakhs) representing amounts withheld by the customers towards certain projects. At present, the Company is in the process of pursuing such matters with the customers through amicable settlement process for an amount of INR 192.87 lakhs. Further, for an amount withheld by a customer to the extent of INR 231.92 lakhs, the Company is reasonably confident of having completed its ultimate performance obligations within the agreed completion timelines specified in the contract. Considering the tenability of terms of contract with the customers, progress of negotiations/ discussions and legal advice obtained in respect of the aforesaid matters, the management is confident of recovery of these receivables and accordingly believes that no further adjustments are required to these standalone results.
- 4 The Management and the Board of Directors have assessed the possible effects of COVID-19 pandemic including those arising on account of current wave, on the Company's liquidity position for the next financial year and the carrying values of Company's assets comprising of property, plant and equipment, trade receivables and other assets as at 31 March 2021, and has concluded that no material adjustments are required to these standalone results. The impact assessment of COVID-19 is an ongoing process and the Company will continue to monitor any material changes to future economic conditions, as and when they arise.
- 5 Exceptional items represent :

Particulars	Quarter ended			Year ended	
	31 March 2021	31 December 2020	31 March 2020	31 March 2021	31 March 2020
Other financial assets (non-current) written off on account of settlement with a customer	-	-	-	(887.17)	-
Impairment of contract assets (unbilled revenue)	-	-	(176.74)	-	(578.34)
Advances to suppliers impaired/ written off	-	-	-	-	(250.80)
Total (expense)/ income	-	-	(176.74)	(887.17)	(829.14)

- 6 The Company is primarily engaged into business of providing services in Energy sector including oilfield services. The Chief Operating Decision Maker (CODM) reviews the Company's performance as a single business segment. There being only one segment, separate disclosure for segment is not applicable.
- 7 Other expenses includes the expenditure incurred towards travel and conveyance, security expenses, legal and professional charges and repairs and maintenance cost for the projects undertaken by the Company.
- 8 Other income for the years ended 31 March 2021 and 31 March 2020 includes dividend income of INR 748.00 lakhs and INR 745.35 lakhs respectively, received from one of the wholly owned subsidiaries.
- 9 During the year, the Company has elected to exercise the option permitted under section 115 BAA of the Income Tax Act, 1961 as introduced through 'The Taxation Laws (Amendment) Act, 2019'.

For Asian Energy Services Limited (formerly known as Asian Oilfield Services Limited)

Ashutosh Kumar

Digitally signed by Ashutosh Kumar
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Ashutosh Kumar
Whole Time Director and CEO
DIN: 06918508

Place: Mumbai
Date: 19 June 2021