



**aban**  
Offshore Limited



## DISCLAIMER

This document contains statements about expected future events and financial and operating results of **Aban Offshore Limited**, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Aban Offshore Limited Annual Report 2016-17.

## CONTENTS

02	Corporate Information
03	Notice
10	Management discussion and analysis
14	Managing Director's review
24	Directors' Report
51	Corporate Governance
70	Financials
173	10 Year Highlights





*"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	-	Director
Subhashini Chandran	-	Director
Pradeep Kumar Khosla	-	Nominee Director of SBI (w.e.f.22-03-2017)
P. Venkateswaran	-	Deputy Managing Director
C.P. Gopalkrishnan	-	Deputy Managing Director & Chief Financial Officer
S.N.Balaji	-	Asst. General Manager (Legal) & Secretary

## AUDIT COMMITTEE

P. Murari	-	Chairman
K. Bharathan	-	Member
P. Venkateswaran	-	Member
Ashok Kumar Rout	-	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
Deepa Reji Abraham	-	Member
Subhashini Chandran	-	Member

## STATUTORY AUDITORS

### FORD RHODES PARKS & CO. LLP

Chartered Accountants  
Sakthi Towers III  
E 1 & E2, Sixth Floor  
766, Anna Salai, Chennai – 600 002.

## BANKERS

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  
ORIENTAL BANK OF COMMERCE  
PUNJAB NATIONAL BANK  
STATE BANK OF INDIA  
SYNDICATE BANK  
THE LAKSHMI VILAS BANK LTD  
UNION BANK OF INDIA

## REGISTERED OFFICE

“Janpriya Crest”  
113 Pantheon Road  
Egmore  
Chennai 600 008.  
CIN : L01119TN1986PLC013473  
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 Thirty First Annual General Meeting of the Members of **ABAN OFFSHORE LIMITED** will be held on Monday, 11<sup>th</sup> September, 2017 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 financial statements, namely (i) the Audited Balance Sheet as at 31st March, 2017(ii) the Audited Profit and Loss Account for the year ended on that date, (iii) cash flow statement for the financial year ended on that date (iv) statement of changes in Equity, if any (v) an Explanatory statement annexed to, or forming part of the documents referred to in (i) to (iv) above together and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. C.P.Gopalkrishnan (DIN: 00379618) who retires by rotation and being eligible offers himself for reappointment.
3. To appoint M/s. P.Murali & Co., Chartered Accountants, as Statutory Auditors of the Company and fix their remuneration and in this connection to consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**.

**“RESOLVED THAT** M/s P. Murali & Co., Chartered Accountants, (Firm Registration No. 007257S) be and are hereby appointed as the Statutory Auditors of the Company to hold office from the Conclusion of this Annual General Meeting(“AGM”)till the conclusion of Thirty Second AGM to be held in the year 2018 to conduct the audit on a remuneration as may be paid on a progressive billing basis to be agreed between the Statutory Auditors and the Board or any Committee thereof.”

### SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:  
**“RESOLVED THAT** pursuant to the provisions of Sections 196,197 and 203 and other applicable provisions and rules, if any,of the Companies Act, 2013 read with Schedule V to the Act and subject to approval of Central Government, consent of the Company be and is hereby accorded for re-appointment of Mr. Reji Abraham (DIN: 00210557) as Managing Director of the Company for a period of 5 years with effect from 26.09.2017 to 25.09.2022 on the terms and conditions with respect to remuneration as under:

A. Remuneration

#### a) Basic Salary

Between Rs.15 Lacs to Rs.25 Lacs per month

#### b) Perquisites

In addition to the salary payable to Mr. Reji Abraham, he shall also be entitled to perquisites like free furnished accommodation or house rent allowance of 60% of salary and reimbursement of other expenditure or allowances for utilities including furnishing and repair gas electricity and water, medical reimbursement incurred in India and abroad, leave travel concession for self and family, club fees ( this will not include Admission and Life Membership fees) medical personal accident and term insurance and such other perquisites and allowances (for self and family wherever applicable) as per the Company Policy applicable from time to time to the senior management personnel of the company or as may be decided by the Board or Committee of Board from time to time. Such perquisites and allowances will be subject to ceiling limit as may be fixed by the Committee of Directors from time to time.

For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per Income Tax rules wherever applicable. In the absence of any such Rule perquisites and allowances shall be evaluated at such actual cost incurred by the Company in providing such perquisites and allowances. Use of car for official duties and adequate communication facilities at residence shall not be included in the computation of perquisites for the purpose of calculating ceiling

Privilege Leave: On full pay and allowance as per the rules of the company. Encashment of the leave at the end of the tenure will not be included in the computation of ceiling and perquisites. He will also be entitled to Casual and Sick leave as per the rules of the Company.

Company's contribution to Provident Fund, Gratuity, Superannuation/Nation Pension System or Annuity Fund as per the rules of the Company to the extent these either singly or put together are not taxable under the Income Tax Act, 1961

The total remuneration of Mr. Reji Abraham as per the above inclusive of value of perquisites will however be limited to the overall ceiling laid down under section 197 of the Companies Act, 2013 as amended from time to time.”

#### B. Minimum Remuneration

Where in any financial year during the currency of tenure of the Managing Director, the Company has no profits or its profits are inadequate, Managing Director shall be paid remuneration by way of salary and perquisites as specified above.

**“RESOLVED FURTHER THAT** Mr. Reji Abraham shall not retire by rotation during his tenure as Managing Director.”

5. 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."

6. 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 proviso 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 reorganisation 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 / authorised representatives of the Company to give effect to the aforesaid resolution.”

// By Order of the Board//

**S.N.Balaji**

Asst. General Manager (Legal) & Secretary

Chennai – 600 008

Date: May 29, 2017

## NOTES:

- 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 MUST BE DULY FILLED, STAMPED, SIGNED AND SHOULD BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, PARTNERSHIP FIRMS ETC MUST BE SUPPORTED BY APPROPRIATE RESOLUTION/AUTHORITY AS APPLICABLE ISSUED ON BEHALF OF THE APPOINTING ORGANIZATION.**
- 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. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or member. In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- The Register of Members and the Share Transfer Books of the Company will remain closed from 04.09.2017 to 11.09.2017 (both days inclusive).
- Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating the Special Business to be transacted at the Meeting is annexed hereto
- 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.
- 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.
- 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.
- 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.

9. 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 2008 – 09 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. The details of unclaimed dividends are available on the Company's website at [www.abanoffshore.com](http://www.abanoffshore.com) and Ministry of Corporate Affairs at [www.mca.gov.in](http://www.mca.gov.in).
10. 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.
11. 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.
12. Members desirous of receiving Notice/ Annual Report in electronic form may furnish their e mail id to the Company/RTA.
13. Brief resume of these directors, nature of their expertise in specific functional areas, names of companies in which they hold directorships, memberships and chairmanships in committees, shareholding and relationships between directors inter-se as stipulated in the listing agreement with Stock Exchanges in India are provided in the report on Corporate Governance forming part of the report.
14. 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 be available on the company's website [www.abanoffshore.com](http://www.abanoffshore.com) and also on the website of the Stock Exchanges where the shares of the Company have been listed viz BSE Ltd – [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited – [www.nseindia.com](http://www.nseindia.com)

### **Voting through electronic means**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure

Requirements), Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 31st Annual General Meeting (AGM) by electronic means and business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 8th September, 2017 (9:00 am) and ends on 10th September, 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 4th September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)] :
    - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password.

Note: Shareholders already registered with NSDL for e-Voting will not receive the PDF file "remote e-Voting.pdf".

- (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 noted in step (1) above and Click Login.
- (v) Password /PIN 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.

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).

In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).

- (vi) After successful login, you can change the password with new password of your choice.
- (vii) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (viii) Select "EVEN" of "Aban Offshore Limited".
- (ix) Now you are ready for remote e-voting as Cast Vote page opens.
- (x) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (xi) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xii) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xiii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [scrutinizer@gmail.com](mailto:scrutinizer@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

- B. In case a Member receives physical copy of the Notice of AGM for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

**EVEN (Remote 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.

Member may obtain a User ID and password for casting his /her vote by remote e-voting by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or by contacting NSDL at the toll free no.: 1800-222-990" providing the details such as Demat account no or Folio no, PAN no, etc.

Please note that In case Shareholders are holding shares in demat mode, User ID is the combination of (DPID+ClientID) and in case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).

If you are already registered with NSDL for remote e-voting then you can use your existing User ID and password/PIN for casting your vote.

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user

manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.

- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 4th September, 2017.

- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 4th September, 2017. may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

- XIII. Mr. G. Ramachandran, Practising Company Secretary has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.abanoffshore.com](http://www.abanoffshore.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESS CONTAINED IN THE NOTICE DATED 29.05.2017.**

**Item No.4**

Mr.Reji Abraham was appointed as Managing Director for a period of five years effective 26.09.2012 by the members at the Annual General Meeting held on 21st September, 2012. His term expires on 25.09.2017.

Considering his contributions to the growth and in the best interest of the Company, the Directors at their meeting held on 29.05.2017 recommended the re-appointment of Mr.Reji Abraham as Managing Director for a further period of 5 years from 26.09.2017 to 25.09.2022 as detailed in the resolution. The resolution requires approval of the members and hence the item is placed before the Meeting for approval.

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

The terms of contract and the interest of the Director set out in the resolution and the Explanatory Statement may be treated as the abstract of the Memorandum under Section 190 of the Companies Act, 2013.

**Item No.5**

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, Key Managerial Personnel and their relatives is in any way concerned or interested in the resolution.

**Item No.6**

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,Key Managerial Personnel and their relatives is in any way concerned or interested in the resolution.

// By Order of the Board //

**S.N. Balaji**

Asst. General Manager (Legal) & Secretary

Place : Chennai

Date : May 29, 2017

## ABAN OFFSHORE LIMITED.

ONE OF THE WORLD'S LARGEST  
DRILLING SERVICE PROVIDERS.

RESPECTED FOR ITS MODERN  
ASSETS, SAFETY COMMITMENT  
AND BUSINESS COMPETITIVENESS.



## VISION

TO BE A LEADING GLOBAL OFFSHORE  
COMPANY PROVIDING DRILLING,  
EXPLORATION AND PRODUCTION  
SERVICES TO OUR CLIENTS BY  
CONSISTENTLY ACHIEVING TARGETS  
BEYOND EXPECTATIONS IN A SAFE  
MANNER THROUGH AMALGAMATION  
OF OUR COMPETENT AND MOTIVATED  
PEOPLE, EQUIPMENT AND INNOVATIVE  
EXPERTISE.

## MISSION

- We will be recognised as global leaders, by offering our clients superior service, including experienced, suitable trained and motivated personnel, superiors, reliable and efficient equipment with environmentally-friendly operations.
- We will achieve leadership status by actively encouraging our employees to attain the highest standards of the ethics, honesty and integrity.
- We will foster pride, enthusiasm, creativity and team work 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 our clients and shareholders.



## PEDIGREE

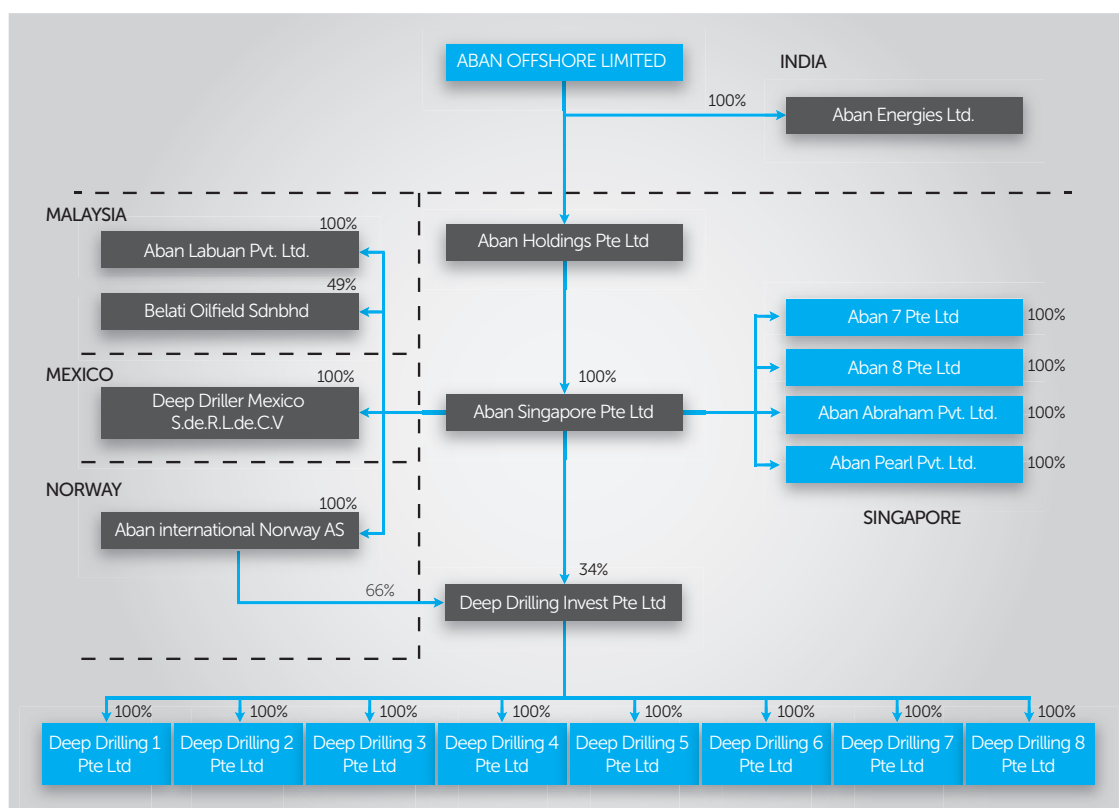
Aban Offshore Limited, promoted by the late M. A. Abraham in 1986, is the flagship company of the Aban Group. The promoter and promoter group's shareholding stood at 46.71 % while market capitalisation stood at Rs. 1,576.91 crore as on 31st March, 2017.

Aban Offshore Limited provides offshore drilling services to global hydrocarbon exploration companies. Aban Offshore has acquired reputation as a quality- and safety-focused organisation partnering some of the biggest hydrocarbon giants. The company possesses 18 offshore assets, comprising 15 jack-up offshore drilling rigs, two drill ships and one floating production unit.

## PRESENCE

The Company is headquartered in Chennai with offices in the United Arab Emirates, Singapore and Norway. The Company's shares are listed and traded on BSE Limited and the National Stock Exchange in India.

## GROUP ARCHITECTURE

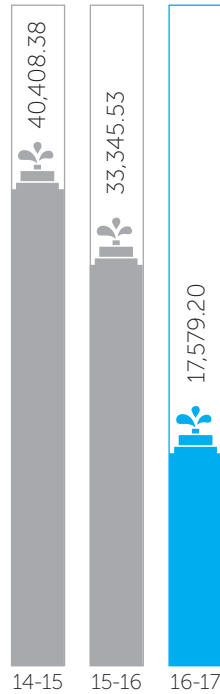


## OUR CLIENTELE

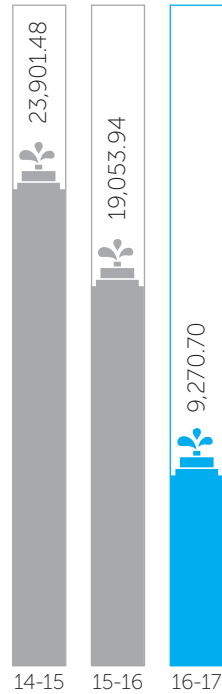


## FY 2016-17 AT A GLANCE (CONSOLIDATED)

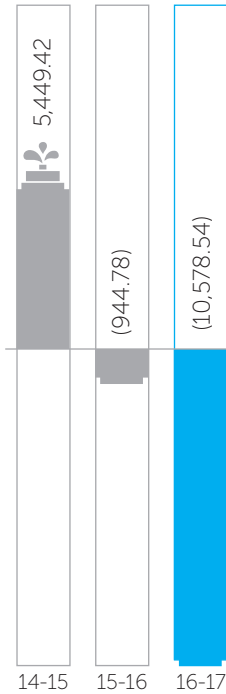
**Total revenues**  
(Rs. million)



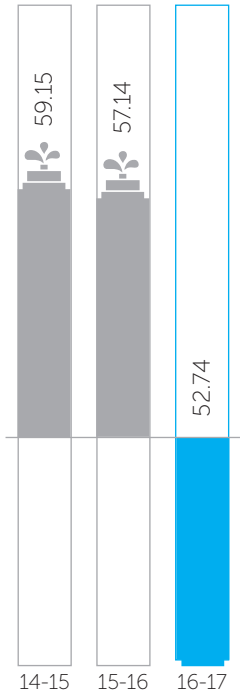
**EBITDA**  
(Rs. million)



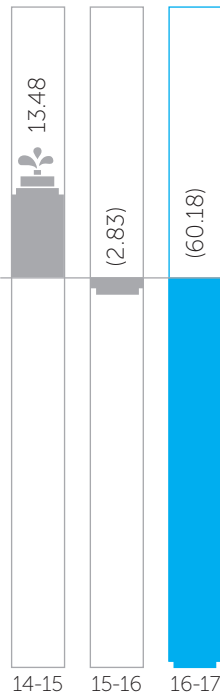
**Net profit/ (loss)**  
(Rs. million)



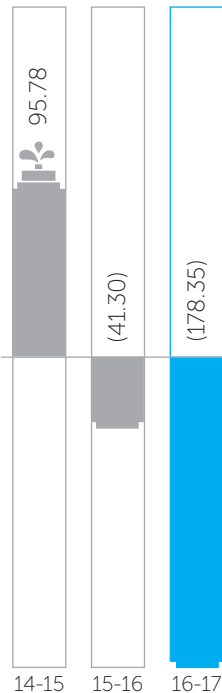
**EBITDA margin**  
(%)



**Net profit/ (loss) margin**  
(%)



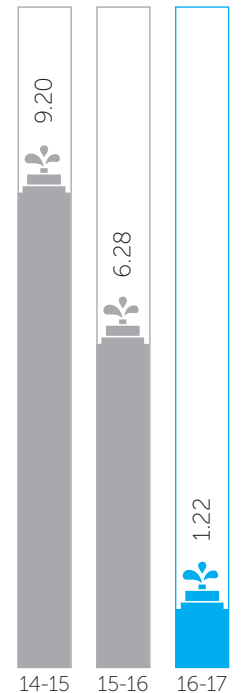
**EPS (diluted)**  
(Rs.)



**EPS (basic)**  
(Rs.)



**ROCE**  
(%)



**Revenues** decreased by 47.28% from Rs. 33,345.53 million in 2015-16 to Rs. 17,579.20 million in 2016-17

**EBITDA** decreased by 51.34% from Rs. 19,053.94 million in 2015-16 to Rs. 9,270.70 million in 2016-17

**Net loss** increased by 1019.68% from Rs. 944.78 million in 2015-16 to Rs. 10,578.54 million in 2016-17

## CONSOLIDATED FINANCIAL RESULTS (RS. MILLION)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Turnover	17,579.20	33,345.53
Less: expenditure	8,308.50	14,291.59
EBIDTA	9,270.70	19,053.94
EBIDTA (%)	52.74	57.14
Add: Other income	162.71	180.83
Less: interest	10,904.86	10,380.14
Less: depreciation	7,011.59	9,018.28
Loss before tax	(8,483.04)	(163.64)
Add: share of profit in joint venture	2.20	20.05
Loss before tax and after share in joint venture	(8,480.83)	(143.59)
Less: provision for tax	1,708.45	2,144.24
Net Loss after tax	(10,189.28)	(2,287.83)
Exchange fluctuation (loss)/gain	(389.25)	1,343.06
Impairment of investment/asset	-	-
Loss after tax	(10,578.54)	(944.78)



## MANAGING DIRECTOR'S REVIEW



THE FINANCIAL  
YEAR UNDER  
REVIEW WAS  
ONE OF  
THE MOST  
CHALLENGING  
IN THE  
EXISTENCE  
OF ABAN  
OFFSHORE  
LIMITED.

The Company reported an EBIDTA of Rs. 9,270.70 million but a net loss of Rs. 10,578.54 million. I have no hesitation in stating that this loss would have been higher but for the Company's proactive initiatives in terms of asset deployment on the one hand and cost management on the other. The fact that the Company stayed EBIDTA-positive in a difficult environment validates that Aban Offshore still remains one of the most cost-competitive rig service providers in the world. Hence, I must assure shareholders that when the industry environment revives, we will be well-positioned to report a disproportionately larger improvement with respect to revenues, profits and margins. Until then, the Company will seek to strengthen its business model and increase its profitability.

### SECTORAL REVIEW

The biggest profitability driver of rig service providers is the price of crude oil. The higher the oil price, the better the viability of oil exploration and processing companies, the greater their reinvestment into drilling and the greater their need to lease drilling rigs from service providers like us. In this context, the one big development during the year under review was a substantial rebound of the international crude oil price from a low of around US\$28 per barrel to the prevalent US\$50 per barrel. However, I must immediately indicate that this substantial recovery was not mirrored in an improvement in rig rentals. The only improvement that was visible was that a few customers did announce capital expenditure programmes,

The Aban agenda is to market aggressively, extend our presence across more customers and waters, maximise rig deployment, cover overheads effectively, repay or re-price debt and moderate overheads.



which translated into some contracts marked by shorter tenures. Case in point: contract tenures declined from an average of around eight quarters earlier to around a single quarter on a number of occasions, indicating the extreme caution with which oil exploration and production companies selected to proceed in this environment.

## THE ABAN MARKETING STRATEGY

At Aban Offshore, we possess modern rigs available for deployment, translating into a total annual availability of 216 rig months. At a time when rig rentals remained weak (declining to as low as US\$50,000 a day), the principal objective of the Company was to maximise rig deployment with the objective to minimise overheads. The result is that our marketing team reached a wider customer spread; the Company relocated Aban Abraham from Brazilian to Indian waters (deployed by ONGC), making it the sole Indian-

owned drillship working here. Similarly, the Company won a new contract for Aban Ice with ONGC for three years, enhancing revenue visibility.

Aban's marketing team continued to work closely with a range of customers, understanding their needs and responding with speed to emerging opportunities. The result was that the Company engaged three new customers during the year under review, showcasing the fact that Aban's price-value proposition continues to be attractive. At Aban Offshore, we also focused on reducing overheads by Rs. 5,983.08 million during the year, with a view to bring down our breakeven point.

## MANAGING DEBTS

One of the biggest challenges that we face lies in the management of our debt. As of 31 March 2017, we possessed Rs.140.05 billion of debt on our books, corresponding to a debt-equity ratio of 5.31:1. During our favourable years, the Company selected to expand by taking on debt. While this appears high, we would need to bring to the attention of our shareholders that the average debt cost of 7.60% should in normal circumstances have translated into a good interest cover. However, with rig rentals declining, it became difficult to cover interest costs. The principal objective of the Company is to work closely with bankers to moderate debt cost on the one hand and extend debt repayment tenures on the other.

The Company repaid Rs. 2.24 billion of high-cost bonds during 2016-17. We expect that this will have a reasonable impact on our interest outflow, going ahead. I must assure shareholders that the Company is working closely with bankers to resolve debt issues and

improve the Company's viability.

## OVERVIEW

The outlook for the global oil industry continues to be fluid. The two big variables influencing global oil prices comprise the OPEC's stance on whether it would moderate oil output and geopolitical tensions that could cause oil prices to rise. Our expectation is that oil prices are likely to consolidate around the prevailing levels. On the other hand, a number of active rigs have gone out of business and are unlikely to come back into play. The result is that when demand revives, we foresee that rig demand may improve the rates on account of these factors.

The Aban agenda is to market aggressively, extend our presence across more customers and waters, maximise rig deployment, cover overheads effectively, repay or re-price debt and moderate overheads. The Company's rigs are known for their service-readiness and ability to respond to customer needs anywhere in the world. This makes it possible for Aban to deploy rigs at a short notice and enhance overall capacity utilisation.

This is the guarded optimism that I must share with you. We believe that our persistence will eventually prevail and the company is attractively positioned for any sectoral rebound in a quick and reliable manner.

**Reji Abraham**

*Managing Director*

## CORPORATE STRENGTHS



### ILLUSTRIOUS PEDIGREE

Aban Offshore possesses more than three decades of experience in providing offshore rig services. The Company is the largest player in the Indian private sector to provide these services. The Company's insight into market cycles, proactive responsiveness and modern assets are reflected in its ability to operate assets at a high uptime that translates into uninterrupted operations and high dependability that benefits customers.



### RELIABLE SERVICE

The Aban fleet has worked with reputed global clients. Over the years, this exposure has helped the company absorb high global HSE standards. The Company was able to access attractive rig acquisition and deployment deals on the one hand and access funds from global lenders at competitive costs.



### ASSET PORTFOLIO

The Company (and subsidiaries) brings to the customer's table a rich and diversified asset portfolio that is relevant for diverse topographies: 15 jack-up offshore drilling rigs, two drill ships and one floating production platform. This widens the Company's bandwidth to service diverse customer needs. Besides, these assets comply with stringent international standards and undergo through risk assessment exercises: The result: high safety standards across operations.



Aban Offshore possesses more than three decades of experience in providing offshore rig services.

The Company is the largest player in the Indian private sector to provide these services.



### HUMAN RESOURCES

Aban Offshore brings to its business a collection of professional teams: teams that focus on asset maintenance and uptime, teams that market the company's capabilities to large global customers, teams that work closely within the financial ecosystem to mobilise resources at the lowest cost. The result is that Aban's relationship with ONGC Limited, India's largest hydrocarbons company, has endured for more than two decades



### VALUE PROPOSITION

Aban Offshore has fostered a culture of excellence. This has inevitably translated into a high asset uptime that enhances the effectiveness of a customer's spending in seeking additional hydrocarbon deposits. This was reflected in the company executing manning and management contracts for ONGC's jack-up rigs, which included training personnel in operations and management.

# MANAGEMENT DISCUSSION AND ANALYSIS

The global economy entered its sixth year of stagnation with growth estimates for 2017 continuing to trend the historical average.



## Global economic overview

Global growth was projected to slow to 3.1% in 2016 (before recovering to 3.4% in 2017). This reflected a subdued outlook following the Brexit referendum and weaker-than-expected growth in the US. However, long-term prospects in emerging market economies improved following a lowering of interest rates in advanced economies and stronger commodity prices. Asia in general and India in particular has demonstrated robust growth while sub-Saharan Africa experienced a sharp slowdown. Among advanced economies, activity rebounded in United States. Long-term nominal and real interest rates rose in the United Kingdom and United States (following November 2016 elections). The currencies of advanced commodity exporters strengthened, reflecting a firming of commodity prices even as several emerging market currencies depreciated substantially. However the aggregate growth for emerging markets and developing economies was estimated at 4.1% for 2016, just above the post-crisis low reached in 2015. However, the overall forecast masks a marked difference between countries with strong commodity import-export ratios. After stagnating in 2015, growth in commodity-exporting in emerging market and developing economies for 2016 was pegged at 0.4% – substantially below the forecasted 1.6% (January 2016).

This reflects a significant downward revision in terms of commodity prices spurred by weak global trade, volatile capital flows and inherent domestic challenges. With China reorienting itself into a consumption-centric economy and Saudi Arabia reducing its dependence on oil, the case for base metals strengthened, which propped commodity prices. Consequently, inflation recovered across advanced economies and commodity prices bottomed out in recent months. (Source: IMF & World Bank)

## Outlook

The global economy entered its sixth year of stagnation with growth estimates for 2017 continuing to trend the historical average. A projected stabilisation in energy and commodity prices could provide respite for resource-rich economies in 2017, even as the medium-term outlook continues to be bleak marked by weak growth in investment and labour supply. Businesses would need to prepare adequately to address the challenges arising from geopolitical tensions, policy uncertainties, financial market volatilities and rapid technology changes through qualitative improvements, boosting technological quotients and increasing business productivity. (Source: [www.conference-board.org/data/globaloutlook/](http://www.conference-board.org/data/globaloutlook/))

## Indian economic overview

India's economic growth was indicated at 6.6% for FY 2017, down from 7.6% recorded in the FY 2016. The principal development of the year was the country's currency demonetisation, affecting growth by 100 bps. In the recent past, India's performance has been backed by policy reforms,

## Growth

	2016	2017	2018(E)
Global economy	3.1%	3.4%	3.6%
Advanced economies	1.6%	1.9%	2.0%
Emerging market and developing economies	4.1%	4.5%	4.8%

(Source: IMF)

attracting investments. The challenges that India faces include ambivalence about property rights and the private sector, deficiencies in state capacity in delivering essential services and inefficient capital redistribution. The growth rate of the industrial sector was estimated to moderate to 5.2% in FY 2017 from 7.4% in FY 2016. The country's IIP registered a modest growth of 0.4% during the April-November period of 2016-17. With Rajasthan, Madhya Pradesh and Maharashtra receiving 20% more rain than usual, the agriculture sector is expected to grow at an above-average 4% on a weak base caused by two consecutively weak monsoons. This should lift the sagging rural demand and, by extension, the GDP growth rate. India's major impetus is expected to come from farms as non-agriculture growth is pegged to pick up by 10 bps over the previous fiscal to 8.6%. The Union Budget for 2016-17 came in the context of a fragile economic situation. It was not just the stress in the rural economy, which has caused a steady decline in real wages as well as lowered farm incomes. There was also the slowdown in the manufacturing segment and rising NPA incidence. The Union Budget for 2017-18 set aside Rs. 48,700 crore for the MNREGA scheme to strengthen skill development. (Source: IMF, Crisil, HT)

## Outlook

Even as India's growth forecast for the next fiscal has been trimmed by 40 bps, the near-term outlook appears brighter than during the previous fiscal. The lower growth expectation is on account of the temporary slowdown induced by cash shortages and payment disruptions associated with the demonetisation. Subsequently, India's GVA growth is

likely to stay at 6.6% as economic activity takes more time to normalise. The imminent GST implementation will boost interstate trade by attracting investments, reducing supply chain-related issues, improving economies-of-scale and moderating overheads. (Source: IMF, ICRA)

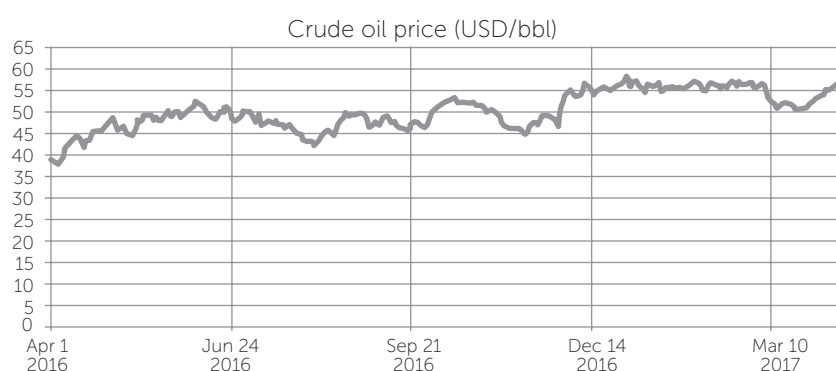
## Global crude oil scenario

Commodity markets were volatile through 2016. The year began on a disappointing note with crude oil prices plummeting to a multi-year low of ~US\$30 per barrel due to a demand-supply mismatch. Consequently, the markets witnessed high volumes of oil and gas stocks being liquidated as investors became wary of any recovery. However, a recovery transpired thereafter; average crude oil spot price recovered to a March 2017 level of US\$50.90 per barrel, registering a change of -6.35% on a month-by-month basis and 36.32% on a year-on-year basis. (Source: Ycharts)

## Demand- supply dynamics

Global oil demand is expected to grow by 1.26 million barrels per day in 2017 from 1.38 million barrels per day in 2016. Revisions were driven primarily by higher-than-anticipated oil demand in OECD Europe, the Asia Pacific and China in Q4 of FY16 (partially offset by minor downward adjustments in the Middle East).

For 2017, oil demand growth is anticipated to be ~1.26 million barrels per day, to average 96.31 million barrels per day. The upward adjustments are on account of optimistic expectations for oil demand in OECD Europe and Asia-Pacific. In 2016, non-OPEC oil supply growth contracted by 0.66 million barrels per day to an average 57.34 million barrels per day. Higher growth during Q4 FY16 in Canada and other OECD European nations was offset by downward revisions in the US, Norway, Australia, Brunei and Azerbaijan. For 2017, non-OPEC oil supply is projected to grow by 0.40



	2013	2014	2015	2016	2017(E)
GDP (US\$ trillion)	1.92	2.04	2.11	2.26	2.30
Real GDP growth (%)	6.6	7.2	7.6	7.6	6.5
Inflation (%)	10.9	6.4	5.9	5.0	4.9
Exchange rate against the dollar	58.6	61.0	64.1	67.2	64.6

(Source: Euromonitor and IMF)

million barrels per day, following an upward revision of 0.16 million barrels per day to average 57.74 million barrels per day.

Demand for OPEC crude in 2016 stood at 31.6 million barrels per day, which is 1.9 million barrels per day higher than it was in the previous year. For 2017, demand for OPEC crude is projected at 32.4 million barrels per day, ~0.7 million barrels per day higher than it was in the previous year.

### Outlook

With Saudi Arabia and Russia planning to moderate output by almost 800,000 barrels per day in the first six months of 2017, other oil producers have been compelled to comply with their share of cuts, the cuts aggregating to around 1.8 million barrels per day. There is optimism on the one hand that rebalancing will accelerate in the current year; there is skepticism whether OPEC and its non-OPEC associates can really deliver on the other hand. The transport sector accounts for almost two-thirds of the growth in overall demand (10 million barrels per day), with that increase split evenly between cars (four million barrels per day), trucks (three million barrels per day) and ships, trains and planes (three million barrels per day).

### Supply and demand

	2016		2017	
		16/15		17/16
World demand	95.1	1.4	96.3	1.3
Non-OPEC supply	57.3	-0.7	57.7	0.4
OPEC NGLs	6.1	0.1	6.2	0.1
Difference	31.6	1.9	32.4	0.7

(Source: OPEC)

### Indian oil industry

The cost of crude increased from US\$39.9 in April 2016 to US\$50.90 in March 2017. India's fuel demand in 2016 grew at its highest pace in 16 years as low oil prices for most of the year reinforced demand for automotive and aviation fuel. India's fuel consumption increased by 10.7% to a 16-year high of 196.48 million tonnes in 2016. Automotive fuel demand rose by 12.2% in 2016 on top of strong growth in 2015, with diesel demand rising by 5.6%, its fastest in four years, driven by a surge in automobile sales. Cooking gas or liquefied petroleum gas sales rose 11.3% to 21.19 million tonnes. India imports around 80% of its crude oil and 18% of its natural gas requirements. India imported 202 million tonnes of oil in 2015-16. India is one of the major consumers of OPEC's production, with the grouping accounting for 85% and 94% of India's crude oil and gas imports. Refinery products account for around 20% of India's exports and have ranged between US\$ 55-65 billion in the last few years. Despite an improvement in oil prices there is still a negative effect on exports in value terms. India's net oil and gas import bill, i.e. adjusting for exports of petroleum products, is around 2.5% of GDP, higher than India's overall current account deficit and playing a big role in determining

India's fuel demand in 2016 grew at its highest pace in 16 years as low oil prices for most of the year reinforced demand for automotive and aviation fuel.



the dynamics related to the balance of payments. (Source: Livemint)

### Outlook

Demand for oil could rise by 6 million barrels per day to 9.8 million barrels per day in 2040; demand for energy could more than double by 2040 from the present 1,59,542 megawatts as the Indian economy quintuples. Gas production could touch 90 billion cubic metres by 2040 from 23.09 billion cubic metres in FY2016-17 (till December 2016), subject to an adjustment to the current formula that determines the price paid to domestic producers, while demand for natural gas could grow at a CAGR of 4.6% to touch 149 million tonnes from 64 million tonnes in 2015. (Source: IBEF, oil price.com)

## DRILLING AND OFFSHORE RIG INDUSTRY

### Overview

The offshore India rig market was one of the more active in the international arena, and has the potential for additional jack-up and floater contracts during the coming year. Acreage availability was fairly good, with an offshore round for Discovered Small Fields completed last February that included shallow and deep-water blocks. The lack of demand for drilling and exploration activities led to a gradual, yet sharp, drop in the demand for rigs across the globe. This was evident in the decline in the global oil and gas rig count in the first half of 2016. The rig count, which stood at close to 1,900 units in January 2016, fell to roughly 1,400 units in May 2016, representing a plunge of more than 25% in just five months.

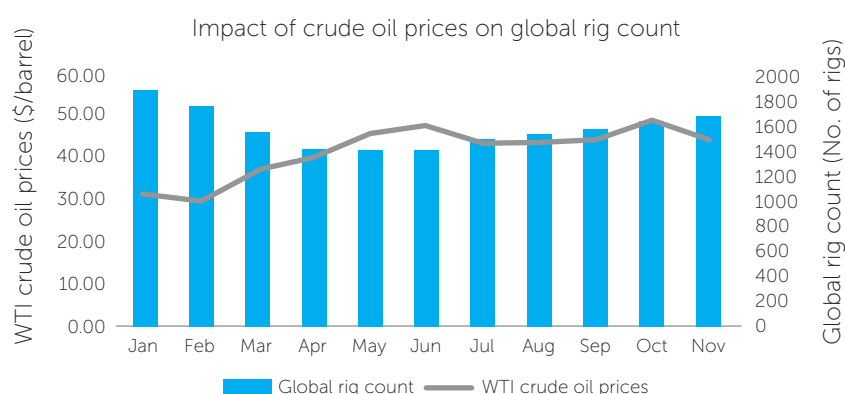
ONGC mapped a further 130 deep-water plays. Rig demand stabilised going into 2017 with the number of contracted floaters and jack-ups remaining flat since the start of the year. Most rates were believed to be around or below operational expenditures for short-term jobs, excluding any performance-based component. Average mid-water floater day rates decreased sharply, along with all the other market categories of the rig fleet. In 2013, mid-water floaters enjoyed a day-rate range spanning the upper US\$200,000 up to US\$400,000, but since then declined to a current low of US\$100,000 to US\$150,000. Recent fixtures in the North Sea were around US\$ 120,000, while in Asia Pacific, units were offered at US\$ 120,000 or lower. These day rates are expected to remain stable till 2019. (Source: IHS

Energy)

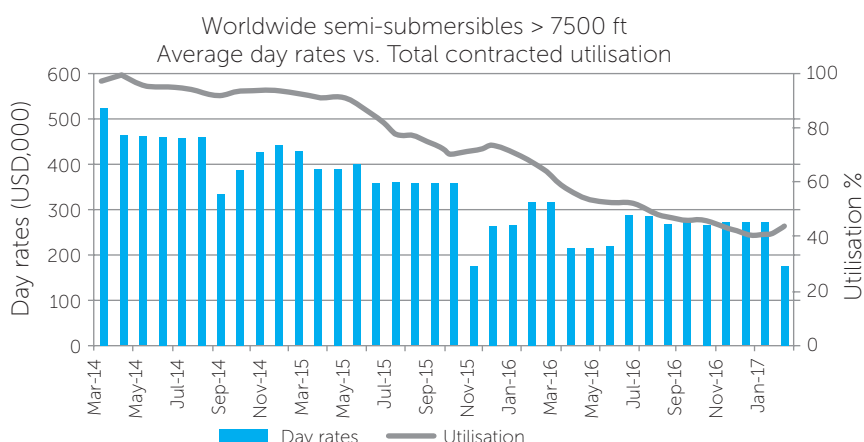
### Opportunities

India is expecting to start production at Kutch offshore in 2017-18. Till now, only seven out of the 26 sedimentary basins in India are under production. ONGC is conducting exploratory work in the Kutch offshore basin; it discovered one trillion cubic feet of natural gas in that basin, which could lead to increased demand for floaters and jack-ups for shallow waters. In 1997-98, the New Exploration Licensing Policy was proposed to fill the increasing gap between India's gas demand and supply. India's economic growth is closely related to energy

demand; therefore the need for oil and gas is projected to grow, making the sector critical for investment. The Government of India brought out a new policy for small fields known as 'Discovered Small Field Policy bid round – 2016' to offer better fiscal terms than New Exploration Licensing Policy bid regime. The bid round was launched by the Ministry of Petroleum and Natural Gas, the Government of India under a liberalised and investor-friendly regime, which offered 46 contract areas spread across Indian sedimentary basins. In 2016, India announced a new hydrocarbon exploration licensing policy, which offers a single license to explore



(Source: Forbes)



(Source: IHS)

conventional and unconventional oil and gas resources, as the country seeks to propel investment in the energy sector. Christened Hydrocarbon Exploration Licensing Policy, the new policy provides investors greater freedom in terms of pricing and marketing crude oil and natural gas. The new policy is part of the strategy to double India's oil production from current 36 million metric tonnes. (Source: Business Standard)

## Threats

The global slowdown in oil prices coupled with a persistent oversupply of rigs could prolong the downturn in the offshore drilling industry, weakening the credit quality for offshore drillers through 2017. This bodes well for explorers, including large oil exploration companies facing a capex pressure. If crude oil prices remain within US\$50-60 per barrel range, day-rates could decline further, approaching breakeven cost levels. With drilling opportunities declining, drillers are growing desperate to win contracts and minimise operating costs. The rig industry's overcapacity could last several years leading to



older rigs remaining operational beyond their ideal lifecycles. (Source: Business Standard)

## WIND ENERGY

### Overview

India added a record 5,400 megawatts of wind energy in 2016-17, exceeding the targeted 4,000 megawatts and the previous capacity addition of 3,423 megawatts in 2015-16. During 2016-17, the leading states in terms of wind power capacity addition were Andhra Pradesh (2,190 megawatts), followed by Gujarat at (1,275 megawatts) and Karnataka (882 megawatts). Additionally, Madhya Pradesh, Rajasthan, Tamil Nadu, Maharashtra, Telangana and Kerala reported capacity addition of 357 megawatts, 288 megawatts, 262 megawatts, 118 megawatts, 23 megawatts and 8 megawatts, respectively, during the same period. The fall in feed-in-tariff and non-extension of generation-based incentive for wind projects will adversely affect the internal rate of return for the new projects. The 1,000-megawatt tender floated by Solar Energy Corporation of India on reverse auction bid has been awarded

to various Independent Power Producers at a fixed price of Rs.3.46 per unit as against prevailing Rs.4-6 per unit offered by various states.

### Opportunities

At the Paris Climate Summit in December 2016, India promised to achieve 175 gigawatts of renewable energy capacity by 2022. The Indian Government has also promised to achieve 40% of its electricity generation capacity from non-fossil fuel based energy resources by 2030. Of the ~50,018 megawatts of installed renewable power available across the country, >55% is accounted for by wind power. In February 2017, wind power tariff declined to Rs. 3.46 per kilowatt-hour. The Indian Government drafted a National Offshore Wind Energy Policy to harness wind power along India's coastline (7,600 kilometres). Preliminary estimates show that Gujarat's coastline has the potential to generate ~106,000 megawatts of offshore wind energy while Tamil Nadu comes second in this regard with ~60,000 megawatts. (Source: [www.livemint.com](http://www.livemint.com))



India added a record 5,400 megawatts of wind energy in 2016-17, exceeding the targeted 4,000 megawatts and the previous capacity addition of 3,423 megawatts in 2015-16.

## Threats

The Central Government has been concerned about unlawful encroachments of potential sites, inordinate delays in signing power purchase agreements, lack of evacuation Infrastructure and delayed payments to power producers. These factors have caused distributors to shy from procuring electricity from wind and solar energy projects.

## Outlook

Analysts feel that 2017-18 will witness increases in demand across the eight windiest states. Consequently, the Central Government began to auction capacities and buying surplus power to sell to states lacking wind energy generation capabilities. India has the fourth-highest installed wind energy capacity (32,000 megawatts) in the world after China (145,362 megawatts), US (74,470 megawatts) and Germany (44,947 megawatts). The Central Government aims to raise this to 60,000 megawatts by 2022. (Source: [www.thehindubusinessline.com](http://www.thehindubusinessline.com))

## Operational review

**Drilling Division:** The division generated revenue worth Rs. 17,580.82 million as compared to previous year's revenue of Rs. 33,440.07 million. At the close of 2016-17, the company's rigs were operating under a balances mix of long term and short term contracts.

**Wind energy division:** The revenue from the wind energy division increased to Rs. 147.14 million in 2016-17 compares to Rs. 99.11 million in 2015-16. Windmill division generated 38.08 million units of power in 2016-17 compared to 17.28 million units in 2015-16

## Segmental review

Rs. Millions

Drilling division	2014-15	2015-16	2016-17
Revenues earned (Rs. million)	40,764.70	33,440.07	17,580.82
Profit generated (Rs. million)	7,362.31	2,795.59	(8,698.60)
Wind energy division	2014-15	2015-16	2016-17
Revenues earned (Rs. million)	87.27	99.11	147.14
Profit generated (Rs. million)	(20.13)	52.18	(3.48)

## Human resources

Aban's workforce is the foundation upon which its organisational superstructure has been erected. The Company organised training to upgrade skills and productivity. The incentives and compensation provided by the Company continues to be in line with the best in the industry. As of 31 March 2017, the Company had 1,275 employees.

## Internal controls and their adequacy

The Company's internal audit system has been continuously monitored and updated to ensure that assets are safeguarded, established regulations are complied with and pending issues are addressed promptly. The audit committee reviews reports presented by the internal auditors on a routine basis. The committee makes note of the audit observations and takes corrective actions, if necessary. It maintains constant dialogue with statutory and internal auditors to ensure that internal control systems are operating effectively.

At the Paris Climate Summit in December 2016, India promised to achieve 175 gigawatts of renewable energy capacity by 2022.

The Indian Government has also promised to achieve 40% of its electricity generation capacity from non-fossil fuel based energy resources by 2030.





## RISK MANAGEMENT

### ABAN OFFSHORE'S RISK

MANAGEMENT IS AN ENTERPRISE-WIDE FUNCTION OVERSEEN BY A TEAM OF QUALIFIED SPECIALISTS WITH LONGSTANDING SECTORAL EXPERIENCE.

#### ECONOMIC RISK

The Company has chosen to diversify its customer base and widen its geographic presence. The Company's assets are deployed on the basis of medium-term contracts, cushioning the business from short-term economic volatilities. The Company is actively looking for opportunities to enter new markets to deploy its idling assets.

#### REGULATORY RISK

Aban has incorporated best-in-class systems in order to adhere to the stringent global QHSE standards applicable for the petroleum exploration and production companies.

#### COMPETITION RISK

The Company's diversified rig portfolio enhances its ability to address the different needs of customers in the competitive field of offshore drilling. Aban's rigs are fitted with a state-of-the-art top drive system, which increases productivity and reduces operational costs.



#### DEBT RISK

Aban moderated its debt from a peak of Rs. 145,914 million in 2015-16 to Rs. 140,051.31 million at the close of 2016-17. Besides, the Company repaid Rs. 7,108.10 million in debt.

#### GEOGRAPHIC RISK

The Company's offshore services are spread globally (South East Asia, South Asia, Latin America, West Africa and the Middle East), thus ensuring the maximum utilisation of its assets.

#### TECHNOLOGICAL RISK

Generally drilling rigs have a standard life span of around 30 years. The Company owns a total of 18 rigs (average age of nine jack-ups was eight-and-a-half years). This relative youthfulness has translated into contemporariness and high uptime, benefiting customers.

#### MANPOWER RISK

The Company enjoys low attrition rates compared to global peers. In order to live up to this reputation, the Company introduced employee stock options to retain talent.

# DIRECTORS' REPORT

The Directors of your company are pleased to present the Thirty First Annual Report along with the accounts for the year ended 31st March, 2017.

## 1. FINANCIAL RESULTS

Rs. in Millions

Particulars	Standalone		Consolidated	
	For the year ended			
	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
Income from Operations	8,868.55	10,141.34	17,579.20	33,345.53
Other Income	529.25	683.69	148.76	193.65
Less Expenditure	3,191.38	3,714.17	8,513.59	14,426.79
Profit before Interest and Depreciation	6,206.42	7,110.86	9,214.37	19,112.39
Less Interest	1,196.15	1,211.73	10,904.86	10,380.14
Less Depreciation	1,537.94	1,496.75	7,011.59	9,018.28
Profit/ (Loss) for the year before Tax	3,472.33	4,402.38	(8,702.08)	(286.03)
Provision for Tax	1,556.91	1,494.65	1,904.47	2,143.18
Minimum Alternate Tax (MAT) Credit Entitlement	-	-	-	-
Provision for Deferred Tax	(196.02)	6.22	(196.02)	1.06
Profit/ (Loss) after Tax before share in Earnings of joint Ventures	2,111.44	2,901.51	(10,410.53)	(2,430.27)
Share in earnings of associate	-	-	2.20	20.05
Profit/ (Loss) for the year after tax and after share in earnings of joint ventures	2,111.44	2,901.51	(10,408.33)	(2,410.22)
Profit brought forward from the previous year	16,609.70	14,234.14	13,275.28	16,211.45
Available for appropriation	18,721.14	17,135.65	2,866.95	13,801.23
Net gain/(loss) through OCI	13.95	(12.82)	13.95	(12.82)
Transfer to Capital Redemption Reserve	80.00	260.00	80.00	260.00
Transfer to General Reserve	-	-	-	-
Equity Dividend paid	-	210.12	-	210.12
Tax on Equity Dividend	-	43.01	-	43.01
Proposed Dividend – Preference	-	-	-	-
Proposed Dividend- Equity	-	-	-	-
Tax on Dividend – Preference	-	-	-	-
Tax on Dividend – Equity	-	-	-	-
Balance Carried forward	18,655.09	16,609.70	2,800.90	13,275.28

## 2. PERFORMANCE

The Revenue earned during the year under review stood at Rs.9,398 million. Rigs Aban II, Aban III, Aban IV, Aban VI were working satisfactorily under the existing contracts. Drillship Aban Ice completed the Contract and was awarded a fresh contract for 3 years by ONGC. Rig Aban V and Floating Production Unit Tahara are being actively marketed.

Consequent to divestment of shares, Radhapuram Wintech Private Ltd and Aban Green Power Private Limited ceased to be subsidiary of Aban Offshore Limited with effect from 26-12-2016.

## INTERNATIONAL

Rigs under Contract were performing satisfactorily.

## 3. CHANGES IN SHARE CAPITAL

There was no change in the Share Capital of the Company during the year under review.

## 4. SUBSIDIARY COMPANIES

### INDIAN

#### Aban Energies Limited

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

## 5. CONSOLIDATION OF ACCOUNTS

In accordance with the notification issued by the Ministry of Corporate Affairs (MCA), Company is required to prepare Financial Statements under Indian Accounting Standards (IND AS) prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Accounting Standards) Amendment Rules, 2016 with effect from 1st April, 2016. Ind AS has replaced the existing Indian GAAP prescribed under section 133 of the Companies Act, 2013, read with rule 7 of Companies (Accounts) Rules, 2014.

Accordingly the Company has adopted Indian Accounting Standard (Ind AS) with effect from 1st April 2016 with the transition date of 1st April 2015 and the Financial Statements for the year ended 31st March, 2017 has been prepared in accordance with Ind AS. The Financial Statement for the year ended 31st March 2016 have been restated to comply with Ind AS to make them comparable.

The MCA Notification also mandated that the Ind AS shall be applicable to subsidiary Companies, Joint Venture or associates of the Company. Hence the Company has prepared and reported Financial Statements under Ind AS w.e.f. 1st April, 2016, including restatement of the opening balance as at April 1, 2015.

The effect of the transition from IGAAP to Ind AS has been explained by way of a reconciliation in the Standalone and Consolidated Financial Statements.

The subsidiary Company accounts details are 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 Regulation 34 (2)(e) of SEBI (LODR) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

## 7. DIVIDEND

In order to conserve cash, the Board of Directors do not recommend any dividend.

## 8. DIRECTORS

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

Mr. Pradeep Kumar Khosla was nominated by State Bank of India to the Board of the Company with effect from 22nd March, 2017.

Mr.Reji Abraham, Managing Director is seeking re-appointment for a further period of 5 years effective 26.09.2017.

## 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 March 31, 2017 is enclosed in Annexure .

### 2. Number of Board Meetings:

The Board of Directors met 5 (five) times in the year 2016-17. 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 2017, 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 safe guarding 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 2017 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.

## 6. 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 SEBI (LODR) Regulations, 2015. 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.

## Policy on Director's Appointment and Remuneration:

### I. Appointment

#### (a) Criteria for Determining Qualifications, 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 SEBI (LODR) Regulations, 2015 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 there of attended by them.

**Managing Director & Key Managerial Personnel & 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.

**7. 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 Practicing Company Secretary in his Secretarial Audit Report- Nil

**8. 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.

**9. 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 Regulation. 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 the listing regulation.

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. Form AOC-2 is shown as a separate annexure.

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/RelatedPartyTransactionsPolicy.pdf>

**10. 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, 2017 and the date of the Report.

**11. 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.

**12. Corporate Social Responsibility**

The Company has constituted CSR Committee in accordance with section 135 of the Companies Act, 2013. The CSR Committee has formulated and recommended to the Board, a CSR Policy indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy may be accessed on the Company's website at [http://abanoffshore.com/pdf/CSR\\_Policy.pdf2](http://abanoffshore.com/pdf/CSR_Policy.pdf2).

The Annual Report on CSR activities is given in Annexure to this Report.

### 13. Board Evaluation

Pursuant to the provisions of Section 134(3) (p) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 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. The evaluation by the Board of its own performance and that of its committees and individual directors were done as per the manner determined by the Chairman and Independent Directors.

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

Mr. Pradeep Kumar Khosla was nominated by the State Bank of India as Nominee Director in the Board of the Company.

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

Radhapuram Wintech Private Limited and Aban Green Power Private Limited have ceased to become subsidiaries of the company during the year.

### 16. 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.

### 17. 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.

### 18. 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.

### 19. 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.

### 20. STOCK EXCHANGES

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

Preference Shares aggregating to Rs.2,610 million issued by the Company are listed in BSE Limited.

Necessary stock exchange regulations are complied with. Applicable listing fees for the year 2016 -17 have already been paid to the stock exchanges.

### 21. 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>.

### 22. 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 2016-17.

### 23. AUDITORS

M/s Ford, Rhodes, Parks & Co. LLP Chartered Accountants hold office till conclusion of this Annual General Meeting.

M/s P.Murali& Co Chartered Accountants, Hyderabad are being recommended for appointment as Statutory Auditors to hold office till the conclusion of the 32nd Annual General Meeting.

The Audit Committee and the Board of Directors have recommended the appointment of M/s. P.Murali & Co, Chartered Accountants as the Statutory Auditors for the financial year 2017-18. The necessary resolution is being placed before the shareholders for approval.

## 24. 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.

## 25. PARTICULARS OF EMPLOYEES

In accordance with provision 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.

## 26. The particulars 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,

### (A) Conservation of Energy

The Company has undertaken several initiatives in this area like the following:

- Installed Variable Refrigerant Flow (VRF) system for ACs in the office which is highly energy efficient.
- Intelligent control system as a part of building management system to control power consumption in ACs by way of automatic switch off of electric equipment when an area is unutilized.
- Changed the lifts to energy efficient technology with drives which will minimise power consumption.
- Migration from traditional lighting system to LED lighting system at all our Rigs and office.

### (B) Technology Absorption

- Migration from existing time based maintenance philosophy to predictive maintenance with the help of latest electronic/digital instrumentation.
- Changing out electrical systems and controls for critical equipments with digital drives and Variable Frequency Drive (VFD) in all our offshore assests.
- Complete process of material purchase from requirement to delivery is digitalized for a paperless environment as a measure of go green initiative.

## Foreign exchange earnings and outgo (Rupees in millions)

Particulars	2016- 17	2015-16
Foreign exchange earned during the year	9,304.32	10,770.32
Foreign exchange outflow during the year	1,456.80	1,711.20

## 27. CORPORATE GOVERNANCE

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

## 28. 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 Schedule V of the Listing (Obligations & Disclosure) Regulations, 2015 with the stock exchanges, was met.

## 29. 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

## 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, Taw Laws, economic developments in India and in the countries in which the Company conducts business, litigations and other allied factors.

For and on behalf of the Board

**Reji Abraham**  
Managing Director

**P.Murari**  
Chairman

Place : Chennai  
Date : May 29, 2017

## Annexure to Corporate Social Responsibility initiatives taken during the year

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

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 under the following link: [http://abanoffshore.com/pdf/CSR\\_Policy.pdf](http://abanoffshore.com/pdf/CSR_Policy.pdf).

2. **Composition of the CSR Committee**

S.No.	Name	Category
1	Ashok Kumar Rout	Chairman
2	C.P.Gopalkrishnan	Member
3	Deepa Reji Abraham	Member
4	Subhashini Chandran	Member

3. **Average net profit of the Company for last three financial years:** Rs.2235.57 Million

4. **Prescribed CSR Expenditure (two percent of the amount as in item above):** Rs.44.71 Million

5. **Details of CSR spent for the financial year.**

(a) **Total amount to be spent for the financial year :** Rs.44.71 Million

(b) **Amount unspent if any :** Rs.44.71 Million

(c) **Manner in which the amount spent during the Financial year is detailed below:**

S.No	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and District where projects or programs were undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	Nil						
	Total						

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report: In terms of Section 135 read with Section 198 of the Companies Act, 2013, the average net profits of the Company over the three immediately preceding previous financial years is Rs.2235.57 Million. The Company has to spend two percent of the average net profit amounting to Rs.44.71 Million towards Corporate Social Responsibility (CSR) activities. This is the first year requiring CSR spending, the Company was in the process of identifying and evaluating Projects in detailed manner in line with CSR policy. As the Projects were still under evaluation, the Company could not spend the amount during the financial year 2016-17.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

We hereby state that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

**Reji Abraham**  
Managing Director

**Ashok Kumar Rout**  
Chairman – CSR Committee

Place : Chennai

Date : May 29, 2017

## ANNEXURE TO THE REPORT OF THE DIRECTORS

Statement as at 31st March 2017 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	2,86,870					
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	13,96,000					
k) Details of Options granted to Senior managerial personnel	No Options were granted during the year 2016-17					
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 Indian Accounting Standard (IAS 33) Earnings per share	INR 36.18					
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 2016 -17 is 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	NIL					
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					

**Disclosure pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- (i) & (ii) **The ratio of the remuneration of each Director to the median and mean remuneration of the employees of the company for the financial year and the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive officer, Company Secretary or Manager, if any, in the financial year:**

S.No.	Name of the Director/ KMP	Ratio to Median Remuneration (times)	Ratio to Mean Remuneration (times)	% increase in the remuneration in the financial year
1	Reji Abraham	219.94	80.20	(24.76)
2	P.Venkateswaran	28.07	10.24	-
3	C.P.Gopalkrishnan	28.07	10.24	-
4	P.Murari*	0.36	0.13	(11.90)
5	K.Bharathan*	0.44	0.16	(10.00)
6	Ashok Kumar Rout*	0.38	0.14	8.33
7	SubhashiniChandran*	0.29	0.10	-
8	DeepaReji Abraham*	0.27	0.10	(6.90)
9	S.N.Balaji	5.41	1.97	6.53

\* Denotes non executive directors and the remuneration is sitting fees only.

- (iii) **The percentage increase/(decrease) in the median remuneration of employees in the financial year is - (5.35).**
- (iv) **The number of permanent employees on the rolls of the Company – 633**
- (v) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**
- (vi) **Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company affirms that remuneration is as per the remuneration policy of the Company.

**FORM NO. AOC-2**

Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts) Rules, 2014.

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

- Details of contracts or arrangements or transactions not at arm's length transactions not at arm's length basis - NIL
- Details of material contracts or arrangements or transactions at arm's length basis:  
  
None of the contract with related parties during the year were material in nature.

Place: Chennai  
Date: May 29, 2017

**Reji Abraham**  
Managing Director

**P. Murari**  
Chairman

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

As on the financial year ended on March 31, 2017.

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	Public 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
II. Name, Address and Contact 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	99.16
2	Wind Power Generation	40108	0.84

**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	Aban Holdings Pte Ltd	6 Temasek Boulevard, # 28-01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Wholly Owned Subsidiary	100	2 (87)(ii)
3	Aban Singapore Pte Ltd	6 Temasek Boulevard, # 28-01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Wholly Owned Subsidiary of Aban Holdings Pte Ltd	100	2 (87)(ii)
4	Aban International Norway AS	Regus Office Centre, Karenslyst Alle, 8B, Skoyen, 0278 Oslo, Norway	Not Applicable	Wholly Owned Subsidiary of Aban Singapore Pte Ltd	100	2 (87)(ii)
5	Aban 7 Pte Ltd	6 Temasek Boulevard, # 28-01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Wholly Owned Subsidiary of Aban Singapore Pte Ltd	100	2 (87)(ii)
6	Aban 8 Pte Ltd	6 Temasek Boulevard, # 28-01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Wholly Owned Subsidiary of Aban Singapore Pte Ltd	100	2 (87)(ii)
7	Aban Abraham Pte Ltd	6 Temasek Boulevard, # 28-01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Wholly Owned Subsidiary of Aban Singapore Pte Ltd	100	2 (87)(ii)
8	Aban Pearl Pte Ltd	6 Temasek Boulevard, # 28-01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Wholly Owned Subsidiary of Aban Singapore Pte Ltd	100	2 (87)(ii)
9	Deep Drilling Invest Pte Ltd	6 Temasek Boulevard, # 28-01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Subsidiary of Aban International Norway AS	66	2 (87)(ii)
10	Deep Drilling 1 Pte Ltd	6 Temasek Boulevard, # 28-01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Wholly Owned Subsidiary of Deep Drilling Invest Pte Ltd	100	2 (87)(ii)
11	Deep Drilling 2 Pte Ltd	6 Temasek Boulevard, # 28-01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Wholly Owned Subsidiary of Deep Drilling Invest Pte Ltd	100	2 (87)(ii)
12	Deep Drilling 3 Pte Ltd	6 Temasek Boulevard, # 28-01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Wholly Owned Subsidiary of Deep Drilling Invest Pte Ltd	100	2 (87)(ii)
13	Deep Drilling 4 Pte Ltd	6 Temasek Boulevard, # 28-01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Wholly Owned Subsidiary of Deep Drilling Invest Pte Ltd	100	2 (87)(ii)
14	Deep Drilling 5 Pte Ltd	6 Temasek Boulevard, # 28-01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Wholly Owned Subsidiary of Deep Drilling Invest Pte Ltd	100	2 (87)(ii)
15	Deep Drilling 6 Pte Ltd	6 Temasek Boulevard, # 28-01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Wholly Owned Subsidiary of Deep Drilling Invest Pte Ltd	100	2 (87)(ii)
16	Deep Drilling 7 Pte Ltd	6 Temasek Boulevard, # 28-01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Wholly Owned Subsidiary of Deep Drilling Invest Pte Ltd	100	2 (87)(ii)
17	Deep Drilling 8 Pte Ltd	6 Temasek Boulevard, # 28-01 to 05, Suntec Tower Four, Singapore 038986	Not Applicable	Wholly Owned Subsidiary of Deep Drilling Invest Pte Ltd	100	2 (87)(ii)
18	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. Sanmiguel C.P.24159	Not Applicable	Wholly Owned Subsidiary of Aban Singapore Pte Ltd	100	2 (87)(ii)
19	Aban Labuan Pvt Limited	Malaysia	Not Applicable	Wholly Owned Subsidiary of Aban Singapore Pte Ltd	100	2 (87)(ii)
20	Belati Oilfield SdnBhd	Business Suite 19a-27-3a Level 27, wisma uao centre, 19 Jalan Pinang 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 2016 – 58365323 Paid up Shares as on 31 Mar 2017 – 58365323 Face Value – Rs.2/-

(i) Category- wise Share Holding

For the Period From : 01-Apr-2016 to 31-Mar-2017

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	12384721	0	12384721	21.2193	12239721	0	12239721	20.9708	-0.2484
b.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	BODIES CORPORATE	6693070	0	6693070	11.4675	6693070	0	6693070	11.4675	0.0000
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>19077791</b>	<b>0</b>	<b>19077791</b>	<b>32.6868</b>	<b>18932791</b>	<b>0</b>	<b>18932791</b>	<b>32.4384</b>	<b>-0.2484</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	14.2700	8328750	0	8328750	14.2700	0.0000
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	0.0000	0	0	0	0.0000	0.0000
	<b>SUB - TOTAL (A)(2)</b>	<b>8328750</b>	<b>0</b>	<b>8328750</b>	<b>14.2700</b>	<b>8328750</b>	<b>0</b>	<b>8328750</b>	<b>14.2700</b>	<b>0.0000</b>
	<b>TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2)</b>	<b>27406541</b>	<b>0</b>	<b>27406541</b>	<b>46.9568</b>	<b>27261541</b>	<b>0</b>	<b>27261541</b>	<b>46.7084</b>	<b>-0.2484</b>
<b>B.</b>	<b>PUBLIC SHAREHOLDING</b>									
1.	INSTITUTIONS									
a.	MUTUAL FUNDS/UTI	206942	2000	208942	0.3579	51500	2000	53500	0.0916	-0.2663
b.	FINANCIAL INSTITUTIONS/BANKS	1695370	0	1695370	2.9047	1750990	0	1750990	3.0000	0.0952
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	374258	2000	376258	0.6446	25650	2000	27650	0.0473	-0.5972
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	11190	0	11190	0.0191	9282	0	9282	0.0159	-0.0032
	Foreign Portfolio Investor (Corporate) Category II	1461820	0	1461820	2.5046	1876364	0	1876364	3.2148	0.7102
	Foreign Portfolio Investor (Corporate) Category III	1250	0	1250	0.0021	1250	0	1250	0.0021	0.0000
		1474260	0	1474260	2.5259	1886896	0	1886896	3.2329	0.7069
	<b>SUB - TOTAL (B)(1)</b>	<b>3750830</b>	<b>4000</b>	<b>3754830</b>	<b>6.4333</b>	<b>3715036</b>	<b>4000</b>	<b>3719036</b>	<b>6.3719</b>	<b>-0.0613</b>
2.	NON-INSTITUTIONS									
a.	BODIES CORPORATE	4161329	11625	4172954	7.1497	4071941	11625	4083566	6.9965	-0.1531
b.	INDIVIDUALS -									
	I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH	20209991	358196	20568187	35.2404	20009274	348350	20357624	34.8796	-0.3607

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	381798	0	381798	0.6541	745251	0	745251	1.2768	0.6227
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	0.000
	CLEARING MEMBERS	263769	0	263769	0.4519	365891	0	365891	0.6268	0.1749
	DIRECTORS AND THEIR RELATIVES	79750	5	79755	0.1366	79750	5	79755	0.1366	0.0000
	ESOP / ESOS / ESPS	11627	2440	14067	0.0241	9666	2440	12106	0.0207	-0.0033
	FOREIGN NATIONALS	390	0	390	0.0006	390	0	390	0.0006	0.0000
	HINDU UNDIVIDED FAMILIES	822189	0	822189	1.4086	829724	0	829724	1.4216	0.0129
	NON RESIDENT INDIANS	881869	16560	898429	1.5393	893265	16560	909825	1.5588	0.0195
	TRUSTS	2414	0	2414	0.0041	614	0	614	0.0010	-0.0030
		2062008	19005	2081013	3.5654	2179300	19005	2198305	3.7664	0.2009
	SUB - TOTAL (B)(2)	26815126	388826	27203952	46.6097	27005766	378980	27384746	46.9195	0.3097
	TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)	30565956	392826	30958782	53.0431	30720802	382980	31103782	53.2915	0.2484
	TOTAL (A)+(B)	57972497	392826	58365323	100.0000	57982343	382980	58365323	100.0000	0.0000
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
	TOTAL CUSTODIAN (C)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	GRAND TOTAL (A)+(B)+(C)	57972497	392826	58365323	100.0000	57982343	382980	58365323	100.0000	0.0000

#### V. SHAREHOLDING OF PROMOTERS

Sl 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	INDIA OFFSHORE INC	8328750	14.2700	0.0000	8328750	14.2700	0.0000	0.0000	0	0
2	ABAN INVESTMENTS PRIVATE LIMITED	5653070	9.6855	9.6717	5653070	9.6855	7.8813	0	5645000	4600000
3	REJI ABRAHAM	5627840	9.6424	2.056	5627840	9.6424	2.056	0	1200000	1200000
4	DEEPA REJI ABRAHAM	4038500	6.9193	0.0000	4038500	6.9193	0.0000	0.0000	0	0
5	SALEY ABRAHAM	2158000	3.6974	0.0000	2158000	3.6974	0.0000	0.0000	0	0
6	ABAN VENTURES PRIVATE LIMITED	1040000	1.7818	0.0000	1040000	1.7818	0.0000	0.0000	0	0
7	SHEMA RENNY ABRAHAM	560381	0.9601	0.0000	415381	0.7116	0.0000	-0.2484	0	0

## VI. Change in Promoters' Shareholding

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
SI No	Name of the Share holder	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-2016	8328750	14.2700	8328750	14.2700
	At the end of the Year 31-Mar-2017	8328750	14.2700	8328750	14.2700
2	ABAN INVESTMENTS PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2016	5653070	9.6855	5653070	9.6855
	At the end of the Year 31-Mar-2017	5653070	9.6855	5653070	9.6855
3	REJI ABRAHAM				
	At the beginning of the year 01-Apr-2016	5627840	9.6424	5627840	9.6424
	At the end of the Year 31-Mar-2017	5627840	9.6424	5627840	9.6424
4	DEEPA REJI ABRAHAM				
	At the beginning of the year 01-Apr-2016	4038500	6.9193	4038500	6.9193
	At the end of the Year 31-Mar-2017	4038500	6.9193	4038500	6.9193
	SALEY ABRAHAM				
5	At the beginning of the year 01-Apr-2016	2158000	3.6974	2158000	3.6974
	At the end of the Year 31-Mar-2017	2158000	3.6974	2158000	3.6974
	ABAN VENTURES PRIVATE LIMITED				
6	At the beginning of the year 01-Apr-2016	1040000	1.7818	1040000	1.7818
	At the end of the Year 31-Mar-2017	1040000	1.7818	1040000	1.7818
	SHEMA RENNY ABRAHAM				
7	At the beginning of the year 01-Apr-2016	560381	0.9601	560381	0.9601
	Sale 28-Oct-2016	-75000	0.1285	485381	0.8316
	Sale 13-Jan-2017	-25000	0.0428	460381	0.7887
	Sale 17-Feb-2017	-45000	0.0771	415381	0.7116
	At the end of the Year 31-Mar-2017	415381	0.7116	415381	0.7116

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

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
SI No	Name of the Share holder	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-2016	1000000	1.7133	1000000	1.7133
	At the end of the Year 31-Mar-2017	1000000	1.7133	1000000	1.7133
1	LIFE INSURANCE CORPORATION OF INDIA P & GS FUND				
	At the beginning of the year 01-Apr-2016	278461	0.4771	278461	0.4771
	At the end of the Year 31-Mar-2017	278461	0.4771	278461	0.4771
1	LIC OF INDIA MONEY PLUS GROWTH FUND				
	At the beginning of the year 01-Apr-2016	21200	0.0363	21200	0.0363
	At the end of the Year 31-Mar-2017	21200	0.0363	21200	0.0363
2	WISDOMTREE INDIA INVESTMENT PORTFOLIO, INC.				
	At the beginning of the year 01-Apr-2016	695816	1.1921	695816	1.1921
	Purchase 08-Apr-2016	10956	0.0187	706772	1.2109
	Purchase 22-Apr-2016	3652	0.0062	710424	1.2172
	Sale 06-May-2016	-31042	0.0531	679382	1.1640
	Sale 20-May-2016	-27390	0.0469	651992	1.1170
	Sale 27-May-2016	-18250	0.0312	633742	1.0858
	Sale 24-Jun-2016	-50664	0.0868	583078	0.9990

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
Sl No	Name of the Share holder	No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Sale 30-Jun-2016	-10140	0.0173	572938	0.9816
	Sale 16-Sep-2016	-20292	0.0347	552646	0.9468
	Sale 22-Sep-2016	-552646	0.9468	0	0.0000
	At the end of the Year 31-Mar-2017	0	0.0000	0	0.0000
3	DIMENSIONAL EMERGING MARKETS VALUE FUND				
	At the beginning of the year 01-Apr-2016	315580	0.5406	315580	0.5406
	At the end of the Year 31-Mar-2017	315580	0.5406	315580	0.5406
4	GIRISH KUMAR SHARDA				
	At the beginning of the year 01-Apr-2016	209504	0.3589	209504	0.3589
	Purchase 27-May-2016	496	0.0008	210000	0.3598
	Purchase 21-Oct-2016	37500	0.0642	247500	0.4240
	Purchase 04-Nov-2016	50000	0.0856	297500	0.5097
	Purchase 25-Nov-2016	5000	0.0085	302500	0.5182
	Purchase 02-Dec-2016	7500	0.0128	310000	0.5311
	Purchase 23-Dec-2016	3000	0.0051	313000	0.5362
	Purchase 24-Mar-2017	5000	0.0085	318000	0.5448
	Purchase 31-Mar-2017	5000	0.0085	323000	0.5534
	At the end of the Year 31-Mar-2017	323000	0.5534	323000	0.5534
5	EMERGING MARKETS CORE EQUITY PORTFOLIO (THE PORTFOLIO) OF DFA INVESTMENT DIMENSIONS GROUP INC. (DFAIDG DIMENSIONS GROUP INC. (DFAIDG))				
	At the beginning of the year 01-Apr-2016	192279	0.3294	192279	0.3294
	Purchase 22-Jul-2016	15476	0.0265	207755	0.3559
	Purchase 29-Jul-2016	18494	0.0316	226249	0.3876
	Purchase 05-Aug-2016	30433	0.0521	256682	0.4397
	Purchase 02-Sep-2016	37804	0.0647	294486	0.5045
	At the end of the Year 31-Mar-2017	294486	0.5045	294486	0.5045
6	KARVY STOCK BROKING LTD(BSE)				
	At the beginning of the year 01-Apr-2016	174000	0.2981	174000	0.2981
	Sale 08-Apr-2016	-18000	0.0308	156000	0.2672
	Sale 29-Apr-2016	-25000	0.0428	131000	0.2244
	Purchase 06-May-2016	33000	0.0565	164000	0.2809
	Sale 20-May-2016	-10000	0.0171	154000	0.2638
	Sale 10-Jun-2016	-13000	0.0222	141000	0.2415
	Purchase 17-Jun-2016	12000	0.0205	153000	0.2621
	Sale 24-Jun-2016	-10000	0.0171	143000	0.2450
	Purchase 08-Jul-2016	5000	0.0085	148000	0.2535
	Sale 15-Jul-2016	-18800	0.0322	129200	0.2213
	Sale 12-Aug-2016	-4200	0.0071	125000	0.2141
	Purchase 19-Aug-2016	10000	0.0171	135000	0.2313
	Purchase 26-Aug-2016	16000	0.0274	151000	0.2587
	Sale 02-Sep-2016	-12000	0.0205	139000	0.2381
	Sale 16-Sep-2016	-4000	0.0068	135000	0.2313
	Purchase 22-Sep-2016	7000	0.0119	142000	0.2432
	Purchase 30-Sep-2016	14000	0.0239	156000	0.2672
	Sale 07-Oct-2016	-13000	0.0222	143000	0.2450
	Sale 14-Oct-2016	-39000	0.0668	104000	0.1781
	Purchase 21-Oct-2016	102000	0.1747	206000	0.3529
	Sale 28-Oct-2016	-2000	0.0034	204000	0.3495
	Sale 11-Nov-2016	-80000	0.1370	124000	0.2124
	Purchase 18-Nov-2016	10000	0.0171	134000	0.2295
	Purchase 25-Nov-2016	4000	0.0068	138000	0.2364
	Sale 02-Dec-2016	-30000	0.0514	108000	0.1850
	Purchase 09-Dec-2016	11000	0.0188	119000	0.2038
	Purchase 16-Dec-2016	7000	0.0119	126000	0.2158

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
Sl No	Name of the Share holder	No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Sale 23-Dec-2016	-2000	0.0034	124000	0.2124
	Sale 30-Dec-2016	-2000	0.0034	122000	0.2090
	Sale 06-Jan-2017	-27000	0.0462	95000	0.1627
	Purchase 20-Jan-2017	2000	0.0034	97000	0.1661
	Sale 27-Jan-2017	-3000	0.0051	94000	0.1610
	Purchase 17-Feb-2017	12000	0.0205	106000	0.1816
	Sale 03-Mar-2017	-10000	0.0171	96000	0.1644
	Purchase 10-Mar-2017	11000	0.0188	107000	0.1833
	Purchase 17-Mar-2017	9000	0.0154	116000	0.1987
	Sale 31-Mar-2017	-1500	0.0025	114500	0.1961
	At the end of the Year 31-Mar-2017	114500	0.1961	114500	0.1961
6	KARVY STOCK BROKING LTD				
	At the beginning of the year 01-Apr-2016	11694	0.0200	11694	0.0200
	Sale 01-Apr-2016	-1618	0.0027	10076	0.0172
	Sale 08-Apr-2016	-4578	0.0078	5498	0.0094
	Purchase 15-Apr-2016	515	0.0008	6013	0.0103
	Sale 22-Apr-2016	-2319	0.0039	3694	0.0063
	Purchase 29-Apr-2016	1573	0.0026	5267	0.0090
	Sale 06-May-2016	-951	0.0016	4316	0.0073
	Sale 13-May-2016	-3950	0.0067	366	0.0006
	Purchase 20-May-2016	7813	0.0133	8179	0.0140
	Sale 27-May-2016	-206	0.0003	7973	0.0136
	Sale 03-Jun-2016	-3864	0.0066	4109	0.0070
	Sale 10-Jun-2016	-3739	0.0064	370	0.0006
	Purchase 17-Jun-2016	2320	0.0039	2690	0.0046
	Purchase 24-Jun-2016	1801	0.0030	4491	0.0076
	Sale 30-Jun-2016	-3207	0.0054	1284	0.0021
	Purchase 01-Jul-2016	3590	0.0061	4874	0.0083
	Sale 08-Jul-2016	-3189	0.0054	1685	0.0028
	Sale 15-Jul-2016	-1405	0.0024	280	0.0004
	Purchase 22-Jul-2016	7012	0.0120	7292	0.0124
	Sale 29-Jul-2016	-6592	0.0112	700	0.0011
	Sale 05-Aug-2016	-280	0.0004	420	0.0007
	Purchase 12-Aug-2016	8827	0.0151	9247	0.0158
	Sale 19-Aug-2016	-5805	0.0099	3442	0.0058
	Sale 26-Aug-2016	-2063	0.0035	1379	0.0023
	Purchase 02-Sep-2016	4731	0.0081	6110	0.0104
	Sale 09-Sep-2016	-6021	0.0103	89	0.0001
	Purchase 16-Sep-2016	3682	0.0063	3771	0.0064
	Sale 22-Sep-2016	-1829	0.0031	1942	0.0033
	Sale 23-Sep-2016	-942	0.0016	1000	0.0017
	Sale 30-Sep-2016	-598	0.0010	402	0.0006
	Purchase 07-Oct-2016	8866	0.0151	9268	0.0158
	Sale 14-Oct-2016	-7294	0.0124	1974	0.0033
	Purchase 21-Oct-2016	367	0.0006	2341	0.0040
	Purchase 28-Oct-2016	1321	0.0022	3662	0.0062
	Sale 04-Nov-2016	-1281	0.0021	2381	0.0040
	Purchase 11-Nov-2016	4701	0.0080	7082	0.0121
	Sale 18-Nov-2016	-5867	0.0100	1215	0.0020
	Purchase 25-Nov-2016	6489	0.0111	7704	0.0131
	Sale 02-Dec-2016	-6397	0.0109	1307	0.0022
	Purchase 09-Dec-2016	1266	0.0021	2573	0.0044
	Sale 16-Dec-2016	-839	0.0014	1734	0.0029
	Purchase 23-Dec-2016	2633	0.0045	4367	0.0074

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
Sl No	Name of the Share holder	No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Sale 30-Dec-2016	-3808	0.0065	559	0.0009
	Sale 31-Dec-2016	-75	0.0001	484	0.0008
	Purchase 06-Jan-2017	2620	0.0044	3104	0.0053
	Purchase 13-Jan-2017	728	0.0012	3832	0.0065
	Purchase 20-Jan-2017	1705	0.0029	5537	0.0094
	Sale 27-Jan-2017	-4547	0.0077	990	0.0016
	Purchase 03-Feb-2017	1027	0.0017	2017	0.0034
	Sale 10-Feb-2017	-691	0.0011	1326	0.0022
	Purchase 17-Feb-2017	871	0.0014	2197	0.0037
	Sale 24-Feb-2017	-189	0.0003	2008	0.0034
	Purchase 03-Mar-2017	2788	0.0047	4796	0.0082
	Sale 10-Mar-2017	-690	0.0011	4106	0.0070
	Sale 17-Mar-2017	-3938	0.0067	168	0.0002
	Purchase 24-Mar-2017	900	0.0015	1068	0.0018
	Purchase 31-Mar-2017	7280	0.0124	8348	0.0143
	At the end of the Year 31-Mar-2017	8348	0.0143	8348	0.0143
6	KARVY STOCK BROKING LIMITED				
	At the beginning of the year 01-Apr-2016	6792	0.0116	6792	0.0116
	Sale 01-Apr-2016	-500	0.0008	6292	0.0107
	Sale 08-Apr-2016	-615	0.0010	5677	0.0097
	Sale 15-Apr-2016	-464	0.0007	5213	0.0089
	Purchase 22-Apr-2016	722	0.0012	5935	0.0101
	Sale 29-Apr-2016	-1119	0.0019	4816	0.0082
	Purchase 06-May-2016	121	0.0002	4937	0.0084
	Sale 13-May-2016	-12	0.0000	4925	0.0084
	Purchase 20-May-2016	399	0.0006	5324	0.0091
	Purchase 27-May-2016	2034	0.0034	7358	0.0126
	Purchase 03-Jun-2016	897	0.0015	8255	0.0141
	Sale 10-Jun-2016	-705	0.0012	7550	0.0129
	Sale 17-Jun-2016	-1149	0.0019	6401	0.0109
	Sale 24-Jun-2016	-1374	0.0023	5027	0.0086
	Purchase 30-Jun-2016	711	0.0012	5738	0.0098
	Sale 01-Jul-2016	-34	0.0000	5704	0.0097
	Sale 08-Jul-2016	-465	0.0007	5239	0.0089
	Purchase 15-Jul-2016	378	0.0006	5617	0.0096
	Purchase 22-Jul-2016	1849	0.0031	7466	0.0127
	Purchase 29-Jul-2016	847	0.0014	8313	0.0142
	Purchase 05-Aug-2016	664	0.0011	8977	0.0153
	Purchase 12-Aug-2016	932	0.0015	9909	0.0169
	Purchase 19-Aug-2016	502	0.0008	10411	0.0178
	Sale 26-Aug-2016	-3596	0.0061	6815	0.0116
	Purchase 02-Sep-2016	12870	0.0220	19685	0.0337
	Sale 09-Sep-2016	-17977	0.0308	1708	0.0029
	Purchase 16-Sep-2016	215	0.0003	1923	0.0032
	Sale 22-Sep-2016	-24	0.0000	1899	0.0032
	Sale 23-Sep-2016	-5	0.0000	1894	0.0032
	Purchase 30-Sep-2016	1961	0.0033	3855	0.0066
	Sale 07-Oct-2016	-2883	0.0049	972	0.0016
	Purchase 14-Oct-2016	1760	0.0030	2732	0.0046
	Sale 21-Oct-2016	-45	0.0000	2687	0.0046
	Purchase 28-Oct-2016	2156	0.0036	4843	0.0082
	Purchase 04-Nov-2016	1407	0.0024	6250	0.0107
	Sale 11-Nov-2016	-502	0.0008	5748	0.0098
	Sale 18-Nov-2016	-1790	0.0030	3958	0.0067

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
Sl No	Name of the Share holder	No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Purchase 25-Nov-2016	404	0.0006	4362	0.0074
	Sale 02-Dec-2016	-197	0.0003	4165	0.0071
	Purchase 09-Dec-2016	8043	0.0137	12208	0.0209
	Sale 16-Dec-2016	-863	0.0014	11345	0.0194
	Purchase 23-Dec-2016	1218	0.0020	12563	0.0215
	Sale 30-Dec-2016	-1697	0.0029	10866	0.0186
	Sale 06-Jan-2017	-7694	0.0131	3172	0.0054
	Purchase 13-Jan-2017	1305	0.0022	4477	0.0076
	Sale 20-Jan-2017	-74	0.0001	4403	0.0075
	Purchase 27-Jan-2017	3	0.0000	4406	0.0075
	Sale 03-Feb-2017	-1140	0.0019	3266	0.0055
	Purchase 10-Feb-2017	1166	0.0019	4432	0.0075
	Purchase 17-Feb-2017	1840	0.0031	6272	0.0107
	Sale 24-Feb-2017	-859	0.0014	5413	0.0092
	Sale 03-Mar-2017	-1171	0.0020	4242	0.0072
	Purchase 10-Mar-2017	1621	0.0027	5863	0.0100
	Purchase 17-Mar-2017	273	0.0004	6136	0.0105
	Purchase 24-Mar-2017	28	0.0000	6164	0.0105
	Purchase 31-Mar-2017	145	0.0002	6309	0.0108
	At the end of the Year 31-Mar-2017	6309	0.0108	6309	0.0108
6	KARVY STOCK BROKING LTD				
	At the beginning of the year 01-Apr-2016	2644	0.0045	2644	0.0045
	Purchase 01-Apr-2016	2200	0.0037	4844	0.0082
	Purchase 08-Apr-2016	7848	0.0134	12692	0.0217
	Sale 15-Apr-2016	-8610	0.0147	4082	0.0069
	Purchase 22-Apr-2016	1632	0.0027	5714	0.0097
	Purchase 29-Apr-2016	25048	0.0429	30762	0.0527
	Sale 06-May-2016	-21199	0.0363	9563	0.0163
	Sale 13-May-2016	-2004	0.0034	7559	0.0129
	Sale 20-May-2016	-3380	0.0057	4179	0.0071
	Purchase 27-May-2016	1555	0.0026	5734	0.0098
	Sale 03-Jun-2016	-2605	0.0044	3129	0.0053
	Purchase 10-Jun-2016	10235	0.0175	13364	0.0228
	Sale 17-Jun-2016	-9742	0.0166	3622	0.0062
	Purchase 24-Jun-2016	2682	0.0045	6304	0.0108
	Purchase 30-Jun-2016	3757	0.0064	10061	0.0172
	Sale 01-Jul-2016	-2867	0.0049	7194	0.0123
	Purchase 08-Jul-2016	3272	0.0056	10466	0.0179
	Sale 15-Jul-2016	-1206	0.0020	9260	0.0158
	Purchase 22-Jul-2016	4217	0.0072	13477	0.0230
	Sale 29-Jul-2016	-8565	0.0146	4912	0.0084
	Purchase 05-Aug-2016	990	0.0016	5902	0.0101
	Purchase 12-Aug-2016	3786	0.0064	9688	0.0165
	Sale 19-Aug-2016	-5673	0.0097	4015	0.0068
	Purchase 26-Aug-2016	3635	0.0062	7650	0.0131
	Sale 02-Sep-2016	-2057	0.0035	5593	0.0095
	Purchase 09-Sep-2016	1652	0.0028	7245	0.0124
	Purchase 16-Sep-2016	5257	0.0090	12502	0.0214
	Sale 22-Sep-2016	-6270	0.0107	6232	0.0106
	Sale 23-Sep-2016	-1245	0.0021	4987	0.0085
	Purchase 30-Sep-2016	9051	0.0155	14038	0.0240
	Sale 07-Oct-2016	-8086	0.0138	5952	0.0101
	Purchase 14-Oct-2016	16588	0.0284	22540	0.0386
	Sale 21-Oct-2016	-17420	0.0298	5120	0.0087

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
Sl No	Name of the Share holder	No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Purchase 28-Oct-2016	6860	0.0117	11980	0.0205
	Sale 04-Nov-2016	-5388	0.0092	6592	0.0112
	Purchase 11-Nov-2016	4039	0.0069	10631	0.0182
	Sale 18-Nov-2016	-5983	0.0102	4648	0.0079
	Sale 25-Nov-2016	-1329	0.0022	3319	0.0056
	Purchase 02-Dec-2016	20608	0.0353	23927	0.0409
	Sale 09-Dec-2016	-16893	0.0289	7034	0.0120
	Sale 16-Dec-2016	-2331	0.0039	4703	0.0080
	Purchase 23-Dec-2016	6083	0.0104	10786	0.0184
	Sale 30-Dec-2016	-5121	0.0087	5665	0.0097
	Purchase 31-Dec-2016	38	0.0000	5703	0.0097
	Sale 06-Jan-2017	-1562	0.0026	4141	0.0070
	Purchase 13-Jan-2017	2012	0.0034	6153	0.0105
	Purchase 20-Jan-2017	245	0.0004	6398	0.0109
	Sale 27-Jan-2017	-532	0.0009	5866	0.0100
	Purchase 03-Feb-2017	3327	0.0057	9193	0.0157
	Purchase 10-Feb-2017	800	0.0013	9993	0.0171
	Sale 17-Feb-2017	-6583	0.0112	3410	0.0058
	Purchase 24-Feb-2017	1040	0.0017	4450	0.0076
	Purchase 03-Mar-2017	1204	0.0020	5654	0.0096
	Sale 10-Mar-2017	-899	0.0015	4755	0.0081
	Purchase 17-Mar-2017	2423	0.0041	7178	0.0122
	Sale 24-Mar-2017	-2834	0.0048	4344	0.0074
	Purchase 31-Mar-2017	1381	0.0023	5725	0.0098
	At the end of the Year 31-Mar-2017	5725	0.0098	5725	0.0098
6	KARVY STOCK BROKING LIMITED				
	At the beginning of the year 01-Apr-2016	188	0.0003	188	0.0003
	At the end of the Year 31-Mar-2017	188	0.0003	188	0.0003
6	KARVY STOCK BROKING LTD- F-O MARGIN				
	At the beginning of the year 01-Apr-2016	107	0.0001	107	0.0001
	Purchase 08-Apr-2016	296	0.0005	403	0.0006
	Sale 15-Apr-2016	-108	0.0001	295	0.0005
	Sale 22-Apr-2016	-225	0.0003	70	0.0001
	Purchase 29-Apr-2016	3	0.0000	73	0.0001
	Sale 06-May-2016	-73	0.0001	0	0.0000
	Purchase 13-May-2016	55	0.0000	55	0.0000
	Purchase 20-May-2016	171	0.0002	226	0.0003
	Purchase 27-May-2016	30	0.0000	256	0.0004
	Purchase 03-Jun-2016	37	0.0000	293	0.0005
	Purchase 10-Jun-2016	56	0.0000	349	0.0005
	Purchase 17-Jun-2016	61	0.0001	410	0.0007
	Sale 24-Jun-2016	-153	0.0002	257	0.0004
	Purchase 30-Jun-2016	208	0.0003	465	0.0007
	Purchase 01-Jul-2016	113	0.0001	578	0.0009
	Sale 08-Jul-2016	-566	0.0009	12	0.0000
	Purchase 15-Jul-2016	120	0.0002	132	0.0002
	Sale 22-Jul-2016	-32	0.0000	100	0.0001
	Sale 29-Jul-2016	-100	0.0001	0	0.0000
	Purchase 05-Aug-2016	108	0.0001	108	0.0001
	Purchase 12-Aug-2016	53	0.0000	161	0.0002
	Sale 19-Aug-2016	-154	0.0002	7	0.0000
	Purchase 26-Aug-2016	201	0.0003	208	0.0003
	Sale 02-Sep-2016	-193	0.0003	15	0.0000
	Purchase 09-Sep-2016	22	0.0000	37	0.0000

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
Sl No	Name of the Share holder	No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Purchase 16-Sep-2016	180	0.0003	217	0.0003
	Sale 22-Sep-2016	-181	0.0003	36	0.0000
	Purchase 23-Sep-2016	44	0.0000	80	0.0001
	Purchase 30-Sep-2016	72	0.0001	152	0.0002
	Sale 07-Oct-2016	-152	0.0002	0	0.0000
	Purchase 14-Oct-2016	36	0.0000	36	0.0000
	Sale 21-Oct-2016	-36	0.0000	0	0.0000
	Purchase 28-Oct-2016	309	0.0005	309	0.0005
	Sale 04-Nov-2016	-309	0.0005	0	0.0000
	Purchase 11-Nov-2016	11	0.0000	11	0.0000
	Sale 18-Nov-2016	-11	0.0000	0	0.0000
	Purchase 25-Nov-2016	261	0.0004	261	0.0004
	Sale 02-Dec-2016	-94	0.0001	167	0.0002
	Purchase 09-Dec-2016	210	0.0003	377	0.0006
	Purchase 16-Dec-2016	172	0.0002	549	0.0009
	Sale 23-Dec-2016	-549	0.0009	0	0.0000
	Purchase 06-Jan-2017	275	0.0004	275	0.0004
	Sale 13-Jan-2017	-275	0.0004	0	0.0000
	Purchase 20-Jan-2017	75	0.0001	75	0.0001
	Sale 27-Jan-2017	-22	0.0000	53	0.0000
	Sale 03-Feb-2017	-12	0.0000	41	0.0000
	Purchase 10-Feb-2017	159	0.0002	200	0.0003
	Purchase 17-Feb-2017	137	0.0002	337	0.0005
	Sale 24-Feb-2017	-283	0.0004	54	0.0000
	Sale 03-Mar-2017	-54	0.0000	0	0.0000
	Purchase 17-Mar-2017	1	0.0000	1	0.0000
	Purchase 24-Mar-2017	29	0.0000	30	0.0000
	Purchase 31-Mar-2017	534	0.0009	564	0.0009
	At the end of the Year 31-Mar-2017	564	0.0009	564	0.0009
6	KARVY STOCK BROKING LIMITED NSE				
	At the beginning of the year 01-Apr-2016	20	0.0000	20	0.0000
	At the end of the Year 31-Mar-2017	20	0.0000	20	0.0000
6	KARVY STOCK BROKING LIMITED BROKING				
	At the beginning of the year 01-Apr-2016	10	0.0000	10	0.0000
	At the end of the Year 31-Mar-2017	10	0.0000	10	0.0000
6	KARVY STOCK BROKING LTD.				
	At the beginning of the year 01-Apr-2016	10	0.0000	10	0.0000
	Purchase 08-Apr-2016	583	0.0009	593	0.0010
	Sale 15-Apr-2016	-203	0.0003	390	0.0006
	Sale 22-Apr-2016	-172	0.0002	218	0.0003
	Purchase 29-Apr-2016	66	0.0001	284	0.0004
	Sale 06-May-2016	-38	0.0000	246	0.0004
	Sale 13-May-2016	-146	0.0002	100	0.0001
	Purchase 20-May-2016	150	0.0002	250	0.0004
	Sale 27-May-2016	-250	0.0004	0	0.0000
	Purchase 10-Jun-2016	551	0.0009	551	0.0009
	Sale 17-Jun-2016	-551	0.0009	0	0.0000
	Purchase 24-Jun-2016	2067	0.0035	2067	0.0035
	Purchase 30-Jun-2016	533	0.0009	2600	0.0044
	Sale 01-Jul-2016	-1993	0.0034	607	0.0010
	Sale 08-Jul-2016	-418	0.0007	189	0.0003
	Purchase 15-Jul-2016	90	0.0001	279	0.0004
	Purchase 22-Jul-2016	972	0.0016	1251	0.0021
	Purchase 29-Jul-2016	279	0.0004	1530	0.0026

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
Sl No	Name of the Share holder	No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Sale 05-Aug-2016	-732	0.0012	798	0.0013
	Purchase 12-Aug-2016	898	0.0015	1696	0.0029
	Sale 19-Aug-2016	-1176	0.0020	520	0.0008
	Sale 26-Aug-2016	-467	0.0008	53	0.0000
	Purchase 02-Sep-2016	990	0.0016	1043	0.0017
	Sale 09-Sep-2016	-893	0.0015	150	0.0002
	Purchase 16-Sep-2016	50	0.0000	200	0.0003
	Purchase 22-Sep-2016	140	0.0002	340	0.0005
	Purchase 23-Sep-2016	1015	0.0017	1355	0.0023
	Sale 30-Sep-2016	-855	0.0014	500	0.0008
	Purchase 07-Oct-2016	1566	0.0026	2066	0.0035
	Sale 14-Oct-2016	-1895	0.0032	171	0.0002
	Sale 21-Oct-2016	-150	0.0002	21	0.0000
	Purchase 28-Oct-2016	1275	0.0021	1296	0.0022
	Sale 04-Nov-2016	-736	0.0012	560	0.0009
	Purchase 11-Nov-2016	1835	0.0031	2395	0.0041
	Sale 18-Nov-2016	-1332	0.0022	1063	0.0018
	Sale 25-Nov-2016	-1028	0.0017	35	0.0000
	Purchase 02-Dec-2016	2819	0.0048	2854	0.0048
	Sale 09-Dec-2016	-1496	0.0025	1358	0.0023
	Sale 16-Dec-2016	-923	0.0015	435	0.0007
	Sale 23-Dec-2016	-414	0.0007	21	0.0000
	Purchase 30-Dec-2016	920	0.0015	941	0.0016
	Sale 06-Jan-2017	-891	0.0015	50	0.0000
	Purchase 13-Jan-2017	176	0.0003	226	0.0003
	Purchase 20-Jan-2017	1072	0.0018	1298	0.0022
	Sale 27-Jan-2017	-1165	0.0019	133	0.0002
	Purchase 03-Feb-2017	18	0.0000	151	0.0002
	Sale 10-Feb-2017	-151	0.0002	0	0.0000
	Purchase 24-Feb-2017	74	0.0001	74	0.0001
	Purchase 03-Mar-2017	226	0.0003	300	0.0005
	Sale 10-Mar-2017	-278	0.0004	22	0.0000
	Purchase 17-Mar-2017	28	0.0000	50	0.0000
	Purchase 24-Mar-2017	650	0.0011	700	0.0011
	Sale 31-Mar-2017	-600	0.0010	100	0.0001
	At the end of the Year 31-Mar-2017	100	0.0001	100	0.0001
7	GIRDHAR LAL SHARDA				
	At the beginning of the year 01-Apr-2016	172294	0.2951	172294	0.2951
	Purchase 06-May-2016	2706	0.0046	175000	0.2998
	Purchase 21-Oct-2016	10000	0.0171	185000	0.3169
	Purchase 25-Nov-2016	20000	0.0342	205000	0.3512
	At the end of the Year 31-Mar-2017	205000	0.3512	205000	0.3512
8	ICICI BANK LIMITED				
	At the beginning of the year 01-Apr-2016	165848	0.2841	165848	0.2841
	Sale 01-Apr-2016	-1255	0.0021	164593	0.2820
	Sale 08-Apr-2016	-2470	0.0042	162123	0.2777
	Sale 15-Apr-2016	-481	0.0008	161642	0.2769
	Purchase 22-Apr-2016	6084	0.0104	167726	0.2873
	Sale 29-Apr-2016	-162	0.0002	167564	0.2870
	Sale 06-May-2016	-2069	0.0035	165495	0.2835
	Sale 13-May-2016	-909	0.0015	164586	0.2819
	Purchase 20-May-2016	14701	0.0251	179287	0.3071
	Purchase 27-May-2016	1241	0.0021	180528	0.3093
	Sale 03-Jun-2016	-15462	0.0264	165066	0.2828

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
SI No	Name of the Share holder	No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Purchase 10-Jun-2016	8647	0.0148	173713	0.2976
	Purchase 17-Jun-2016	26630	0.0456	200343	0.3432
	Purchase 24-Jun-2016	55247	0.0946	255590	0.4379
	Purchase 30-Jun-2016	818	0.0014	256408	0.4393
	Sale 01-Jul-2016	-446	0.0007	255962	0.4385
	Sale 08-Jul-2016	-4994	0.0085	250968	0.4299
	Sale 15-Jul-2016	-8509	0.0145	242459	0.4154
	Purchase 22-Jul-2016	2131	0.0036	244590	0.4190
	Purchase 29-Jul-2016	14285	0.0244	258875	0.4435
	Purchase 05-Aug-2016	15317	0.0262	274192	0.4697
	Sale 12-Aug-2016	-66517	0.1139	207675	0.3558
	Sale 19-Aug-2016	-5158	0.0088	202517	0.3469
	Purchase 26-Aug-2016	10433	0.0178	212950	0.3648
	Sale 02-Sep-2016	-15384	0.0263	197566	0.3384
	Purchase 09-Sep-2016	13467	0.0230	211033	0.3615
	Purchase 16-Sep-2016	1893	0.0032	212926	0.3648
	Sale 22-Sep-2016	-97	0.0001	212829	0.3646
	Purchase 23-Sep-2016	4	0.0000	212833	0.3646
	Sale 30-Sep-2016	-13599	0.0232	199234	0.3413
	Sale 07-Oct-2016	-2373	0.0040	196861	0.3372
	Sale 14-Oct-2016	-8247	0.0141	188614	0.3231
	Sale 21-Oct-2016	-10756	0.0184	177858	0.3047
	Purchase 28-Oct-2016	731	0.0012	178589	0.3059
	Purchase 04-Nov-2016	32627	0.0559	211216	0.3618
	Sale 11-Nov-2016	-38863	0.0665	172353	0.2953
	Sale 18-Nov-2016	-1039	0.0017	171314	0.2935
	Sale 25-Nov-2016	-6547	0.0112	164767	0.2823
	Sale 02-Dec-2016	-1566	0.0026	163201	0.2796
	Sale 09-Dec-2016	-986	0.0016	162215	0.2779
	Sale 16-Dec-2016	-1893	0.0032	160322	0.2746
	Sale 23-Dec-2016	-2301	0.0039	158021	0.2707
	Purchase 30-Dec-2016	930	0.0015	158951	0.2723
	Purchase 06-Jan-2017	4577	0.0078	163528	0.2801
	Purchase 13-Jan-2017	7175	0.0122	170703	0.2924
	Sale 20-Jan-2017	-1541	0.0026	169162	0.2898
	Sale 27-Jan-2017	-1859	0.0031	167303	0.2866
	Sale 03-Feb-2017	-6112	0.0104	161191	0.2761
	Sale 10-Feb-2017	-488	0.0008	160703	0.2753
	Sale 17-Feb-2017	-441	0.0007	160262	0.2745
	Purchase 24-Feb-2017	1322	0.0022	161584	0.2768
	Purchase 03-Mar-2017	16782	0.0287	178366	0.3056
	Purchase 10-Mar-2017	3623	0.0062	181989	0.3118
	Sale 17-Mar-2017	-1482	0.0025	180507	0.3092
	Purchase 24-Mar-2017	25765	0.0441	206272	0.3534
	Purchase 31-Mar-2017	340	0.0005	206612	0.3539
	At the end of the Year 31-Mar-2017	206612	0.3539	206612	0.3539
9	THE EMERGING MARKETS SMALL CAP SERIES OF THE DFA INVESTMENT TRUST COMPANY				
	At the beginning of the year 01-Apr-2016	137519	0.2356	137519	0.2356
	At the end of the Year 31-Mar-2017	137519	0.2356	137519	0.2356
10	HSBC MIDCAP EQUITY FUND				
	At the beginning of the year 01-Apr-2016	130000	0.2227	130000	0.2227
	Sale 30-Sep-2016	-80000	0.1370	50000	0.0856
	Sale 07-Oct-2016	-30000	0.0514	20000	0.0342
	Sale 04-Nov-2016	-20000	0.0342	0	0.0000

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
Sl No	Name of the Share holder	No of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the end of the Year 31-Mar-2017	0	0.0000	0	0.0000
10	HSBC INFRASTRUCTURE EQUITY FUND				
	At the beginning of the year 01-Apr-2016	76500	0.1310	76500	0.1310
	Sale 07-Oct-2016	-25000	0.0428	51500	0.0882
	At the end of the Year 31-Mar-2017	51500	0.0882	51500	0.0882
	New Top 10 as on 31st March 2017				
11	NEW VERNON INDIA LIMITED				
	At the beginning of the year 01-Apr-2016	0	0.0000	0	0.0000
	Purchase 06-Jan-2017	569690	0.9760	569690	0.9760
	Purchase 13-Jan-2017	151	0.0002	569841	0.9763
	At the end of the Year 31-Mar-2017	569841	0.9763	569841	0.9763
12	IL AND FS SECURITIES SERVICES LIMITED				
	At the beginning of the year 01-Apr-2016	126179	0.2161	126179	0.2161
	Purchase 10-Jun-2016	39815	0.0682	165994	0.2844
	Sale 17-Jun-2016	-7000	0.0119	158994	0.2724
	Sale 24-Jun-2016	-6000	0.0102	152994	0.2621
	Purchase 15-Jul-2016	36005	0.0616	188999	0.3238
	Sale 22-Jul-2016	-13980	0.0239	175019	0.2998
	Sale 29-Jul-2016	-3800	0.0065	171219	0.2933
	Sale 05-Aug-2016	-2000	0.0034	169219	0.2899
	Sale 12-Aug-2016	-8000	0.0137	161219	0.2762
	Purchase 19-Aug-2016	9406	0.0161	170625	0.2923
	Sale 26-Aug-2016	-3500	0.0059	167125	0.2863
	Sale 30-Sep-2016	-7158	0.0122	159967	0.2740
	Sale 07-Oct-2016	-4000	0.0068	155967	0.2672
	Sale 14-Oct-2016	-23000	0.0394	132967	0.2278
	Purchase 28-Oct-2016	57880	0.0991	190847	0.3269
	Sale 04-Nov-2016	-8000	0.0137	182847	0.3132
	Sale 11-Nov-2016	-17323	0.0296	165524	0.2835
	Sale 18-Nov-2016	-2281	0.0039	163243	0.2796
	Sale 23-Dec-2016	-3000	0.0051	160243	0.2745
	Purchase 03-Feb-2017	33569	0.0575	193812	0.3320
	Purchase 17-Feb-2017	8576	0.0146	202388	0.3467
	Sale 03-Mar-2017	-2000	0.0034	200388	0.3433
	Sale 17-Mar-2017	-10000	0.0171	190388	0.3262
	Sale 24-Mar-2017	-19414	0.0332	170974	0.2929
	Purchase 31-Mar-2017	13737	0.0235	184711	0.3164
	At the end of the Year 31-Mar-2017	184711	0.3164	184711	0.3164
12	IL AND FS SECURITIES SERVICES LIMITED				
	At the beginning of the year 01-Apr-2016	14980	0.0256	14980	0.0256
	Sale 01-Apr-2016	-3580	0.0061	11400	0.0195
	Purchase 08-Apr-2016	998	0.0017	12398	0.0212
	Purchase 15-Apr-2016	485	0.0008	12883	0.0220
	Purchase 22-Apr-2016	17311	0.0296	30194	0.0517
	Sale 29-Apr-2016	-14419	0.0247	15775	0.0270
	Sale 06-May-2016	-1081	0.0018	14694	0.0251
	Sale 13-May-2016	-1256	0.0021	13438	0.0230
	Purchase 20-May-2016	3427	0.0058	16865	0.0288
	Purchase 27-May-2016	6838	0.0117	23703	0.0406
	Purchase 03-Jun-2016	14837	0.0254	38540	0.0660
	Sale 10-Jun-2016	-36475	0.0624	2065	0.0035
	Purchase 17-Jun-2016	15061	0.0258	17126	0.0293
	Purchase 24-Jun-2016	7896	0.0135	25022	0.0428
	Sale 30-Jun-2016	-4775	0.0081	20247	0.0346

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
Sl No	Name of the Share holder	No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Sale 01-Jul-2016	-3460	0.0059	16787	0.0287
	Purchase 08-Jul-2016	6632	0.0113	23419	0.0401
	Sale 15-Jul-2016	-18367	0.0314	5052	0.0086
	Sale 22-Jul-2016	-5002	0.0085	50	0.0000
	Purchase 29-Jul-2016	3671	0.0062	3721	0.0063
	Sale 05-Aug-2016	-3037	0.0052	684	0.0011
	Purchase 12-Aug-2016	2183	0.0037	2867	0.0049
	Sale 19-Aug-2016	-45	0.0000	2822	0.0048
	Purchase 26-Aug-2016	14503	0.0248	17325	0.0296
	Sale 02-Sep-2016	-5337	0.0091	11988	0.0205
	Purchase 09-Sep-2016	5695	0.0097	17683	0.0302
	Purchase 16-Sep-2016	5433	0.0093	23116	0.0396
	Sale 22-Sep-2016	-4669	0.0079	18447	0.0316
	Sale 23-Sep-2016	-1330	0.0022	17117	0.0293
	Sale 30-Sep-2016	-13529	0.0231	3588	0.0061
	Purchase 07-Oct-2016	35008	0.0599	38596	0.0661
	Sale 14-Oct-2016	-31810	0.0545	6786	0.0116
	Purchase 21-Oct-2016	26576	0.0455	33362	0.0571
	Sale 28-Oct-2016	-31263	0.0535	2099	0.0035
	Purchase 04-Nov-2016	9100	0.0155	11199	0.0191
	Sale 11-Nov-2016	-450	0.0007	10749	0.0184
	Sale 18-Nov-2016	-7306	0.0125	3443	0.0058
	Purchase 25-Nov-2016	28751	0.0492	32194	0.0551
	Sale 02-Dec-2016	-7628	0.0130	24566	0.0420
	Sale 09-Dec-2016	-5248	0.0089	19318	0.0330
	Sale 16-Dec-2016	-6833	0.0117	12485	0.0213
	Sale 23-Dec-2016	-425	0.0007	12060	0.0206
	Sale 30-Dec-2016	-5908	0.0101	6152	0.0105
	Purchase 06-Jan-2017	580	0.0009	6732	0.0115
	Purchase 13-Jan-2017	13216	0.0226	19948	0.0341
	Sale 20-Jan-2017	-716	0.0012	19232	0.0329
	Purchase 27-Jan-2017	10468	0.0179	29700	0.0508
	Sale 03-Feb-2017	-24045	0.0411	5655	0.0096
	Purchase 10-Feb-2017	9842	0.0168	15497	0.0265
	Sale 17-Feb-2017	-4485	0.0076	11012	0.0188
	Purchase 24-Feb-2017	1616	0.0027	12628	0.0216
	Sale 03-Mar-2017	-10252	0.0175	2376	0.0040
	Purchase 10-Mar-2017	3309	0.0056	5685	0.0097
	Sale 17-Mar-2017	-4883	0.0083	802	0.0013
	Purchase 24-Mar-2017	18035	0.0309	18837	0.0322
	Sale 31-Mar-2017	-17282	0.0296	1555	0.0026
	At the end of the Year 31-Mar-2017	1555	0.0026	1555	0.0026
12	IL AND FS SECURITIES SERVICES LIMITED				
	At the beginning of the year 01-Apr-2016	1000	0.0017	1000	0.0017
	At the end of the Year 31-Mar-2017	1000	0.0017	1000	0.0017
12	IL & FS SECURITIES SERVICES LIMITED				
	At the beginning of the year 01-Apr-2016	50	0.0000	50	0.0000
	Sale 08-Apr-2016	-50	0.0000	0	0.0000
	Purchase 19-Aug-2016	200	0.0003	200	0.0003
	Sale 26-Aug-2016	-200	0.0003	0	0.0000
	Purchase 11-Nov-2016	90	0.0001	90	0.0001
	Sale 18-Nov-2016	-90	0.0001	0	0.0000
	Purchase 30-Dec-2016	157	0.0002	157	0.0002
	Sale 06-Jan-2017	-157	0.0002	0	0.0000

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
Sl No	Name of the Share holder	No of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the end of the Year 31-Mar-2017	0	0.0000	0	0.0000
12	IL AND FS SECURITIES SERVICES LIMITED				
	At the beginning of the year 01-Apr-2016	30	0.0000	30	0.0000
	At the end of the Year 31-Mar-2017	30	0.0000	30	0.0000
13	RELIGARE SECURITIES LTD				
	At the beginning of the year 01-Apr-2016	112786	0.1932	112786	0.1932
	Sale 01-Apr-2016	-13046	0.0223	99740	0.1708
	Sale 08-Apr-2016	-7016	0.0120	92724	0.1588
	Sale 15-Apr-2016	-5931	0.0101	86793	0.1487
	Purchase 22-Apr-2016	1965	0.0033	88758	0.1520
	Sale 29-Apr-2016	-20718	0.0354	68040	0.1165
	Purchase 06-May-2016	31088	0.0532	99128	0.1698
	Sale 13-May-2016	-1070	0.0018	98058	0.1680
	Purchase 20-May-2016	1970	0.0033	100028	0.1713
	Purchase 27-May-2016	1374	0.0023	101402	0.1737
	Sale 03-Jun-2016	-3218	0.0055	98184	0.1682
	Sale 10-Jun-2016	-29328	0.0502	68856	0.1179
	Purchase 17-Jun-2016	4510	0.0077	73366	0.1257
	Purchase 24-Jun-2016	11531	0.0197	84897	0.1454
	Purchase 30-Jun-2016	2270	0.0038	87167	0.1493
	Sale 01-Jul-2016	-4455	0.0076	82712	0.1417
	Purchase 08-Jul-2016	3958	0.0067	86670	0.1484
	Purchase 15-Jul-2016	5898	0.0101	92568	0.1586
	Purchase 22-Jul-2016	3841	0.0065	96409	0.1651
	Sale 29-Jul-2016	-8936	0.0153	87473	0.1498
	Purchase 05-Aug-2016	8477	0.0145	95950	0.1643
	Sale 12-Aug-2016	-4599	0.0078	91351	0.1565
	Sale 19-Aug-2016	-17362	0.0297	73989	0.1267
	Purchase 26-Aug-2016	3715	0.0063	77704	0.1331
	Purchase 02-Sep-2016	14410	0.0246	92114	0.1578
	Sale 09-Sep-2016	-13267	0.0227	78847	0.1350
	Purchase 16-Sep-2016	3685	0.0063	82532	0.1414
	Purchase 22-Sep-2016	9700	0.0166	92232	0.1580
	Purchase 23-Sep-2016	1906	0.0032	94138	0.1612
	Sale 30-Sep-2016	-2987	0.0051	91151	0.1561
	Purchase 07-Oct-2016	1395	0.0023	92546	0.1585
	Purchase 14-Oct-2016	12597	0.0215	105143	0.1801
	Purchase 21-Oct-2016	14958	0.0256	120101	0.2057
	Sale 28-Oct-2016	-5321	0.0091	114780	0.1966
	Sale 04-Nov-2016	-5538	0.0094	109242	0.1871
	Purchase 11-Nov-2016	448	0.0007	109690	0.1879
	Purchase 18-Nov-2016	6513	0.0111	116203	0.1990
	Sale 25-Nov-2016	-7727	0.0132	108476	0.1858
	Sale 02-Dec-2016	-11304	0.0193	97172	0.1664
	Purchase 09-Dec-2016	16445	0.0281	113617	0.1946
	Sale 16-Dec-2016	-6464	0.0110	107153	0.1835
	Purchase 23-Dec-2016	37573	0.0643	144726	0.2479
	Sale 30-Dec-2016	-7051	0.0120	137675	0.2358
	Sale 31-Dec-2016	-750	0.0012	136925	0.2345
	Sale 06-Jan-2017	-13362	0.0228	123563	0.2117
	Purchase 13-Jan-2017	14036	0.0240	137599	0.2357
	Sale 20-Jan-2017	-37256	0.0638	100343	0.1719
	Purchase 27-Jan-2017	2074	0.0035	102417	0.1754
	Purchase 03-Feb-2017	11290	0.0193	113707	0.1948

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
Sl No	Name of the Share holder	No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Purchase 10-Feb-2017	1884	0.0032	115591	0.1980
	Sale 17-Feb-2017	-1872	0.0032	113719	0.1948
	Sale 24-Feb-2017	-945	0.0016	112774	0.1932
	Purchase 03-Mar-2017	2612	0.0044	115386	0.1976
	Purchase 10-Mar-2017	45774	0.0784	161160	0.2761
	Purchase 17-Mar-2017	3904	0.0066	165064	0.2828
	Sale 24-Mar-2017	-3374	0.0057	161690	0.2770
	Purchase 31-Mar-2017	16868	0.0289	178558	0.3059
	At the end of the Year 31-Mar-2017	178558	0.3059	178558	0.3059
13	RELIGARE SECURITIES LTD				
	At the beginning of the year 01-Apr-2016	0	0.0000	0	0.0000
	Purchase 01-Apr-2016	20063	0.0343	20063	0.0343
	Sale 08-Apr-2016	-6385	0.0109	13678	0.0234
	Purchase 15-Apr-2016	16055	0.0275	29733	0.0509
	Sale 22-Apr-2016	-18234	0.0312	11499	0.0197
	Purchase 29-Apr-2016	30086	0.0515	41585	0.0712
	Sale 06-May-2016	-25414	0.0435	16171	0.0277
	Sale 13-May-2016	-5388	0.0092	10783	0.0184
	Sale 20-May-2016	-2766	0.0047	8017	0.0137
	Sale 27-May-2016	-912	0.0015	7105	0.0121
	Sale 03-Jun-2016	-2979	0.0051	4126	0.0070
	Purchase 10-Jun-2016	31342	0.0536	35468	0.0607
	Sale 17-Jun-2016	-14242	0.0244	21226	0.0363
	Purchase 24-Jun-2016	464	0.0007	21690	0.0371
	Sale 30-Jun-2016	-4953	0.0084	16737	0.0286
	Sale 01-Jul-2016	-2127	0.0036	14610	0.0250
	Purchase 08-Jul-2016	20493	0.0351	35103	0.0601
	Sale 15-Jul-2016	-4370	0.0074	30733	0.0526
	Sale 22-Jul-2016	-18726	0.0320	12007	0.0205
	Sale 29-Jul-2016	-1694	0.0029	10313	0.0176
	Sale 05-Aug-2016	-4457	0.0076	5856	0.0100
	Purchase 12-Aug-2016	5476	0.0093	11332	0.0194
	Purchase 19-Aug-2016	17814	0.0305	29146	0.0499
	Sale 26-Aug-2016	-18433	0.0315	10713	0.0183
	Sale 02-Sep-2016	-4918	0.0084	5795	0.0099
	Purchase 09-Sep-2016	10497	0.0179	16292	0.0279
	Sale 16-Sep-2016	-9481	0.0162	6811	0.0116
	Purchase 22-Sep-2016	10182	0.0174	16993	0.0291
	Sale 23-Sep-2016	-6765	0.0115	10228	0.0175
	Purchase 30-Sep-2016	7019	0.0120	17247	0.0295
	Purchase 07-Oct-2016	19102	0.0327	36349	0.0622
	Purchase 14-Oct-2016	2320	0.0039	38669	0.0662
	Sale 21-Oct-2016	-23620	0.0404	15049	0.0257
	Purchase 28-Oct-2016	16707	0.0286	31756	0.0544
	Sale 04-Nov-2016	-11401	0.0195	20355	0.0348
	Sale 11-Nov-2016	-8269	0.0141	12086	0.0207
	Sale 18-Nov-2016	-6557	0.0112	5529	0.0094
	Purchase 25-Nov-2016	6904	0.0118	12433	0.0213
	Purchase 02-Dec-2016	16975	0.0290	29408	0.0503
	Sale 09-Dec-2016	-16024	0.0274	13384	0.0229
	Sale 16-Dec-2016	-7185	0.0123	6199	0.0106
	Sale 23-Dec-2016	-2237	0.0038	3962	0.0067
	Purchase 30-Dec-2016	2901	0.0049	6863	0.0117
	Purchase 06-Jan-2017	5166	0.0088	12029	0.0206

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
Sl No	Name of the Share holder	No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Sale 13-Jan-2017	-2879	0.0049	9150	0.0156
	Purchase 20-Jan-2017	34739	0.0595	43889	0.0751
	Sale 27-Jan-2017	-33618	0.0575	10271	0.0175
	Purchase 03-Feb-2017	14505	0.0248	24776	0.0424
	Sale 10-Feb-2017	-8053	0.0137	16723	0.0286
	Sale 17-Feb-2017	-13287	0.0227	3436	0.0058
	Purchase 24-Feb-2017	14630	0.0250	18066	0.0309
	Sale 03-Mar-2017	-5357	0.0091	12709	0.0217
	Sale 10-Mar-2017	-5543	0.0094	7166	0.0122
	Purchase 17-Mar-2017	12011	0.0205	19177	0.0328
	Sale 24-Mar-2017	-10110	0.0173	9067	0.0155
	Sale 31-Mar-2017	-8704	0.0149	363	0.0006
	At the end of the Year 31-Mar-2017	363	0.0006	363	0.0006
13	RELIGARE SECURITIES LTD				
	At the beginning of the year 01-Apr-2016	0	0.0000	0	0.0000
	Purchase 01-Apr-2016	3207	0.0054	3207	0.0054
	Purchase 08-Apr-2016	3323	0.0056	6530	0.0111
	Purchase 15-Apr-2016	1670	0.0028	8200	0.0140
	Sale 22-Apr-2016	-7305	0.0125	895	0.0015
	Purchase 29-Apr-2016	792	0.0013	1687	0.0028
	Sale 06-May-2016	-687	0.0011	1000	0.0017
	Purchase 13-May-2016	6073	0.0104	7073	0.0121
	Sale 20-May-2016	-5495	0.0094	1578	0.0027
	Sale 27-May-2016	-959	0.0016	619	0.0010
	Purchase 03-Jun-2016	185	0.0003	804	0.0013
	Purchase 10-Jun-2016	1613	0.0027	2417	0.0041
	Sale 17-Jun-2016	-1909	0.0032	508	0.0008
	Purchase 24-Jun-2016	917	0.0015	1425	0.0024
	Sale 30-Jun-2016	-925	0.0015	500	0.0008
	Purchase 01-Jul-2016	54	0.0000	554	0.0009
	Sale 08-Jul-2016	-277	0.0004	277	0.0004
	Purchase 15-Jul-2016	2303	0.0039	2580	0.0044
	Sale 22-Jul-2016	-150	0.0002	2430	0.0041
	Sale 29-Jul-2016	-2220	0.0038	210	0.0003
	Sale 05-Aug-2016	-122	0.0002	88	0.0001
	Purchase 12-Aug-2016	790	0.0013	878	0.0015
	Purchase 19-Aug-2016	1163	0.0019	2041	0.0034
	Purchase 26-Aug-2016	5630	0.0096	7671	0.0131
	Sale 02-Sep-2016	-7661	0.0131	10	0.0000
	Purchase 09-Sep-2016	7253	0.0124	7263	0.0124
	Sale 16-Sep-2016	-7138	0.0122	125	0.0002
	Purchase 22-Sep-2016	2256	0.0038	2381	0.0040
	Purchase 23-Sep-2016	1071	0.0018	3452	0.0059
	Purchase 30-Sep-2016	5148	0.0088	8600	0.0147
	Sale 07-Oct-2016	-7864	0.0134	736	0.0012
	Purchase 14-Oct-2016	4069	0.0069	4805	0.0082
	Sale 21-Oct-2016	-4805	0.0082	0	0.0000
	Purchase 28-Oct-2016	7718	0.0132	7718	0.0132
	Purchase 04-Nov-2016	10361	0.0177	18079	0.0309
	Sale 11-Nov-2016	-14497	0.0248	3582	0.0061
	Sale 18-Nov-2016	-3097	0.0053	485	0.0008
	Purchase 25-Nov-2016	1253	0.0021	1738	0.0029
	Sale 02-Dec-2016	-390	0.0006	1348	0.0023
	Purchase 09-Dec-2016	1569	0.0026	2917	0.0049

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
SI No	Name of the Share holder	No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Purchase 16-Dec-2016	8753	0.0149	11670	0.0199
	Sale 23-Dec-2016	-11565	0.0198	105	0.0001
	Purchase 30-Dec-2016	4143	0.0070	4248	0.0072
	Purchase 06-Jan-2017	3701	0.0063	7949	0.0136
	Sale 13-Jan-2017	-7734	0.0132	215	0.0003
	Purchase 20-Jan-2017	2061	0.0035	2276	0.0038
	Purchase 27-Jan-2017	1901	0.0032	4177	0.0071
	Sale 03-Feb-2017	-4177	0.0071	0	0.0000
	Purchase 10-Feb-2017	2426	0.0041	2426	0.0041
	Sale 17-Feb-2017	-2371	0.0040	55	0.0000
	Purchase 24-Feb-2017	4023	0.0068	4078	0.0069
	Sale 03-Mar-2017	-3353	0.0057	725	0.0012
	Purchase 10-Mar-2017	1620	0.0027	2345	0.0040
	Purchase 17-Mar-2017	6508	0.0111	8853	0.0151
	Purchase 24-Mar-2017	512	0.0008	9365	0.0160
	Sale 31-Mar-2017	-9065	0.0155	300	0.0005
	At the end of the Year 31-Mar-2017	300	0.0005	300	0.0005

#### VIII. Shareholding of Directors and Key Managerial Personnel:

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
SI No	Name of the Share holder	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-2016	5627840	9.6424	5627840	7.1004
	At the end of the Year 31-Mar-2017	5627840	9.6424	5627840	9.6424
2	DEEPA REJI ABRAHAM				
	At the beginning of the year 01-Apr-2016	4038500	6.9193	4038500	6.9193
	At the end of the Year 31-Mar-2017	4038500	6.9193	4038500	6.9193
3	C P GOPALKRISHNAN				
	At the beginning of the year 01-Apr-2016	43200	0.0740	43200	0.0740
	At the end of the Year 31-Mar-2017	43200	0.0740	43200	0.0740
4	P VENKATESWARAN				
	At the beginning of the year 01-Apr-2016	20805	0.0355	20805	0.0355
	At the end of the Year 31-Mar-2017	20805	0.0355	20805	0.0355
5	K BHARATHAN JT1 : JAYASHREEBHARATHAN				
	At the beginning of the year 01-Apr-2016	5000	0.0085	5000	0.0085
	At the end of the Year 31-Mar-2017	5000	0.0085	5000	0.0085
6	BALAJI S N				
	At the beginning of the year 01-Apr-2016	1880	0.0032	1880	0.0032
	At the end of the Year 31-Mar-2017	1880	0.0032	1880	0.0032

## IX. INDEBTEDNESS

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

(Amount in Millions)

Particulars	Secured Loans excluding deposit	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the year</b>				
(i) Principal amount	8,136.26	3,135.00	-	11,271.26
(ii) Interest/Preference Dividend due but not paid *	100.23	377.76	-	477.99
(iii) Interest accrued but not due	3.50	-	-	3.50
<b>Total</b>	<b>8,239.99</b>	<b>3,512.76</b>	<b>-</b>	<b>11,752.75</b>
<b>Changes in indebtedness during the financial year</b>				
Addition	236.59	390.86	-	627.45
Reduction	(1,776.83)	(325.92)	-	(2,102.75)
Net Change	(1,540.24)	64.94	-	(1,475.30)
<b>Indebtedness at the end of the year</b>				
(i) Principal amount	6,605.35	2,810.00	-	9,415.35
(ii) Interest/Preference Dividend due but not paid *	92.88	767.70	-	860.57
(iii) Interest accrued but not due	1.52	-	-	1.52
<b>Total</b>	<b>6,699.75</b>	<b>3,577.70</b>	<b>-</b>	<b>10,277.45</b>

\* Includes dividend accrued and due on Redeemable preference share (including penalty) and provision for tax on redeemable preference share dividend.

## X. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in Rs)

Name of the Director/KMP	Salary u/s 17(1)	Value of Perquisites u/s 17(2)	Commission	Others- Retirement benefits	Total
Reji Abraham	30,000,000	4,500,000	72,119,893	5,040,000	111,659,893
CP Gopalkrishnan	10,400,000	2,240,000	-	1,612,800	14,252,800
P Venkateswaran	10,400,000	2,240,000	-	1,612,800	14,252,800
<b>Total</b>	<b>52,670,245</b>	<b>9,682,885</b>	<b>72,119,893</b>	<b>8,440,567</b>	<b>142,913,589</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	
I	<b>Independent Directors</b>					
	Fee for attending board/committee meetings	1,85,000	2,25,000	1,95,000	1,45,000	7,50,000
	Commission					
	Others, Please specify	-	-	-	-	-
	Total (1)	1,85,000	2,25,000	1,95,000	1,45,000	7,50,000
II	<b>Other Non-Executive Directors</b>	Deepa Reji Abraham				
	Fee for attending board/committee meetings	1,35,000				1,35,000
	Commission		-	-	-	-
	Others, Please specify	-	-	-	-	-
	Total (2)	1,35,000	0	0	0	1,35,000
	Total (B) = (1+2)	3,20,000	2,25,000	1,95,000	1,45,000	8,85,000
	Total Managerial Remuneration [(A+B)]					14,37,98,589
	Overall Ceiling asper the Act					39,66,59,410

### C. Remuneration to Key Managerial Personnel other than Directors:

(Amount in Rs)

Name of the KMP	Salary u/s 17(1)	Value of Perquisites u/s 17(2)	Commission	Others- Retirement Benefits	Total
S.N.Balaji	18,70,245	7,02,885	-	1,74,967	27,48,096

## XI.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 SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

## I BOARD OF DIRECTORS

### (A) COMPOSITION OF BOARD

Aban's Board comprises of Nine Directors - One Promoter Executive Director, One Promoter Non - Executive Director, Two Non Promoter Executive Directors, Four Non-Executive Independent Directors and one Nominee Director. The Board functioned directly or through various focused committees (Audit Committee, Nomination and Remuneration Committee, Stakeholders 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 2016 - 17 on the following dates:

23.05.2016, 12.08.2016, 29.09.2016, 07.11.2016 and 03.02.2017.

The names of the Directors on the Board, their attendance at the meetings and the other Directorships that they held as on 31st March, 2017 are set out below:

Name of Director(s)	Category of Directorship #	Financial year 2016-2017 Attendance at		As on 31st March 2017			
				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	5	YES	8	1	--	--
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	3	--	--
Deepa Reji Abraham	Non-Executive Promoter	5	YES	--	6	--	--
Subhashini Chandran	Non-Executive Independent	5	YES	--	2	--	--
++Pradeep Kumar Khosla	Nominee Director	--	--	1	1	--	--

# 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 effective 22 March,2017.

The Director who will retire by rotation and offer himself for reappointment is Mr. C. P. Gopalkrishnan. The Board also recommends re-appointment of Mr. Reji Abraham as Managing Director for a further period of 5 years effective 26.09.2017.

Mrs. DeepaReji Abraham, Non Executive Director is the spouse of Mr. Reji Abraham. She holds 40,38,500 equity shares of the Company.

The Director who will retire by rotation and offer himself for reappointment is Mr. C. P. Gopalkrishnan. The Board also recommends re-appointment of Mr. Reji Abraham as Managing Director for a further period of 5 years effective 26.09.2017.

Name of Director	Reji Abraham	C.P.Gopalkrishnan
Date of Birth	23.03.1966	09.03.1956
Nationality	Indian	Indian
Date of Appointment on Board	09.02.1994	01.08.2001
Qualifications	BE, PG in Management Studies	B.Com (Hons), ACA,ACS, LLB
Shareholding in the Company	56,27,840	43,200
Experience	He is the Promoter of the Company. He has got more than two decades experience in Drilling industry.	He has around three decades experience in the field of Finance and Administration.
Directorships held in other Companies	1. Aban Scientific Learning Pvt Ltd 2. Aban Scientific Reading Pvt Ltd 3. Lamech Engineers Pvt Ltd 4. Perunad Plantations Ltd	1. Tyford Tea Limited 2. Aban Constructions Pvt Ltd 3. Aban Informatics Pvt Ltd 4. Adbhoot Estates Pvt Ltd

## REMUNERATION TO DIRECTORS

Amount in Lakhs

Name of the Director (s)	Consolidated Salary	Perquisites and other benefits	Commission	Sitting Fees	Total
P Murari	--	--	--	1.85	1.85
K Bharathan	--	--	--	2.25	2.25
Reji Abraham	300	95.4	720.00	--	1115.40
Ashok Kumar Rout			--	1.95	1.95
P Venkateswaran	96	46.52	--	--	142.52
C P Gopalkrishnan	96	46.52	--	--	142.52
Deepa Reji Abraham	--	--	--	1.35	1.35
Subhashini Chandran	--	--	--	1.45	1.45
<b>Total</b>	<b>492</b>	<b>188.44</b>	720.00	<b>8.85</b>	1409.29

## 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 2016-17.

### 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.

## II. 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>

## III. MEETING OF INDEPENDENT DIRECTORS:

An exclusive meeting of the Independent Directors was held on 3rd February 2017 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;
- 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.

## Composition and Attendance

Name	Category	No. of Meeting Attended
P. Murari	Member	1
K. Bharathan	Member	1
Ashok Kumar Rout	Member	1
Subhashini Chandran	Member	1

## IV. 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 31st March 2016 on the following dates:
- 23.05.2016, 12.08.2016, 07.11.2016 and 03.02.2017.
- Mr. S.N. Balaji, Assistant General Manager (Legal) & Secretary is the Secretary of the Committee.

#### Composition and Attendance

Name	Category	No. of Meetings attended
P. Murari	Chairman	4
K. Bharathan	Member	4
P.Venkateswaran	Member	4
Ashok Kumar Rout	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 23.05.2016, 12.08.2016, 07.11.2016 and 03.02.2017.

#### Composition and Attendance

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

The Company received 11 Complaints from shareholders of which 9 were answered and resolved, there were 2 pending complaints at the end of the year.

Name and Designation of Compliance Officer: Mr. S.N.Balaji, Assistant General Manager (Legal) & Secretary.

## 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.
- 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
- 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 31st March 2016: 1.84 million equity shares of Rs.2/- each). Options lapsed during the year - NIL equity shares of Rs.2/- each (upto 31st March 2016: 0.286 million equity shares of Rs.2/- each). Options exercised during the year: Nil (upto 31st March 2016: 0.160 million equity shares of Rs.2 each). Options outstanding at the end of the year: 1.396 million equity shares of Rs.2/- each (upto 31st March 2016: 1.396 million equity shares of Rs.2/- each). Options yet to be granted under the scheme: 0.288 million equity shares of Rs.2/- each (31st March 2016: 0.288 million equity shares of Rs.2 each).

No meeting was held during the year.

## D. NOMINATION & REMUNERATION COMMITTEE:

In accordance with the requirement of Companies Act, 2013 and the listing (obligations & Disclosures) Regulations, 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	1
P. Murari	Member	1
Ashok Kumar Rout	Member	1

The Committee met once on 23.05.2016 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.

- 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.
- Recommend the amount to be spent on the CSR activities.
- Monitor the Company's CSR policy periodically.
- 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.

### Composition and Attendance

Name	Category	No. of Meetings attended
Ashok Kumar Rout	Chairman	1
C.P. Gopalkrishnan	Member	1
Deepa Reji Abraham	Member	1
Subhashini Chandran	Member	1

During the year the Committee met once on 03.02.2017.

## III. Subsidiary Company

The Indian subsidiaries of the Company do 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
30th Annual General Meeting ***	Thursday, 29.09.2016	10.15 A.M	The Music Academy, Kasturi Srinivasan Hall ( Mini Hall), New No.168, T.T.K. Road, Royapettah, Chennai 600 014
29th Annual General Meeting**	Wednesday 23.09.2015	10.15 A.M	The Music Academy, Kasturi Srinivasan Hall ( Mini Hall), New No.168, T.T.K. Road, Royapettah, Chennai 600 014
28th Annual General Meeting*	Friday 19.09.2014	10.15 A.M	NaradaGana Sabha Trust (SathguruGnandanda Hall), T.T.K Road, Chennai 600 018.

\*\*\* Six Special Resolutions were passed and there was e-voting during the year. No Postal Ballot during the year.

\*\* Two Special Resolutions were passed and there was e-voting during the year. No postal ballot during the year.

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

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 29th September 2016.
  - a. Re-appointment and revision in terms of remuneration of Mr P Venkateswaran.
  - b. Re-appointment and revision in terms of remuneration of Mr C P Gopalkrishnan.
  - c. Issue of Securities to Qualified Institutional Buyers
  - d. Modification of Employee Stock Option Scheme (ESOS 2005)
  - e. Approval of Employee Stock Option Scheme (ESOS 2016).
  - f. Approval of Employee Stock Option Scheme (ESOS 2016) to subsidiary Companies.
2. AGM held on 23rd September 2015
  - a. Issue of Foreign Currency Convertible Bonds (FCCBs) Depository Receipts (GDRs) American Depository Receipts (ADRs) warrants and other instruments convertible into Equity Shares.
  - b. Issue of Securities to Qualified Institutional Buyers.
3. 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.

## V. CEO /CFO CERTIFICATION

As required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, 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/RelatedPartyTransactionsPolicy.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 MakkalKural (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	1st April 2017 to 31st March 2018
Board meeting for considering the accounts	29.05.2017
Posting of Annual Report	On or before 15th August 2017
Book closure dates	04.09.2017 - 11.09.2017
Last date for the receipt of proxy forms	09.09.2017
Thirty First Annual General Meeting	11.09.2017
Venue	The Music Academy, Kasturi Srinivasan Hall (Mini Hall) , New No: 168 T.T.K. Road, Royapettah, Chennai 600 014.
Time	10.15 A.M.
Board Meeting to consider unaudited results for the first 3 quarters of the financial year 2017-2018	
Results of the quarter ended on 30th June 2017	On or before 14th August 2017.
Results of the quarter ended on 30th September 2017	On or before 14th November 2017.
Results of the quarter ended on 31st December 2017	On or before 14th February 2018.

### Listing on Stock Exchanges

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

##### BSE Limited

Phiroze Jeejee bhoy Towers  
25th 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 2017-18 were paid to the Stock Exchanges in India where the Company's Equity shares are listed.

### Stock Codes/ Symbol:

#### 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% 10,50,00,000 p.a. Non convertible Cumulative Redeemable Preference Shares

INE 421A04097

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

INE 421A04071

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

INE 421A04063

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

INE 421A04089

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

INE 421A04055

## Details of outstanding shares in unclaimed suspense account

### UNCLAIMED SHARE CERTIFICATES

In terms of 39(4) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, 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	1366	529137
2.	No. of shareholders who approached for transfer of shares from Unclaimed suspense account during the year.	18	10270
3.	No. of shareholders to whom Shares were transferred from the unclaimed suspense account during the year	18	10270
4.	No. of shareholders and Outstanding shares lying in the unclaimed suspense account at the end of the year.	1348	518867

Note: Two shareholders partial transfer.

### Care Rating

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

### 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 Electronic 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/jessy@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 M/s.G.Ramachandran & Associates ,Company Secretaries 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

99.34 % of Equity shares of the Company have been dematerialized as at 31st March, 2017. The company has entered into agreement with both National Securities Depository Limited (NSDL) and Central Depository Services ( India) Limited (CDSL) whereby shareholders have an option to dematerialize their shares with either of the depositories.

## Plant Locations

DRILLING LOCATIONS as at 31 March, 2017

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

## WIND ENERGY DIVISION

The Company has installed and operates 47 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 under the <http://abanoffshore.com/pdf/whistleblowerpolicy.pdf>

## Categories of shareholders as on 31st March 2017

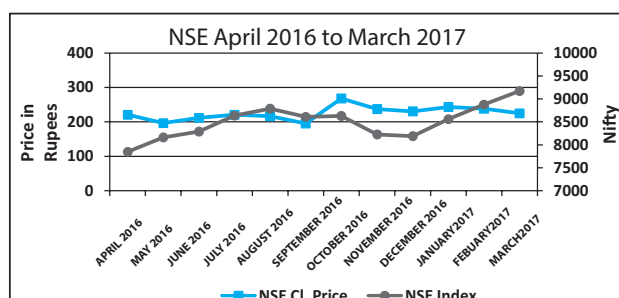
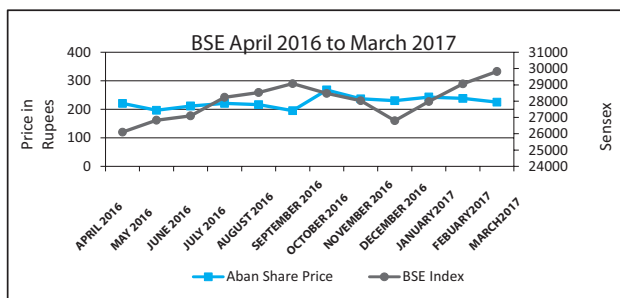
Category	Number of folios	Number of shares	%
Promoter(s)	2	1,12,80,910	19.33
Promoter Group	4	76,51,881	13.11
Collaborators	1	83,28,750	14.27
FII's, NRI's/OCB	2,081	28,24,761	4.84
Mutual Funds, FIIs, Banks	13	18,04,490	3.09
Bodies Corporate	1,320	40,83,566	7.00
Public	1,49,344	2,23,90,965	38.36
<b>Total</b>	<b>1,52,765</b>	<b>5,83,65,323</b>	<b>100.00</b>

## 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 2016	227.00	171.40	95,87,632	220.45	171.25	3,86,22,877
May 2016	229.00	188.35	80,03,347	228.90	188.30	2,82,22,059
June 2016	222.90	191.00	74,31,438	222.90	191.00	2,88,87,771
July 2016	241.25	212.20	75,54,253	235.65	212.30	3,12,95,058
August 2016	229.50	207.50	56,31,229	229.55	207.70	2,01,84,358
September 2016	227.00	190.00	42,32,322	225.90	189.35	1,59,93,431
October 2016	286.00	197.65	1,77,32,940	281.80	197.00	7,45,88,296
November 2016	274.00	191.15	84,78,851	264.35	190.00	3,23,87,238
December 2016	265.60	217.25	95,73,304	257.00	217.20	3,81,64,670
January 2017	259.50	228.00	70,69,291	258.25	227.90	2,95,93,885
February 2017	259.35	203.20	43,97,410	259.45	230.10	1,75,13,057
March 2017	242.55	216.70	41,11,432	242.50	217.20	1,51,81,205

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



Month	BSE		NSE	
	Closing Price	Sensex	Closing Price	Nifty
Apr-16	220.85	26100.54	220.75	7849.80
May-16	196.75	26837.20	196.6	8160.10
Jun-16	211.8	27105.41	212.05	8287.75
Jul-16	220.9	28240.20	220.8	8638.50
Aug-16	216.6	28532.25	216.25	8786.20
Sep-16	195.5	29077.28	195.8	8611.15
Oct-16	267.85	28477.65	267.3	8625.70
Nov-16	237.05	28029.80	237.35	8224.50
Dec-16	230.25	26803.76	230.6	8185.80
Jan-17	243.15	27980.39	243.4	8561.30
Feb-17	238.45	29065.31	238.45	8879.60
Mar-17	225.05	29824.62	225.15	9173.75

**Distribution of shareholdings as on 31st March 2017**

Category (Shares)	Folio		Shares	
	Numbers	%	Numbers	%
2-5000	151742	99.33	1,81,67,978	31.12
5001-10000	599	0.39	21,14,226	3.63
10001-20000	239	0.16	17,08,940	2.93
20001-30000	59	0.04	7,31,814	1.25
30001-40000	32	0.02	5,70,630	0.98
40001-50000	13	0.02	2,97,696	0.51
50001-100000	40	0.02	14,44,620	2.48
100001 –And above	41	0.02	3,33,29,419	57.10
<b>Total</b>	<b>152765</b>	<b>100</b>	<b>5,83,65,323</b>	<b>100.00</b>

**Declaration by the Managing Director under Listing Regulations regarding compliance with Code of Conduct.**

In accordance with the Listing Regulations, I hereby confirm that, all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as applicable to them, for the Financial Year ended on 31st March 2017.

**Aban Offshore Limited**

Place: Chennai  
Date: May 29, 2017

**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 31st March 2017, as stipulated in the Regulation 4(2) read with Chapter IV and Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 the above mentioned Listing Regulations. 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 the above mentioned Listing Regulations.

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. LLP

Chartered Accountants

ICAI Registration No: 102860W / W100089

### Ramaswamy Subramanian

Partner

Membership No: 016059

Place: Chennai

Date: May 29, 2017

### Certificate by the Chief Executive Officer/Chief Financial Officer pursuant to SEBI Regulation 33(2) (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 2017 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 standard 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 controls for financial reporting 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 over financial report 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 over financial reporting.

### Aban Offshore Limited.

#### C.P. Gopalkrishnan

Deputy Managing Director & CFO

Place : Chennai

Date : May 29, 2017.

#### Reji Abraham

Managing Director

## 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 31ST MARCH 2017

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

To,  
The Members,  
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 our 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 our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 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, 2017 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) The Electricity Act, 2003
- (vi) The Merchant Shipping Act, 1958
- (vii) Employees Provident Fund Act, 1952;
- (viii) The Employees State Insurance Act, 1948;
- (ix) Central Sales Tax Act, 1956;
- (x) Payment of Gratuity Act, 1972;
- (xi) Maternity Benefits Act, 1961;
- (xii) Local Shops & Establishment Acts of States;
- (xiii) Income Tax Act, 1961
- (xiv) Finance Act, 1994 (Service Tax) and rules thereunder
- (xv) 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;
- (xvi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; and
  - (e) 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.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the National Stock Exchange of India Limited and BSE Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

#### **We further report that**

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

Adequate notice is given to all directors to schedule the Board Meetings, 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. With regard to the non-redemption of Preference shares, the Company is in the process of discussing the plan of redemption and payment of dividend with preference share holders.
- ii. The company has made an application to the Central Government seeking its approval for reappointment of Managerial Personnel under clause (e) of Part I of Schedule V of the Companies Act, 2013. The approval from the Central Government is awaited.

For **G RAMACHANDRAN & ASSOCIATES**  
Company Secretaries

**G. RAMACHANDRAN**

Proprietor

ACS No.9865 CoP. No.3056

Place: Chennai

Date : May 29, 2017

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ABAN OFFSHORE LIMITED**

### **Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of **Aban Offshore Limited** ("the company"), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the state of affairs (financial position), Profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone Ind AS 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 of the standalone Ind AS financial statements 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 a 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 Ind AS financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 including the Ind AS;

- a) of the state of affairs (financial position) of the Company as at March 31, 2017;
- b) of the profit (financial performance including other comprehensive income) for year ended on that date; and
- c) of the cash flows and the change in equity for the year ended on that date.

## Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (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 "Annexure A" 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, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed 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, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) 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 standalone Ind AS financial statements – Refer Note 31 (c) to the standalone Ind AS 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.
  - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 08, 2016 to December 30, 2016. Based on audit procedures and relying on the Management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 41 to the standalone Ind AS financial statements.

### For Ford Rhodes Parks & Co. LLP

*Chartered Accountants*

ICAI - Registration No: 102860W / W100089

Ramaswamy Subramanian

Partner

Membership No: 016059

Place: Chennai

Date : May 29, 2017

**“ANNEXURE A”**

**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 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.
- (c) According to the information and explanation given to us and on verification of documents provided to us, we are of the opinion that the title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us, the inventory has been physically verified by the Management at reasonable intervals. The material 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 loan during the year and in earlier years to its wholly owned foreign subsidiary and in earlier year to its Indian subsidiaries, being the companies covered in the Register maintained under Section 189 of the Companies Act, 2013, as shown below:

<b>Company</b>	<b>Unsecured Loan granted during the year (Indian Rupees in Millions)</b>	<b>Loan Amount outstanding at the end of the year (Indian Rupees in Millions)</b>	<b>Maximum amount outstanding during the year (Indian Rupees in Millions)</b>
Aban Holdings Pte Limited, Singapore	760.49	6830.52	6830.52
Radhapuram Wintech Private Limited, India *	Nil	10.57	10.57
Aban Green Power Private Limited, India *	Nil	40.00	40.00

\* Ceased to be subsidiaries effective December 26, 2016.

- (a) In our opinion based on the information and explanations provided to us, the terms and conditions of the grant of the above said loans are not prejudicial to the interest of the Company.
- (b) The repayment of principal and payment of interest are on “On Demand” basis as per the loan agreement.
- (c) The loans given by the Company are repayable on demand and therefore the question of overdue amount does not arise.
- (iv) The Company has granted unsecured loan, provided guarantee and invested in its wholly owned foreign subsidiary and Indian subsidiaries. The Company has also invested in other companies. Based on the information and explanations given to us we are of the opinion that the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 wherever applicable with respect to the said transactions.
- (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 not prescribed maintenance of Cost Records under sub-section (1) of Section 148 of the Companies Act, 2013 in respect of business of the Company and hence the provision of clause 3(vi) of the Order is not applicable with regard to maintenance of cost records.
- (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, income tax, sales 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, 2017 for a period of more than six months from the date they became payable. We have been informed by the Management that the Company is not required to make contribution to Employees State Insurance fund.

- (b) According to the information and explanations given to us, there are statutory dues, which have not been deposited with appropriate authorities on account of dispute as per the details given below. However there are no such dues on account of excise duty.

#### 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 2008 – 2009 amounting to INR 103.10 Million pending before Income Tax Appellate Tribunal.  
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 Income Tax Appellate Tribunal  
Income Tax dues relating to the period 2009 – 2010 amounting to INR 812 Million pending before Income Tax Appellate Tribunal  
Income Tax dues relating to the period 2010 – 2011 amounting to INR 1907.90 Million pending before Income Tax Appellate Tribunal and  
Income Tax dues relating to the period 2011 – 2012 amounting to INR 854.33 Million pending before Income Tax Appellate Tribunal.

#### Service Tax:

Service Tax dues relating to the year 2007 amounting to INR 17.36 Million pending before the Supreme Court.  
Service Tax dues relating to the year 2011 amounting to INR 78.72 Million pending before the CESTAT, Chennai.  
Service Tax dues relating to the year 2010 amounting to INR 16.32 Million pending before the CESTAT, Chennai.  
Service Tax dues relating to the period 2011 – 2012 amounting to INR 18.94 Million pending before the CESTAT, Chennai.  
Service Tax dues relating to the period 2012 – 2014 amounting to INR 236.49 Million pending before the CESTAT, Chennai.  
Service Tax dues relating to the period 2008 – 2010 amounting to INR 605.75 Million pending before the CESTAT, Mumbai.  
Service Tax dues relating to the period 2012 – 2014 amounting to INR 36.78 Million pending before the CESTAT, Chennai.  
Service Tax dues relating to the period 2014 – 2015 amounting to INR 79.80 Million pending before the CESTAT, Chennai.  
Service Tax dues relating to the period 2010 – 2011 amounting to INR 37.31 Million pending before the CESTAT, Chennai and  
Service Tax dues relating to the period 2009 – 2012 amounting to INR 166.89 Million pending before the CESTAT, Mumbai.

#### Duties of Custom:

Customs Duty dues relating to the period 2015 - 16 amounting to INR 107.90 Million pending before CESTAT , Mumbai and  
Customs Duty dues relating to the period 2016 -17 amounting to INR 916 Million pending before Bombay High Court.

#### Sales Tax / Value Added Tax:

Sales Tax dues for the period 2010-11 amounting to INR 984.90 million pending before Joint Commissioner of Sales Tax Appeals and  
Sales Tax dues for the period 2012-13 amounting to INR 459.75 million for which company is intending preferring an appeal with Appellate Authority.

- (viii) 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 and payment of interest during the year which are due to four banks. The unpaid overdue loan installments and interest during the year in this regard as at 31st March 2017 are as given below:

Name of the Lender	Amount of default including interest payable as at the Balance Sheet Date In INR Million	Period of Default	Remarks, if any
Punjab National Bank	236.94	Jan – Mar '17	Amount paid till the date of our report INR19.85 Million
Central Bank of India	97.71	Jan – Mar '17	Amount paid till the date of our report INR 9.41Million
Lakshmi Vilas Bank	26.30	Mar '17	Amount paid till the date of our report INR 0.60 Million
IndusInd Bank	26.79	Jan – Mar '17	Amount paid till the date of our report INR 2.41 Million
<b>Total</b>	<b>387.74</b>		

The Company has no dues to Government during the year, has no dues to financial institution and does not have any debentures.

- (ix) During the year the Company has not raised moneys by way of initial public offer or further public offer. According to the information

and explanations provided to us, the Company has not taken any term loan during the year and hence the provision of clause 3(ix) of the Order relating to application of term loan funds is not applicable to the Company.

- (x) During the course of our examination of the books of account, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, either noticed or reported during the year, nor have we been informed of any such case by the Management.
- (xi) According to the information and explanations provided to us, we are of the opinion that the Company has provided and paid the managerial remuneration in accordance with the provisions of Section 197 of the Companies Act, 2013. However, with regard to re-appointment of two non-resident whole-time Directors, in terms of Part I of Schedule V of the Companies Act 2013, the approval of the Central Government is awaited.
- (xii) The Company is not a Nidhi Company and hence the provisions of clause 3(xii) of the Order, relating to compliance with maintenance of net owned funds and deposits, are not applicable to the Company.
- (xiii) As per the information and explanations provided to us, the transactions entered into by the Company, during the year, with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013. The details of the related party transactions as required by the applicable Accounting Standard have been disclosed by the Company in the financial statements.
- (xiv) During the year under audit, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence the provisions of clause 3(xiv) of the Order, relating to compliance with Section 42 of the Companies Act, 2013, are not applicable to the Company.
- (xv) According to the information and explanations provided to us, during the year the Company has not entered into any non-cash transactions with the directors or persons connected with him. Hence the provision of clause 3(xv) of the Order, relating to compliance with provisions of Section 192 of the Companies Act, 2013, is not applicable to the Company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For Ford, Rhodes, Parks & Co. LLP***Chartered Accountants*

ICAI - Registration No: 102860W / W100089

**Ramaswamy Subramanian***Partner*

Membership No: 016059

Place : Chennai

Date : May 29, 2017

**"Annexure B"****ANNEXURE TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE  
FINANCIAL STATEMENTS OF ABAN OFFSHORE LTD****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Aban Offshore Limited ("the company") as of 31st March 2017 in conjunction with our audit of the standalone Ind As financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of assets of the Company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **For Ford Rhodes Parks & Co. LLP**

Chartered Accountants  
ICAI Registration No: 102860W / W100089

### **Ramaswamy Subramanian**

Partner  
Membership No: 016059  
Place: Chennai  
Date: May 29, 2017



## Aban Offshore Limited

### Balance Sheet As at 31<sup>st</sup> March 2017

	Note No:	As at 31 <sup>st</sup> March, 2017 Rs. Millions	As at 31 <sup>st</sup> March, 2016 Rs. Millions	As at 1 <sup>st</sup> April, 2015 Rs. Millions
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment	3	18,026.53	19,536.29	20,245.15
Capital work-in-progress	3	92.88	-	186.85
Financial Assets				
(i) Investments	4(a)	26,197.22	26,182.26	26,172.85
(ii) Loans	4(c)	338.64	52.96	48.06
(iii) Other financial assets	4(f)	100.46	99.87	345.59
Other non-current assets	5	1.17	1.17	5.44
<b>Total-Non-current assets</b>		<b>44,756.90</b>	<b>45,872.55</b>	<b>47,003.94</b>
<b>Current assets</b>				
Inventories	6	914.69	995.74	1,039.56
Financial Assets				
(ii) Trade receivables	4(b)	4,558.96	4,644.53	2,853.47
(ii) Cash and cash equivalents	4(d)	312.82	377.20	107.20
(iii) Other Bank balances	4(e)	136.88	103.48	141.26
(iv) Loans	4(c)	7,969.96	6,960.11	6,266.62
(v) Other financial assets	4(f)	165.40	78.63	291.84
Other current assets	5	200.23	79.18	204.85
<b>Total-current assets</b>		<b>14,258.94</b>	<b>13,238.87</b>	<b>10,904.80</b>
<b>Total- Assets</b>		<b>59,015.84</b>	<b>59,111.42</b>	<b>57,908.74</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(i) Equity Share Capital	7 (a)	116.73	116.73	115.51
(ii) Other Equity	7 (b)	40,763.11	38,637.72	35,764.87
(iii) Money received against share warrants		-	-	59.63
<b>Total-Equity</b>		<b>40,879.84</b>	<b>38,754.45</b>	<b>35,940.01</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Financial Liabilities				
(i) Borrowings	8(a)	3,326.46	4,485.43	6,312.84
Employee benefit obligations	9	12.37	10.74	16.99
Deferred tax liabilities	10	4,219.44	4,415.46	4,409.21
<b>Total-Non-Current Liabilities</b>		<b>7,558.27</b>	<b>8,911.63</b>	<b>10,739.04</b>
<b>Current liabilities</b>				
Financial Liabilities				
(i) Borrowings	8(b)	1,781.69	2,022.51	2,318.74
(ii) Trade payables	11	3,496.00	4,094.69	4,582.41
(iii) Other financial liabilities	8(c)	5,185.70	4,937.43	4,236.69
Employee benefit obligations	9	5.84	27.06	10.18
Other current liabilities	12	108.50	278.43	81.67
Current Tax Liabilities ( Net)	-	-	85.22	-
<b>Total-Current Liabilities</b>		<b>10,577.73</b>	<b>11,445.34</b>	<b>11,229.69</b>
<b>Total-Liabilities</b>		<b>18,136.00</b>	<b>20,356.97</b>	<b>21,968.73</b>
<b>Total-Equity and Liabilities</b>		<b>59,015.84</b>	<b>59,111.42</b>	<b>57,908.74</b>

Summary of significant accounting policies

2.1

The accompanying notes 1 to 42 are an integral part of the financial statements

As Per our Report of even date

For Ford, Rhodes, Parks & Co.LLP

Chartered Accountants

ICAI - Registration No.102860W/W100089

**Ramaswamy Subramanian**

Partner

Membership No: 016059

Place: Chennai

Date : May 29, 2017

For and on behalf of the Board

**Reji Abraham**

Managing Director

**C.P.Gopalkrishnan**

Dy. Managing Director & Chief Financial Officer

**P.Venkateswaran**

Dy. Managing Director

**S.N. Balaji**

Asst. General Manager (Legal) & Secretary

**Statement of Profit and Loss**  
 For the year ended 31<sup>st</sup> March 2017

Particulars	Note No:	Year ended 31 <sup>st</sup> March, 2017 Rs. Millions	Year ended 31 <sup>st</sup> March, 2016 Rs. Millions
<b>Continuing Operations</b>			
<b>Income</b>			
Revenue from operations	13	8,868.55	10,141.34
Other income	14	529.25	683.69
<b>Total Income</b>		<b>9,397.80</b>	<b>10,825.03</b>
<b>Expenses</b>			
Consumption of stores,spares,power and fuel	15	489.04	540.18
Employee benefits expense	16	954.73	1,160.87
Finance Costs	17	1,196.15	1,211.73
Depreciation and amortization expense	18	1,537.94	1,496.75
Other expenses	19	1,747.61	2,013.12
<b>Total expenses</b>		<b>5,925.47</b>	<b>6,422.65</b>
<b>Profit before exceptional items and tax</b>		<b>3,472.33</b>	<b>4,402.38</b>
Less : Exceptional items		-	-
<b>Profit before tax</b>		<b>3,472.33</b>	<b>4,402.38</b>
<b>Tax expense</b>			
Current tax		1,556.91	1,494.65
Deferred tax		(196.02)	6.22
<b>Total tax expense</b>		<b>1,360.89</b>	<b>1,500.87</b>
Profit for the year from continuing operation		2,111.44	2,901.51
<b>Discontinued Operations</b>			
Profit before tax from discontinued operations		-	-
Tax income/(expense) of discontinued operations		-	-
<b>Profit for the year from discontinued operations</b>		<b>-</b>	<b>-</b>
<b>Profit for the year</b>		<b>2,111.44</b>	<b>2,901.51</b>
<b>Other Comprehensive Income</b>			
Items that will be reclassified to profit or loss			
Net gain/(loss) on fair value through other comprehensive income-Non current investments		4.37	(10.46)
Expected return on Plan assets & Net Actuarial gain/( loss) recognised during the year-Employee benefit		9.58	(2.36)
<b>Total Comprehensive Income for the year</b>		<b>2,125.39</b>	<b>2,888.69</b>
<b>Earnings per equity share for continuing operations</b>			
Basic		36.18	49.72
Diluted		36.18	49.72
<b>Earnings per equity share for discontinued operations</b>			
Basic		-	-
Diluted		-	-
<b>Earnings per equity share for continuing and discontinued operations</b>			
Basic		36.18	49.72
Diluted		36.18	49.72

2.1

The accompanying notes 1 to 42 are an integral part of the financial statements

As Per our Report of even date

For Ford, Rhodes, Parks & Co.LLP

Chartered Accountants

ICAI - Registration No.102860W/W100089

**Ramaswamy Subramanian**

Partner

Membership No: 016059

Place: Chennai

Date : May 29, 2017

*For and on behalf of the Board*

**Reji Abraham**

Managing Director

**C.P.Gopalkrishnan**

Dy. Managing Director & Chief Financial Officer

**P.Venkateswaran**

Dy. Managing Director

**S.N. Balaji**

Asst. General Manager (Legal) & Secretary

Statement of Changes in Equity for the year ended 31st March 2017 and 31st March 2016

A. Equity Share Capital	Rs. millions
As at 1st April 2015	115.51
Changes in equity share capital	1.22
As at 31st March 2016	<b>116.73</b>
Changes in equity share capital	-
As at 31st March 2017	<b>116.73</b>

B. Other Equity

	Money received against share warrants	Reserves and Surplus						Items of Other Comprehensive Income		Total
		Capital Reserve	Securities Premium Reserve	Investment Allowance Reserve	Capital Redemption reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Others	
Balance at 1st April 2015	59.63	0.03	17,528.51	52.40	2,470.00	1,479.79	14,234.14	-	-	35,824.50
Profit for the year	-	-	-	-	-	-	2,901.51	-	-	2,901.51
Total Comprehensive Income for the year	-	-	-	-	-	-	-	(10.46)	(2.36)	(12.82)
Dividends	-	-	-	-	-	-	(253.13)	-	-	(253.13)
Transfer to Capital redemption reserve	-	-	-	-	260.00	-	(260.00)	-	-	-
Any other change-allotment against share warrants	(59.63)	-	237.29	-	-	-	-	-	-	177.66
<b>Balance at 31st March 2016</b>	<b>-</b>	<b>0.03</b>	<b>17,765.80</b>	<b>52.40</b>	<b>2,730.00</b>	<b>1,479.79</b>	<b>16,622.52</b>	<b>(10.46)</b>	<b>(2.36)</b>	<b>38,637.72</b>

Rs. Millions

		Reserves and Surplus						Items of Other Comprehensive Income			
	Money received against share warrants	Capital Reserve	Securities Premium Reserve	Investment Allowance Reserve	Capital Redemption reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Others	Total	
Balance at 1st April 2016	-	0.03	17,765.80	52.40	2,730.00	1,479.79	16,622.52	(10.46)	(2.36)	38,637.72	
Profit for the year	-	-	-	-	-	-	2,111.44	-	-	2,111.44	
Total Comprehensive Income for the year	-	-	-	-	-	-	-	4.37	9.58	13.95	
Dividends	-	-	-	-	-	-	-	-	-	-	
Transfer to Capital redemption reserve	-	-	-	-	80.00	-	(80.00)	-	-	-	
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	
Balance at 31st March 2017	-	0.03	17,765.80	52.40	2,810.00	1,479.79	18,653.96	(6.09)	7.22	40,763.11	

As Per our Report of even date  
For Ford, Rhodes, Parks & Co.LLP  
Chartered Accountants  
ICAI - Registration No.102860W/W100089

*For and on behalf of the Board*

**Ramaswamy Subramanian**

Partner

Membership No: 016059

Place: Chennai

Date : May 29, 2017

**Reji Abraham**

Managing Director

**C.P.Gopalkrishnan**

Dy. Managing Director & Chief Financial Officer

**P.Venkateswaran**

Dy. Managing Director

**S.N. Balaji**

Asst. General Manager (Legal) & Secretary

## Cash Flow Statement

For the year ended 31<sup>st</sup> March 2017

	Year ended 31st March 2017 Rs. Millions	Year ended 31st March 2016 Rs. Millions
<b>Cash Flow from operating activities</b>		
<b>Profit before tax</b>	<b>3,472.33</b>	<b>4,402.38</b>
<u>Non cash adjustment to reconcile profit before tax to net cash flows</u>		
Depreciation/amortization	1,537.94	1,496.75
Loss/(profit) on sale of fixed assets	(21.40)	(19.71)
Provision for Employee Benefits	12.30	20.70
Unrealized foreign exchange (gain)/loss	211.04	(41.78)
Interest expenses	1,196.15	1,211.73
Interest income	(490.98)	(474.52)
Dividend income	(1.74)	(0.64)
Operating profit before working capital changes	5,915.64	6,594.91
<u>Movements in working capital:</u>		
Increase/(Decrease) in trade payables	(408.84)	(466.24)
Increase/(Decrease) in other current liabilities	(326.83)	(5.87)
Decrease/(Increase) in trade receivables	(79.12)	(1,671.56)
Decrease/(Increase) in inventories	81.05	43.82
Decrease/(Increase) in long term loans and advances	(286.27)	(61.52)
Decrease/(Increase) in short term loans and advances	6.63	(161.90)
Cash generated from operations	4,902.26	4,271.64
Direct taxes paid (net of refunds)	(1,730.52)	(812.59)
<b>Net cash flow from operating activities (A)</b>	<b>3,171.74</b>	<b>3,459.05</b>
<b>Cash Flow from investing activities</b>		
Purchase of fixed assets	(135.33)	(437.23)
Capital advances	(161.18)	(28.19)
Proceeds from sale of fixed assets	63.78	33.96
Purchase of non-current investments	(11.98)	(19.85)
Proceeds from sale of non-current investments	1.39	-
Interest received	7.57	9.96
Dividends received	1.74	0.64
<b>Net cash flow used in investing activities (B)</b>	<b>(234.01)</b>	<b>(440.71)</b>

## Cash Flow Statement

For the year ended 31<sup>st</sup> March 2017

	Year ended 31st March 2017 Rs. Millions	Year ended 31st March 2016 Rs. Millions
<b>Cash Flow from financing activities</b>		
Proceeds from issuance of share capital	-	178.88
Repayment of long term borrowings	(1,214.64)	(1,377.83)
Repayment of short term borrowings	(279.05)	(458.14)
Repayment of loan by foreign subsidiary and other Group Companies	(699.82)	114.30
/(Loans extended to foreign subsidiary and other Group Companies)		
Interest paid	(814.51)	(821.72)
Dividends paid on equity shares	-	(210.12)
Dividends paid on preference shares	-	(263.57)
Tax on equity dividend paid	-	(43.01)
Tax on preference dividend paid	-	(53.95)
<b>Net cash used in financing activities (C)</b>	<b>(3,008.02)</b>	<b>(2,935.16)</b>
<b>Net increase /(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(70.29)</b>	<b>83.18</b>
Effect of exchange differences on cash and cash equivalents held in foreign currency	1.08	(1.17)
Cash and cash equivalents at the beginning of the year	(1,262.78)	(1,344.79)
<b>Cash and cash equivalents at the end of the year</b>	<b>(1,331.99)</b>	<b>(1,262.78)</b>
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per above comprise of the following		
Cash and cash equivalents (note 4 (d) & (e)) *	449.70	480.68
Cash credit from banks (secured) (note 8(b))	(1,781.69)	(1,743.46)
<b>Balances per statement of cash flows</b>	<b>(1,331.99)</b>	<b>(1,262.78)</b>

\* Includes Restricted cash balance- unpaid dividend liability

As Per our Report of even date  
For Ford, Rhodes, Parks & Co.LLP  
Chartered Accountants  
ICAI - Registration No.102860W/W100089

**Ramaswamy Subramanian**  
Partner  
Membership No: 016059  
Place: Chennai  
Date : May 29, 2017

For and on behalf of the Board

**Reji Abraham**  
Managing Director

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

**P.Venkateswaran**  
Dy. Managing Director

**S.N. Balaji**  
Asst. General Manager (Legal) & Secretary

**1. Corporate Information**

Aban Offshore Limited (AOL) (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 have been prepared in accordance with IFRS converged Indian Accounting Standards (IndAS) as issued by the Ministry of Corporate Affairs (MCA). These financial statements are in compliance with IndAS 101, "First Time Adoption of Indian Accounting Standards", as these are the Company's first IndAS financial statements for the year ended March 31, 2017.

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**

Preparation of these financial statements in accordance with IndAS requires management to make judgements on the basis of certain estimates and assumptions. In addition, the application of accounting policies require management judgement. Estimates are based on the managements view on past events and future development and strategies. Management reviews the estimates and assumptions on a continuous basis, by reference to past experiences and other factors that can reasonably be used to assess the book values of assets and liabilities.

The accounting policies which have the most significant effect on the figures disclosed in the financial statements are mentioned below and these should be read in conjunction with the disclosure of the significant IndAS accounting policies provided below:

**i. Impairment testing**

Company's management reviews regularly, and at each reporting date, whether there is any indication of impairment in respect of Goodwill. Goodwill is tested annually for impairment, even if there is no indication of impairment.

**ii. Useful life of Property, Plant and Equipment**

The assessment of the useful life of each asset by considering the historical experience and expectations regarding future operations and expected usage, estimated technical obsolescence, residual value, physical wear and tear and the operating environment in which the asset is located needs significant judgement by the management.

**iii. Fair Value**

Certain financial instruments, such as investments in equity securities, derivative financial instruments and certain elements of borrowings, are carried in the financial statements at fair value, with changes in fair value reflected in the income statements. Fair values are estimated by reference to published price quotations or by using other valuation techniques that may include inputs that are not based on observable market data, such as discounted cash flows analysis.

**2. Presentation of true and fair view**

These financial Statements have been prepared by applying IndAS principles and necessary disclosures have been made which present a true and fair view of the financial position, financial performance and cash flows of the Company.

**3. Going concern**

These financial statements have been prepared on a going concern basis and it is assumed that the company will continue in operation in the foreseeable future and neither there is an intention nor need to materially curtail the scale of operations.

**4. Accrual basis**

These financial statements, except for cash flow information, have been prepared using the accrual basis of accounting

**5. Materiality**

Each material class of similar items has been presented separately in these Financial Statements.

**6. Basis of Measurement**

These financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain properties and financial instruments that have been measured at fair values or revalued amounts as required by the relevant IndAS.

**7. Offsetting**

In preparation of these Financial Statements, the Company has not offset assets and liabilities or income and expenses, unless required or permitted by Ind AS.

**8. Investment in Associates**

An associate is an entity in which the investor has significant influence, but which is neither a subsidiary nor a joint venture of the investor. Interests in Associates are accounted in these Consolidated Financial Statements using the equity method of accounting in accordance with IndAS 28 (Investments in associates and joint venture).

**9. Functional and Presentation Currency**

IndAS 21 (The effects of changes in foreign exchange rates) requires that functional currency and presentation currency be determined. Functional currency is the currency of the primary economic environment in which the entity operates. Presentation currency is the currency in which the financial statements are presented.

These financial statements are presented in Indian Rupee, which is the functional currency and presentation currency of the Company. All foreign currency transactions are expressed in the functional currency using the exchange rate at the transaction date.

Foreign currency balances representing cash or amounts to be received or paid in cash (monetary items) are retranslated at the end of the year using the exchange rate on that date. Exchange differences on such monetary items are recognized as income or expense for the year.

Non-monetary balances that are not remeasured at fair value and are denominated in a foreign currency are expressed in the functional currency using the exchange rate at the transaction date. Where a non-monetary item is remeasured at fair value in the financial statements, the exchange rate at the date when fair value was determined is used.

**10. Property, plant and equipment**

Property, plant and equipment (PPE) is recognized when the cost of an asset can be reliably measured and it is probable that the entity will obtain future economic benefits from the asset.

PPE is measured initially at cost. Cost includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable cost of bringing the asset to working condition for its intended use (inclusive of import duties and non-refundable purchase taxes).

In the first year of transition to IndAS, the various items of PPE have been valued as per their 'deemed cost' in accordance with IndAS 101 (First time adoption of Indian accounting standards).

The company has chosen the deemed cost exception provided in Ind AS 101. Accordingly, it has partly revalued its property, plant and equipment, and partly recalculated carrying values by applying Ind AS guidance from the date of acquisition of such assets.

The cost of a major inspection or overhaul of an item occurring at regular intervals over the useful life of the item is capitalised to the extent that it meets the recognition criteria of an asset. The carrying amounts of the parts replaced are derecognized.

**11. Depreciation on Property, plant and equipment(PPE)**

The depreciable amount of PPE (being the gross carrying value less the estimated residual value) is depreciated on a systematic basis over its remaining useful life. Subsequent expenditure relating to an item of PPE is capitalized if it meets the recognition criteria.

PPE may comprise parts with different useful lives. Depreciation is calculated based on each individual part's life subject to the life of the main asset. In case of replacement of one part, the new part is capitalized to the extent that it meets the recognition criteria of an asset, and the carrying amount of the parts replaced is derecognized.

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful life of the assets as under-

<b>Fixed Assets</b>	<b>Useful Life</b>
Buildings	60 years
Drilling Rigs	30 or 39 years
Drillship	25 years
Computers	3 years
Windmills	22 years
Furniture and fixtures	10 years
Motor Vehicles	8 years

As on transition, based on the technical evaluation, the estimated useful lives of some of the rigs have been revised from 30 years to 39 years.

**12. Borrowings costs**

Borrowing costs are interest and other costs that an entity incurs in connection with the borrowing of funds. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of that asset. Other borrowing costs are recognized as an expense.

Borrowing costs include interest expense, if any, calculated using the effective interest method, finance charges, if any, in respect of finance leases and exchange differences, if any, arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

**13. Impairment of Property, plant and equipment**

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is recognized immediately in profit or loss, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset shall be treated as a revaluation decrease.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

An impairment loss recognized in prior periods for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized.

**14. 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.

Investments are recognized and measured at fair value .

**15. Inventories**

The Company determines the cost for items that are not interchangeable or that have been segregated for specific contracts on an individual-item basis as per IndAS 2, 'Inventories'. The cost of other inventory items used is assigned by using either the first-in, first-out (FIFO) or weighted average cost formula.

The Company uses the same cost formula for all inventories of similar nature and use. The cost formula used is applied on a consistent basis from period to period.

Inventories are initially recognized at the lower of cost and net realisable value (NRV). Cost of inventories includes import duties, non-refundable taxes, transport and handling costs and any other directly attributable costs, less trade discounts, rebates and similar items. Costs such as abnormal amount of wasted materials, storage costs, administrative costs and selling costs are excluded from the cost of inventories. NRV is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated selling expenses.

**16. Revenue recognition**

Revenue is recognized when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service.

For this, the company first determines whether control is transferred over time. If the answer to this question is negative, only then revenue is recognized at a point in time, or else it is recognized over time.

The company recognizes revenue to depict the transfer of goods or services to customers at an amount expected to be received in exchange for those goods or services.

Income from drilling 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.

## 17. Retirement and other employee benefits

Employee benefits are all forms of consideration given or promised by the company in exchange for services rendered by its employees. These benefits include salary-related benefits (such as wages, profit-sharing, bonuses and compensated absences, such as paid holiday and long-service leave), termination benefits (such as severance and redundancy pay) and postemployment benefits (such as retirement benefit plans).

### Defined contribution plans

The cost of defined contribution plans is the contribution payable by the employer for that accounting period.

### Defined benefit plans

Accounting for defined benefit plans is based on actuarial assumptions and different valuation methods to measure the balance sheet obligation and the expense.

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.

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

Where defined benefit plans are funded, the plan assets are measured at fair value. At each balance sheet date, the plan assets and the defined benefit obligations are remeasured. The income statement reflects the change in the surplus or deficit, except for contributions made to the plan and benefits paid by the plan, along with business combinations and remeasurement gains and losses.

Remeasurement gains and losses comprise actuarial gains and losses, return on plan assets (comprise amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability or asset). Remeasurements are recognized in other comprehensive income.

The amount of pension expense (income) to be recognized in profit or loss is comprised of the following individual components, unless they are required or permitted to be included in the costs of an asset:

- Service costs (present value of the benefits earned by active employees)
- Net interest costs (unwinding of the discount on the defined benefit obligations and a theoretical return on plan assets)

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.

The Company makes provision for leave encashment based on actuarial valuation carried out by an independent actuary at the Balance Sheet date.

## 18. Taxes on income

Current tax expense is based on the taxable and deductible amounts to be used for the computation of the taxable income for the current year. A liability is recognized in the balance sheet in respect of current tax expense for the current and prior periods to the extent unpaid. An asset is recognized if current tax has been overpaid.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, except when the temporary difference arises from the following:

- Initial recognition of goodwill (for deferred tax liabilities only)
- Initial recognition of an asset or liability in a transaction which is not a business combination and which affects neither accounting profit nor taxable profit
- Investments in subsidiaries, branches, associates and joint ventures, but only when certain criteria apply

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised

or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

A deferred tax asset is recognized for deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

Current and deferred tax is recognized in profit or loss for the period, unless the tax arises from a business combination or a transaction or event that is recognized outside profit or loss, either in other comprehensive income or directly in equity in the same or different period.

## **19. Derivative financial instruments and hedge accounting**

### **Initial recognition and subsequent measurement**

Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognized in other comprehensive income and later reclassified to profit or loss when the hedge item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as:

Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment.

Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment.

Hedges of a net investment in a foreign operation

The company does not have any derivatives instruments during the period April 1, 2015 to March 31, 2017.

## **20. 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. Detailed disclosures for each of these Reporting Segments are given in these Financial Statements in accordance with IndAS 108(Operating segments).

## **21. Earnings per share**

Basic EPS is calculated by dividing the profit or loss for the period attributable to the equity holders of the parent company by the weighted average number of ordinary shares outstanding (including adjustments for bonus and rights issues).

Diluted EPS is calculated by adjusting the profit or loss and the weighted average number of ordinary shares by taking into account the conversion of any dilutive potential ordinary shares.

Basic and diluted EPS are presented in the statement of profit and loss for each class of ordinary shares in accordance with IndAS 33 (Earnings per share).

## **22. Provisions, contingent liabilities and contingent assets**

The Company recognizes a provision when:

- There is a present obligation to transfer economic benefits as a result of past events;
- it is probable (more likely than not) that such a transfer will be required to settle the obligation;
- and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the expenditure required to settle the obligation at the balance sheet date, measured at the expected cash flows discounted for the time value of money. Provisions are not recognized for future operating losses.

An obligation and any anticipated recovery are presented separately as a liability and an asset respectively; however, an asset is recognized only if it is virtually certain that settlement of the obligation will result in a reimbursement, and the amount recognized for the reimbursement does not exceed the amount of the provision. The amount of any expected reimbursement is disclosed. Net presentation is done only in the income statement.

Management performs an exercise at each balance sheet date to identify the best estimate of the expenditure required to settle the present obligation at the balance sheet date, discounted at an appropriate rate. The increase in provision due to the passage of time (that is a consequence of the discount rate) is recognized as borrowing cost.

Contingent liabilities are possible obligations whose existence will be confirmed only on the occurrence or non-occurrence of uncertain future events outside the entity's control, or present obligations that are not recognized because of the following:

- (a) It is not probable that an outflow of economic benefits will be required to settle the obligation; or
- (b) the amount cannot be measured reliably.

As per IndAS 37 (Provisions, contingent liabilities and contingent assets), Contingent liabilities, if any, are not recognized but are disclosed and described in the notes to the financial statements, including an estimate of their potential financial effect and uncertainties relating to the amount or timing of any outflow, unless the possibility of settlement is remote.

Contingent assets are possible assets whose existence will be confirmed only on the occurrence or non-occurrence of uncertain future events outside the entity's control. As per IndAS 37, Contingent assets, if any, are not recognized but are disclosed and described in the notes to the financial statements, including an estimate of their potential financial effect if the inflow of economic benefits is probable.

### **23. 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.

### **24. Share based payments**

All types of share-based payments and transactions are measured at fair value and recognized over the vesting period in accordance with IndAS 102. However this is not applicable for equity instruments that vested before date of transition to IndAS.

### **25. Events after the reporting period**

Dividends proposed or declared for the reporting period but before the financial statements are approved for issue, are not recognized as a liability at the end of the reporting period because no obligation exists at that time. This provision for dividends will be recognized only in the period when the dividend is declared and approved.

### **26. Related Party Disclosures**

All disclosures as specified under IndAS 24 (Related party disclosures) are made in these Financial Statements in respect of the company's transactions with related parties.

### **27. Leases**

A lease gives one party (the lessee) the right to use an asset over an agreed period of time in return for payment to the lessor.

Lease contracts entered into by the company are classified as operating leases. Under an operating lease, the lessor does not transfer substantially all of the risks and rewards of ownership.

Under an operating lease, the lessee does not recognize an asset and lease obligation. The rentals paid are normally charged to the income statement of the lessee and credited to that of the lessor on a straight-line basis.

### **28. Financial Instruments**

Financial assets and financial liabilities are recognized on the Company Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

#### **Financial Assets - Trade receivables**

Trade receivables are non-interest-bearing and are recognized initially at fair value, and subsequently at amortized cost using the effective interest rate method, less provision for impairment, if any.

#### **Financial Assets - Investments**

Investments consist of investments in equity shares (quoted) and are recognized at fair value through other comprehensive income. Gains and losses arising from changes in fair value are recognized directly in other comprehensive income, until the security is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognized in other comprehensive income is included in the income Statement for the period. Dividends, if any, on equity instrument are recognized in the Company Income Statement when the company's right to receive payment is established.

**Loans and advances to customers**

Loans and advances are initially recognized at fair value plus directly related transaction costs. Subsequent to initial recognition, these assets are carried at amortized cost using the effective interest method less any impairment losses. Income from these financial assets is calculated on an effective yield basis and is recognized in the Income Statement.

**Impairment of loans and advances to customers**

At each balance sheet date, the Company reviews the carrying amounts of its loans and advances to determine whether there is any indication that those assets have suffered an impairment loss.

If there is objective evidence that an impairment loss on a financial asset or group of financial assets classified as loans and advances has been incurred, the Company measures the amount of the loss as the difference between the carrying amount of the asset or group of assets and the present value of estimated future cash flows from the asset or Company of assets discounted at the effective interest rate of the instrument at initial recognition.

Impairment losses, if any, are recognized in the Income Statement and the carrying amount of the financial asset or Company of financial assets is reduced by establishing an allowance for impairment losses.

If in a subsequent period the amount of the impairment loss reduces and the reduction can be ascribed to an event after the impairment was recognized, the previously recognized loss is reversed by adjusting the allowance. Once an impairment loss has been recognized on a financial asset or Company of financial assets, interest income is recognized on the carrying amount using the rate of interest at which estimated future cash flows were discounted in measuring impairment.

Loan impairment provisions are established taking into account the level of arrears, security, past loss experience, credit scores and defaults based on portfolio trends. The most significant factors in establishing these provisions are the expected loss rates.

**Interest-bearing borrowings**

Interest-bearing bank loans and overdrafts are initially recorded at fair value, net of attributable transaction costs. Subsequent to initial recognition, interest bearing borrowings are stated at amortized cost with any difference between proceeds and redemption value being recognized in the Income Statement over the period of the borrowings on an effective interest rate basis.

**Trade payables**

Trade payables are non-interest-bearing and are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method.

**Derivative financial instruments and hedge accounting**

The Company has not entered into any derivative or hedging transactions.

**Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the balance sheet only when there is a current legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

**Notes to IND AS Financial Statements for the year ended 31<sup>st</sup> March 2017**

**3. Property, plant and equipment**

**Rs.Millions**

	Land-Freehold	Buildings	Offshore Jack-up rigs	Drillship	Other Machineries	Wind Mills	Office Equipment	Furniture & Fixtures	Vehicles	Total	Capital work in progress
<b>Year ended 31st March 2016</b>											
<b>Gross Carrying amount</b>											
Deemed cost as on 1st April 2015	128.57	104.52	12,716.00	7,188.00	4.08	66.45	8.38	1.95	27.20	20,245.15	186.85
Additions	-	3.09	766.76	27.08	-	-	1.78	0.08	3.35	802.14	-
Disposals	-	-	-	-	-	(13.71)	-	-	(3.54)	(17.25)	-
Other adjustments	-	-	-	-	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-	-	-	-	(186.85)
-Borrowing costs	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as on 31st March 2016</b>	<b>128.57</b>	<b>107.61</b>	<b>13,482.76</b>	<b>7,215.08</b>	<b>4.08</b>	<b>52.74</b>	<b>10.16</b>	<b>2.03</b>	<b>27.01</b>	<b>21,030.04</b>	<b>-</b>
<b>Accumulated Depreciation</b>											
Depreciation charged during the year	-	4.08	951.55	528.92	-	-	4.85	0.70	6.66	1,496.75	-
Additions	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	(3.00)	(3.00)	-
Other adjustments	-	-	-	-	-	-	-	-	-	-	-
-Exchange differences	-	-	-	-	-	-	-	-	-	-	-
-Borrowing costs	-	-	-	-	-	-	-	-	-	-	-
<b>Closing Accumulated Depreciation</b>	<b>-</b>	<b>4.08</b>	<b>951.55</b>	<b>528.92</b>	<b>-</b>	<b>-</b>	<b>4.85</b>	<b>0.70</b>	<b>3.66</b>	<b>1,493.75</b>	<b>-</b>
<b>Net Carrying amount as on 31st March 2016</b>	<b>128.57</b>	<b>103.53</b>	<b>12,531.21</b>	<b>6,686.16</b>	<b>4.08</b>	<b>52.74</b>	<b>5.31</b>	<b>1.33</b>	<b>23.35</b>	<b>19,536.29</b>	<b>-</b>
<b>Year ended 31st March 2017</b>											
<b>Gross Carrying amount</b>											
Opening gross carrying amount	128.57	107.61	13,482.76	7,215.08	4.08	52.74	10.16	2.03	27.01	21,030.05	-
Additions	-	1.17	38.96	27.33	-	-	0.70	-	2.48	70.64	92.88
Disposals	-	-	(21.60)	-	-	(23.62)	-	-	(1.66)	(46.88)	-
Other adjustments	-	-	-	-	-	-	-	-	-	-	-
-Exchange differences	-	-	-	-	-	-	-	-	-	-	-
-Borrowing costs	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as on 31st March 2017</b>	<b>128.57</b>	<b>108.78</b>	<b>13,500.12</b>	<b>7,242.41</b>	<b>4.08</b>	<b>29.12</b>	<b>10.86</b>	<b>2.03</b>	<b>27.83</b>	<b>21,053.81</b>	<b>92.88</b>
<b>Accumulated Depreciation</b>											
Opening accumulated depreciation	-	4.08	951.55	528.92	-	-	4.85	0.70	3.66	1,493.76	-
Depreciation charged during the year	-	4.08	996.20	531.16	-	-	1.55	0.07	4.87	1,537.94	-
Disposals	-	-	(2.84)	-	-	-	-	-	(1.58)	(4.42)	-
Other adjustments	-	-	-	-	-	-	-	-	-	-	-
-Exchange differences	-	-	-	-	-	-	-	-	-	-	-
-Borrowing costs	-	-	-	-	-	-	-	-	-	-	-
<b>Closing Accumulated Depreciation</b>	<b>-</b>	<b>8.16</b>	<b>1,944.91</b>	<b>1,060.08</b>	<b>-</b>	<b>-</b>	<b>6.40</b>	<b>0.77</b>	<b>6.95</b>	<b>3,027.28</b>	<b>-</b>
<b>Net Carrying amount as on 31st March 2017</b>	<b>128.57</b>	<b>100.63</b>	<b>11,555.22</b>	<b>6,182.34</b>	<b>4.08</b>	<b>29.12</b>	<b>4.45</b>	<b>1.26</b>	<b>20.88</b>	<b>18,026.53</b>	<b>92.88</b>

Some of the offshore Jackup rigs carry charge for bank term loans taken by the wholly owned foreign subsidiary of the company.

**4 (a). Non-current investments**
**Trade Investment (valued at cost unless stated otherwise)**
**Unquoted equity shares**
**Investment in subsidiaries-wholly owned**

0.2 million (31st March 2016:0.2 million) equity shares of Rs.10 each fully paid in Aban Energies Limited

562.88 million(31st March 2016:562.88 million) equity shares in Aban Holdings Pte Ltd, Singapore # @

**Other- Investments**

0.076 million (74% holding) (31st March 2016:0.076 million) equity shares of Rs.10 each fully paid in Radhapuram Wintech Private Limited \*

4.011 million (31st March 2016 :4.011 million)10% Non Cumulative Redeemable Preference shares of Rs 10 each fully paid in Radhapuram Wintech Private Limited

0.103 million (74% holding) (31st March 2016:.066) equity shares of Rs.10 each fully paid in Aban Green Power Private Limited \*

6.613 million (31st March 2016:5.42 million)10% Non Cumulative Redeemable Preference shares of Rs 10 each fully paid in Aban Green Power Private Limited

0.005 million (31st March 2016: Nil) equity shares of Rs.10 each fully paid in Aban Drilling Services Private Limited

0.3 million (31st March 2016: 0.3 million) equity shares of Rs.10 each fully paid in Aban Informatics Private Limited

**Investment in joint ventures**

0.05 million(31st March 2016:0.05 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 2016:Rs.4.99 million) )

As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
2.00	2.00	2.00
26,046.71	26,046.71	26,046.71
0.15	0.76	0.76
40.11	40.11	40.11
0.25	1.03	0.66
66.13	54.20	34.71
0.05	-	-
19.85	19.85	19.85
-	-	-
26,175.25	26,164.66	26,144.80

**Non-trade investments (valued at cost unless stated otherwise)**
**Investment in equity shares (quoted)**

-0.01 million (31st March 2016: 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 2016: Rs.0.17 million))

-0.0003 million (31st March 2016: 0.0003 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 2016 : Rs 0.02 million)

As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
-	-	-
-	-	-

**Notes to IND AS Financial Statements for the year ended 31<sup>st</sup> March 2017**

	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
-0.0024 million(31st March 2016: 0.0024 million) equity shares of Rs.10 each fully paid in State Bank of Travancore Ltd	0.72	0.93	0.37
-0.01 million(31st March 2016: 0.01 million) equity shares of Rs.10 each fully paid in ICICI Bank Ltd	2.90	2.48	3.16
-0.05 million(31st March 2016: 0.05 million)equity shares of Rs.5 each fully paid in Oil and Natural Gas Corporation Limited	9.36	10.83	17.32
-0.03 million(31st March 2016:0.03 million)equity shares of Rs.10 each fully paid in Indian Bank Ltd	8.99	3.36	7.20
<b>Investment in equity shares (unquoted)</b>			
1.519 million (31st March 2016: 1.519 million)equity shares of Rs.10 each fully paid in Madras Stock Exchange Limited	-	-	-
	<u>21.97</u>	<u>17.60</u>	<u>28.05</u>
	<b>26,197.22</b>	<b>26,182.26</b>	<b>26,172.85</b>
Aggregate amount of quoted investments	21.97	17.60	28.05
Aggregate amount of unquoted investments	26,175.25	26,164.66	26,144.80
Aggregate provision for impairment in value of investments	5.18	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(the wholly owned foreign subsidiary).

\* Radhapuram Wintech Private Limited and Aban Green Power Private Limited ceased to be subsidiaries with effect from 26th December 2016 consequent to sale of the shares in part thereby losing controlling interest.

**4(b). Trade receivables**

	Non-current			Current		
	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 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	-	-	-	4,041.41	2,607.52	1,230.13
Doubtful	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,041.41</u>	<u>2,607.52</u>	<u>1,230.13</u>
 Provision for doubtful receivables	 -	 -	 -	 -	 -	 -
(A)	-	-	-	4,041.41	2,607.52	1,230.13

**Other receivables**

Secured, considered good	-	-	-	-	-	-
Unsecured, considered good	-	-	-	517.55	2,037.01	1,623.34
Doubtful	-	-	-	-	-	-
	-	-	-	517.55	2,037.01	1,623.34
Provision for doubtful receivables	-	-	-	-	-	-
(B)	-	-	-	517.55	2,037.01	1,623.34
<b>Total(A+B)</b>	-	-	-	<b>4,558.96</b>	<b>4,644.53</b>	<b>2,853.47</b>

**4 (c). Loans**

	Non-current			Current		
	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
<b>Loans and advances to related parties</b>						
Unsecured, considered good (Note 32)	-	-	-	7,764.53	6,761.63	6,146.19
	-	-	-	7,764.53	6,761.63	6,146.19
<b>Advances recoverable in cash or kind</b>						
Secured considered good	-	-	-	-	-	-
Unsecured considered good	309.08	20.27	12.89	199.98	190.66	107.72
Doubtful	-	-	-	-	-	-
	309.08	20.27	12.89	199.98	190.66	107.72
Provision for doubtful advances	-	-	-	-	-	-
	309.08	20.27	12.89	199.98	190.66	107.72
Loans to employees	29.56	32.69	35.17	5.45	7.82	12.71
	<b>338.64</b>	<b>52.96</b>	<b>48.06</b>	<b>7,969.96</b>	<b>6,960.11</b>	<b>6,266.62</b>

**4(d). Cash and bank balances**

	Non-current			Current		
	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
<b>Cash and cash equivalents</b>						
Balances with banks:						
-On current accounts	-	-	-	312.35	376.39	106.73
Cash on hand	-	-	-	0.47	0.81	0.47
	-	-	-	312.82	377.20	107.20

**4(e). Other Bank balances**

	Non-current			Current		
	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
On unpaid dividend account	-	-	-	16.40	18.54	18.02
-Deposits with original maturity for more than 12 months	3.03	3.03	3.03			
- Margin money deposit	-	-	-	120.48	84.94	123.24
	<u>3.03</u>	<u>3.03</u>	<u>3.03</u>	<u>136.88</u>	<u>103.48</u>	<u>141.26</u>
Amount disclosed under other assets {(See note 4(f))}	<u>(3.03)</u>	<u>(3.03)</u>	<u>(3.03)</u>	-	-	-
	-	-	-	<u>136.88</u>	<u>103.48</u>	<u>141.26</u>

**4(f). Other financial assets**

	Non-current			Current		
	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
Security deposit	2.23	2.49	9.69	7.71	8.19	1.44
Balances with statutory/ government authorities	95.20	94.35	26.26	69.07	70.44	0.40
Non-current bank balances -{refer note 4 (e )}	3.03	3.03	3.03	-	-	-
<b>Other loans and advances</b>						
Advance income-tax(net of provision for taxation)	-	-	-	88.62	-	290.00
MAT credit entitlement account	-	-	306.61	-	-	-
	<u>100.46</u>	<u>99.87</u>	<u>345.59</u>	<u>165.40</u>	<u>78.63</u>	<u>291.84</u>

**5. Other Assets**

	Non-current			Current		
	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
Prepaid expenses	1.17	1.17	5.44	38.85	50.58	26.63
Interest accrued on fixed deposits	-	-	-	0.20	0.41	0.16
Capital Advances	-	-	-	161.18	28.19	178.06
<b>Total</b>	<u>1.17</u>	<u>1.17</u>	<u>5.44</u>	<u>200.23</u>	<u>79.18</u>	<u>204.85</u>

**6. Inventories**

	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
Stores, Spares and Fuel	914.69	995.74	1,039.56
	<b>914.69</b>	<b>995.74</b>	<b>1,039.56</b>

**7(a). Equity Share Capital**

	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
<b>Authorised shares (No. millions)</b> 2,500 (31st March 2016: 2,500 ) Equity Shares of Rs.2/- each	<b>5,000.00</b>	<b>5,000.00</b>	<b>5,000.00</b>
<b>Issued , subscribed and fully paid -up Equity shares (No. in millions)</b>			
<b>Equity Shares</b>			
36.88 (31st March 2016: 36.88) equity shares of Rs.2/- each	<b>73.75</b>	73.75	73.75
0.85 (31st March 2016: 0.85) equity shares of Rs.2/- each issued against conversion of foreign currency convertible bonds	<b>1.70</b>	1.70	1.70
0.16 (31st March 2016: 0.16 ) equity shares of Rs.2/- each issued against employee stock option scheme	<b>0.33</b>	0.33	0.33
16.47 (31st March 2016: 16.47) equity shares of Rs.2/- each issued against qualified institutional placement	<b>32.94</b>	32.94	32.94
4.00 (31st March 2016:4.00) equity shares of Rs. 2/- each issued against conversion of share warrants allotted on a preferential basis	<b>8.00</b>	8.00	6.78
0.01 (31st March 2016: 0.01) Shares Forfeited -equity shares at Re 1/- each	<b>0.01</b>	0.01	0.01
	<b>116.73</b>	<b>116.73</b>	<b>115.51</b>

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

	31st March 2017		31st March 2016		1st April 2015	
	No. millions	Rs. millions	No. millions	Rs. millions	No. millions	Rs. millions
<b>At the beginning of the period</b>	58.36	116.73	57.75	115.51	43.51	87.04
Issued during the period	-	-	0.61	1.22	14.24	28.47
<b>Outstanding at the end of the period</b>	<b>58.36</b>	<b>116.73</b>	<b>58.36</b>	<b>116.73</b>	<b>57.75</b>	<b>115.51</b>

**(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.

During the year ended 31st March 2017, the amount of per share dividend recognized as distributions to equity shareholders is Nil (31st March 2016: Nil).

The 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 2015: 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 2016: 0.16 million equity shares of Rs.2 each).

**(c) Share Warrants:**

During 2013-14, the Company had allotted 4.00 million share warrants on a preference basis to the Promoter/ Promoter Company 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 the allotment money and allotted the shares against warrants in earlier years and no warrants are pending for conversion as at 31st March 2017.

**(d). Details of shareholders holding more than 5% shares in the company**

	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	No. millions	% holding in the class	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	9.64%	5.63	9.64%	5.63	9.74%
Deepa Reji Abraham	4.04	6.92%	4.04	6.92%	3.43	5.94%
India Offshore Inc	8.33	14.27%	8.33	14.27%	8.33	14.42%
Aban Investments Private Limited	5.65	9.69%	5.65	9.69%	5.65	9.79%
	<b>23.65</b>	<b>40.52%</b>	<b>23.65</b>	<b>40.52%</b>	<b>23.04</b>	<b>39.89%</b>

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(b). Other equity**

	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
<b>Capital Reserve as per last Balance Sheet</b>	<b>0.03</b>	0.03	0.03
<b>Securities Premium Account</b>			
Balance as per last financial statements	<b>17,765.80</b>	17,528.51	8,819.44
Add: On Allotment under ESOS	-	-	41.30
Add: On Allotment under Qualified Institutional Placements	-	-	7,478.43
Add: On Allotment against Conversion of Share Warrants	-	237.29	1,318.71

Less: Qualified Institutional Placement Issue Expenses	-	-	(129.37)
	<b>17,765.80</b>	17,765.80	17,528.51
<b>Investment Allowance Reserve-utilised as per last Balance Sheet</b>	<b>52.40</b>	52.40	52.40
<b>Capital Redemption Reserve</b>			
Balance as per last financial statements	<b>2,730.00</b>	2,470.00	2,270.00
Add: Transfer from statement of profit and loss	<b>80.00</b>	260.00	200.00
	<b>2,810.00</b>	2,730.00	2,470.00
<b>General Reserve</b>			
Balance as per last financial statements	<b>1,479.79</b>	1,479.79	1,479.79
Add: Transfer from statement of profit and loss	-	-	-
	<b>1,479.79</b>	1,479.79	1,479.79
<b>Surplus/(deficit) in the statement of profit and loss</b>			
Balance as per last financial statements	<b>16,609.70</b>	14234.14	13152.13 #
Profit for the year	<b>2,111.44</b>	2901.51	1906.21
Net gain/(loss) on fair value through other comprehensive income	<b>4.37</b>	(10.46)	-
Expected return on Plan assets & Net Actuarial gain/( loss) recognised during the year through other comprehensive income	<b>9.58</b>	(2.36)	-
Less: Appropriations			
Transfer to capital redemption reserve	<b>(80.00)</b>	(260.00)	(200.00)
Equity dividend paid Rs. 3.60 per equity share	-	(2.20)	(48.04)
Tax on equity dividend *	-	(0.45)	(8.16)
Equity Dividend	-	(207.92)	(207.92)
Tax on equity dividend	-	(42.56)	(42.56)
Dividend on preference shares	-		(263.57)
Tax on preference dividend	-		(53.95)
<b>Total appropriations</b>	<b>(80.00)</b>	(513.13)	(824.20)
<b>Net Surplus/(deficit) in the statement of profit and loss</b>	<b>18,655.09</b>	16,609.70	14,234.14
<b>Total Other Equity</b>	<b>40,763.11</b>	38,637.72	35,764.87

\*Relates to the Equity Shares issued to Qualified Institutional Buyers ,promoter/promoter group against conversion of share warrants and employees under stock option scheme (2014-15) and equity shares relates to the equity shares issued to promoter/ promoter group against conversion of share warrants (2015-16).

# Includes Rs 7,263.36 million being net increase in equity on account of IND AS adjustments on transition.

**Notes to IND AS Financial Statements for the year ended 31<sup>st</sup> March 2017**

**8(a). Borrowings**

	Non-current maturities			Current maturities		
	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
<b>Term loans</b>						
Foreign currency term loans from banks (secured)	3,107.10	4,193.26	4,918.07	1,248.02	1,274.85	1,202.01
Rupee term loans from banks (secured)	98.96	74.46	174.46	198.76	125.00	107.48
Rupee term loan from financial institution (secured)	-	-	-	-	-	215.17
<b>Other loans</b>						
Hire purchase loan (secured)	-	1.53	3.64	1.31	2.21	2.31
From companies (secured)	120.40	216.18	416.67	49.11	226.27	283.33
Redeemable Preference Shares(unsecured)	-	-	800.00	2,810.00	2,810.00	2,010.00
	<u>3,326.46</u>	<u>4,485.43</u>	<u>6,312.84</u>	<u>4,307.20</u>	<u>4,438.33</u>	<u>3,820.30</u>
<b>The above amount includes</b>						
Secured borrowings	3,326.46	4,485.43	5,512.84	1,497.20	1,628.33	1,810.30
Unsecured borrowings	-	-	800.00	2,810.00	2,810.00	2,010.00
Amount disclosed under the head "Other current financial liabilities" Note 8 (c)	-	-	-	(4,307.20)	(4,438.33)	(3,820.30)
	<u>3,326.46</u>	<u>4,485.43</u>	<u>6,312.84</u>	<u>-</u>	<u>-</u>	<u>-</u>

Particulars	Maturity Date	Terms of repayment	Coupon/Interest rate	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
<b>Secured</b>						
(a) Foreign currency loan (USD)	2020-2022	Equated quarterly /monthly repayments	6 months LIBOR + 6% to 7%	4,355.12	5,468.11	6,120.08
(b) Rupee term loans from banks	2017-2020	Unequal quarterly repayments	14.25% to 14.35%	297.72	199.46	281.94
(c ) Rupee term loans from financial institution	2016	Repaid in 2016	13%	-	-	215.17
(d) Hire purchase loan	2017	Equated monthly instalments	9.72%	1.31	3.74	5.95
(e ) From companies	2020	Equated monthly repayments	13.50%	169.51	442.45	700.00
<b>Unsecured</b>						
Redeemable Preference shares	2014-2016	Overdue for repayment	12% *	2,810.00	2,810.00	2,810.00
<b>Total borrowings</b>				<b>7,633.66</b>	<b>8,923.76</b>	<b>10,133.14</b>
Less: Current maturities of long term borrowings				4,307.20	4,438.33	3,820.30
<b>Non-Current borrowings</b>				<b>3,326.46</b>	<b>4,485.43</b>	<b>6,312.84</b>

**Notes to IND AS Financial Statements for the year ended 31<sup>st</sup> March 2017**

\* Includes penal interest @ 2% p.a

Loans under (a) above are secured by first and second charge on specific offshore drilling rigs, floating production units and first and second charge on drilling rigs owned by foreign subsidiaries. Amount overdue as on the balance sheet date on account of interest and principal is Rs 85.07 million and Rs 249.58 million.

Loans under (b) above are secured by first charge on specific offshore drilling rigs owned by foreign subsidiaries. Amount overdue as on the balance sheet date on account of interest and principal is Rs 8.30 million and Rs 44.80 million.

Loans under (d) are Secured by hypothecation of vehicles.

Loans under (e) are Secured by charge on properties owned by Promoter/Promoter group company.

As per IND AS, the Preference Share capital is grouped under borrowings.

**8(b). Current borrowings**

	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
Cash credit from banks (secured)	1,781.69	1,743.46	1,593.25
Short term borrowings from banks (secured)	-	279.05	400.49
Short term borrowings from a Director (unsecured)	-	-	180.00
Deposits (unsecured)			
-Intercompany Loan	-	-	145.00
	<u>1,781.69</u>	<u>2,022.51</u>	<u>2,318.74</u>
<b>The above amount includes</b>			
Secured borrowings	1,781.69	2,022.51	1,993.74
Unsecured borrowings	-	-	325.00
	<u>1,781.69</u>	<u>2,022.51</u>	<u>2,318.74</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 @13.15 p.a. % to 16.25 % p.a.

**8(c). Other financial liabilities**

	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
Current maturities of long term borrowings {(note 8(a))}	4,307.20	4,438.33	3,820.30
Interest accrued but not due on borrowings	1.52	3.50	5.96
Interest accrued and due on borrowings	92.88	100.22	74.89
Investor Education and Protection Fund will be credited by following amounts (as and when due)			
- Unclaimed dividends	16.40	18.54	18.02
Dividend accrued and due on Redeemable preference share (including penalty)	652.66	319.32	263.57
Provision for tax on Redeemable preference share dividend	115.04	57.52	53.95
	<u>5,185.70</u>	<u>4,937.43</u>	<u>4,236.69</u>

## 9. Employee benefit obligations

	Long- Term			Short-term		
	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
<b>Provision for employee benefits</b>						
Provision for Provident Fund	-	-	-	2.53	2.36	2.17
Provision for Gratuity	5.90	-	4.67	2.85	19.10	1.95
Provision for Leave Encashment	6.47	10.74	12.32	0.46	5.60	6.06
	<u>12.37</u>	<u>10.74</u>	<u>16.99</u>	<u>5.84</u>	<u>27.06</u>	<u>10.18</u>

## 10. Deferred tax liabilities

	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
<b>Deferred tax liability on timing differences</b>			
On depreciation	4219.44	4412.66	4409.21
On others	-	2.80	-
	<u>4219.44</u>	<u>4415.46</u>	<u>4409.21</u>

## 11. Trade payables

	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
Trade payables	<u>3,496.00</u>	<u>4,094.69</u>	<u>4,582.41</u>

## 12. Other current liabilities

	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
Service tax payable	90.45	261.79	57.74
TDS payable	18.05	16.64	23.93
	<u>108.50</u>	<u>278.43</u>	<u>81.67</u>

## 13. Revenue from operations

	Year ended 31st March 2017 Rs. millions	Year ended 31st March 2016 Rs. millions
Revenue from drilling services	8,854.90	10,135.64
Revenue from wind power generation	13.65	5.70
	<u>8,868.55</u>	<u>10,141.34</u>

**14. Other Income**

	Year ended 31st March 2017 Rs. millions	Year ended 31st March 2016 Rs. millions
Rental income	10.07	10.01
<b>Dividend income on</b>		
-Non Current investments	1.74	0.49
-Current investments	-	0.15
<b>Interest income on</b>		
-Bank deposits	7.36	10.21
-Loan to foreign subsidiary	445.57	456.15
-Loan to Indian subsidiaries*	7.80	8.17
-Inter Corporate Deposits	30.25	-
Net gain on sale of Tangible assets	21.40	19.71
Miscellaneous Income	5.06	178.80
	<b>529.25</b>	<b>683.69</b>

\* The loanee company ceased to be subsidiaries effective from 26th December 2016 on account of sale of equity shares held in the company thereby losing controlling interest.

**15. Consumption of Stores, Spares, power and Fuel**

	Year ended 31st March 2017 Rs. Millions	Year ended 31st March 2016 Rs. Millions
Consumption of stores and spares	416.97	430.96
Power and Fuel	72.07	109.22
	<b>489.04</b>	<b>540.18</b>

**16. Employee benefit expense**

	Year ended 31st March 2017 Rs. Millions	Year ended 31st March 2016 Rs. Millions
Salaries, wages and bonus	868.18	1,067.93
Contribution to provident fund	27.88	27.38
Gratuity expense (note 25)	18.60	16.65
Post-employment pension benefits	22.29	27.61
Staff welfare expenses	17.78	21.30
	<b>954.73</b>	<b>1160.87</b>

**17. Finance costs**

	Year ended 31st March 2017 Rs. Millions	Year ended 31st March 2016 Rs. Millions
Interest on borrowings	1,180.52	1,192.46
Loan Processing charges	15.63	19.27
	<b>1,196.15</b>	<b>1,211.73</b>

## 18. Depreciation and amortization expense

	Year ended 31st March 2017 Rs. Millions	Year ended 31st March 2016 Rs. Millions
Depreciation on property, plant and equipment	1,537.94	1,496.75
	<b>1,537.94</b>	<b>1,496.75</b>

## 19. Other expenses

	Year ended 31st March 2017 Rs. Millions	Year ended 31st March 2016 Rs. Millions
Freight and Forwarding Cost	30.71	42.51
Rent	2.55	6.66
Rates and taxes	40.37	9.77
Rental charges for Machinery	49.61	86.19
Insurance	139.78	179.36
Repairs and maintenance		
- Plant and machinery	223.29	310.34
- Buildings	1.92	4.04
- Others	4.78	5.21
Drilling services and Management Fees	68.60	108.76
Advertising and sales promotion	3.98	2.58
Exchange differences (net)	199.25	4.74
Travelling, conveyance and Transportation	468.01	481.84
Communication Costs	24.64	30.97
Printing and Stationery	3.85	5.21
Professional and Consultancy Expenses	365.22	477.23
Catering Expenses	66.70	87.80
Directors' Sitting Fees	0.89	0.92
<b>Payment to Auditors</b>		
<b>As Auditor</b>		
- Audit fee	3.60	3.60
- Tax audit fee	0.75	0.75
- Limited review	1.88	1.88
<b>In other capacity</b>		
- Taxation matters	0.50	0.50
- Other services (Certification Fees)	1.31	1.69
Exchange Losses (net)	-	121.27
Corporate Social Responsibility (CSR) Expenditure	-	10.00
Miscellaneous expenses	45.42	29.30
	<b>1,747.61</b>	<b>2,013.12</b>

## 20. Fair value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The group categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed

in their measurement. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability. Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or company's assumptions about pricing by market participants.

**Financial Instruments by category**
**Rs. Millions**

Particulars	31st March 2017			31st March 2016			1st April 2015		
	FVPL	FVOCI	Amortized Cost	FVPL	FVOCI	Amortized Cost	FVPL	FVOCI	Amortized Cost
<b>Financial Assets</b>									
Investments- Equity Instruments	-	21.97	26,175.25	-	17.60	26,164.66	-	28.05	26,144.80
Trade Receivables	-	-	4,558.96	-	-	4,644.53	-	-	2,853.47
Loans	-	-	8,308.61	-	-	7,013.07	-	-	6,314.68
Cash and Bank Balances	-	-	449.70	-	-	480.68	-	-	248.46
Other Financial assets	-	-	265.86	-	-	178.50	-	-	637.42
<b>Total</b>	<b>-</b>	<b>21.97</b>	<b>39,758.38</b>	<b>-</b>	<b>17.60</b>	<b>38,481.44</b>	<b>-</b>	<b>28.05</b>	<b>36,198.83</b>
<b>Financial Liabilities</b>									
Borrowings & other financial liabilities	-	-	10,293.87	-	-	11,445.37	-	-	12,868.26
Trade payables	-	-	3,496.01	-	-	4,094.69	-	-	4,582.41
<b>Total</b>	<b>-</b>	<b>-</b>	<b>13,789.88</b>	<b>-</b>	<b>-</b>	<b>15,540.06</b>	<b>-</b>	<b>-</b>	<b>17,450.67</b>

The fair value FVOCI equity instruments have been derived from market prices of the quoted securities hence fall under level 1 hierarchy of fair valuation.

**Fair value of financial assets and liabilities measured at amortised cost**
**Rs. Millions**

Particulars	31st March 2017		31st March 2016		1st April 2015	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Non current financial assets</b>						
Loans	338.64	338.64	52.96	52.96	48.06	48.06
Other financial assets	100.46	100.46	99.87	99.87	345.59	345.59
<b>Total</b>	<b>439.10</b>	<b>439.10</b>	<b>152.83</b>	<b>152.83</b>	<b>393.65</b>	<b>393.65</b>
<b>Non current Financial Liabilities</b>						
<b>Borrowings</b>	<b>3,326.46</b>	<b>3,326.46</b>	<b>4,485.43</b>	<b>4,485.43</b>	<b>6,312.84</b>	<b>6,312.84</b>
<b>Total</b>	<b>3,326.46</b>	<b>3,326.46</b>	<b>4,485.43</b>	<b>4,485.43</b>	<b>6,312.84</b>	<b>6,312.84</b>

**21. Financial risk factors**

The Company's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management strategy seeks to minimize adverse effect from the unpredictability of financial markets on the Company's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Company. They review and agree on the policies for managing each of these risks and are summarised as follows:

### Foreign exchange risk

The Company is exposed to foreign exchange risk principally via:

- transactional exposure that arises from the sales / receivables denominated in a currency other than the functional currency of the company

<b>Rs. Millions</b>		
<b>Currency</b>	<b>2017</b>	<b>2016</b>
USD	11382.69	10548.60
EURO	506.01	550.46

- Transactional exposure that arises from the cost of goods sold / payables denominated in a currency other than the functional currency of the Company.

<b>Rs. Millions</b>		
<b>Currency</b>	<b>2017</b>	<b>2016</b>
USD	97.40	274.71
SGD	2.07	10.75
AED	15.94	20.41

- Foreign currency exposure that arises from foreign currency term loans / Working Capital loans (including interest payable) denominated in a currency other than the functional currency of the Company.

<b>Rs. Millions</b>		
<b>Currency</b>	<b>2017</b>	<b>2016</b>
USD	4440.08	5812.97

- Cash and cash equivalents held in foreign currency.

<b>Rs. Millions</b>		
<b>Currency</b>	<b>2017</b>	<b>2016</b>
USD	229.08	258.13
EURO	0.49	0.84
AED	19.23	9.08

All these unhedged exposures are naturally hedged by future foreign currency earnings.

The impact on the Company financial statements from foreign currency volatility is shown in the sensitivity analysis.

### Sensitivity analysis

The sensitivity analysis reflects the impact on income and equity due to financial instruments held at the balance sheet date. It does not reflect any change in sales or costs that may result from changing interest or exchange rates.

The following table shows the illustrative effect on the Income Statement and equity that would result, at the balance sheet date, from changes in currency exchange rates that are reasonably possible for major currencies where there have recently been significant movements:

	2017		2016	
	Income Gain/ (Loss) Rs. Millions	Equity Gain/ (Loss) Rs. Millions	Income Gain/ (Loss) Rs. Millions	Equity Gain/ (Loss) Rs. Millions
5% appreciation of USD (2016: 5%)	342.26	-	223.05	-
10% appreciation of EURO (2016: 10%)	50.60	-	55.05	-
5% appreciation of SGD (2016: 5%)	(0.10)	-	(0.54)	-
5% appreciation of AED (2016: 5%)	(0.80)	-	(1.02)	-

The following table shows the illustrative effect on the Income Statement and equity that would result, at the balance sheet date, from changes in interest rates that are reasonably possible for term loans with floating interest where there have recently been significant movements:

	2017	2016
	Income Gain / (Loss) Rs. Million	Income Gain / (Loss) Rs. Million
Increase in 6m LIBOR by 50 basis points	(21.78)	(27.34)
Increase in rupee lending rate by 100 basis points	(4.69)	(6.46)

A decrease in interest rates and a depreciation of foreign currencies would have the opposite effect to the impact in the table above.

### Credit risk

Credit risk refers to the risk that counter party will default on its contractual obligations resulting in financial loss to the Company. The major classes of financial assets of the Company are bank deposits, trade receivables, amount due from associated company and amounts due from subsidiary corporations. For bank deposits, the Company maintains its cash deposits if any primarily with lenders of the Company or financial institutions with high credit quality to minimise their exposure to the banks.

Due to the nature of the Company's operations, revenue and receivable are typically concentrated amongst a relatively small customer base of oil and gas companies. Customers are government linked based oil and gas corporations. The Company has policies in place to ensure that drilling contracts are with customers of adequate financial standing and appropriate credit history, and where necessary, certain guarantees in form of bank. The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial assets on the balance sheet.

(i) Financial assets that are neither past due nor impaired

Bank deposits that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies. Trade receivables that are neither past due nor impaired are substantially receivables from companies with a good collection track record with the Group. Amounts due from subsidiary corporations are neither past due nor impaired.

(ii) Financial assets that are past due and/or impaired

There is no other class of financial assets that is past due and/or impaired except for trade receivables. The age analysis of trade receivables that are past due but not impaired is as follows:

	Rs. Millions	
Particulars	2017	2016
Past Due upto 6 months	517.55	2037.01
Past Due over 6 months	4041.41	2607.52

Allowance for impairment of trade receivables arise from customers that are either in financial difficulties and/or have history at default or significant delay in payments which management is of the opinion that payments are not forthcoming as at the end of financial year. In the event that payment is doubtful, the receivables will be recommended for write off.

**(c) Liquidity risk**

The drilling operations of the Company require substantial investment and are dependent on its ability to finance its rig construction and acquisitions and service its bank borrowings as well as other capital and operating requirements and commitments. The Company ensures that arrangements have been made to obtain adequate funds to meet all its operating and capital obligations in the form of continuing committed credit facilities with financial institutions as well as continuing financial support from the immediate and ultimate holding corporation to enable the Group to meet its debts and liabilities as and when they fall due for at least 12 months from the balance sheet date.

The table below analyses the maturity profile of the Company's and the Company's financial liabilities based on contractual undiscounted cash flows (including interest payable in the future) at the balance sheet date.

<b>As At 31-03-2017</b>						<b>Rs. millions</b>
<b>Non-derivative financial liabilities</b>	<b>Due within 1 year</b>	<b>Due between 1 and 2 years</b>	<b>Due between 2 and 3 years</b>	<b>Due between 3 and 4 years</b>	<b>Due between 4 and 5 years</b>	<b>Due beyond 5 years</b>
Bank and other borrowing	1826.24	1351.22	1209.76	1045.06	116.69	-
Redeemable preference shares	2978.60	-	-	-	-	-

<b>As At 31-03-2016</b>						<b>Rs. millions</b>
<b>Non-derivative financial liabilities</b>	<b>Due within 1 year</b>	<b>Due between 1 and 2 years</b>	<b>Due between 2 and 3 years</b>	<b>Due between 3 and 4 years</b>	<b>Due between 4 and 5 years</b>	<b>Due beyond 5 years</b>
Bank and other borrowing	2030.73	1478.34	1275.30	1204.08	1064.16	118.73
Redeemable preference shares	2978.60	-	-	-	-	-

The above analysis table does not include loans to be settled on demand.

**Capital management**

( a ) The Company's objectives when managing capital are to ensure the Company's ability to continue as a going concern and to maintain an optimal capital structure by issuing or redeeming additional equity, borrowings and other instruments when necessary.

As the Company is mainly funded through external borrowings, the objectives of the Board of Directors when managing capital is to ensure that the Group and the Company continue to enjoy the use of funds from borrowings by ensuring that the Company continue to service its debt obligations in the form of interests and principal repayments on due dates in accordance with the borrowing agreements, and to ensure that they remain in compliance with the financial and non-financial covenants in relation to their borrowings.

The Company considers capital to compromise of its equity and borrowings, as follows:

	<b>Rs. Millions</b>	
<b>Particulars</b>	<b>2017</b>	<b>2016</b>
Total Equity	40879.84	38754.45
Borrowings	9415.35	10946.27

**(b ) Fair value measurements**

The carrying amounts less impairment provision of trade receivables and payables are assumed to approximate their fair values. The carrying amounts of current borrowings approximate their fair values.

**22. Transition to IndAS**

The transition to IndAS has been carried out from the accounting principles generally accepted in India (Indian GAAP), which is considered as the "Previous GAAP", for purposes of IndAS 101(First time adoption of Indian accounting standards).

The preparation of these financial statements resulted in changes to the Company's accounting policies as compared to most recent annual financial statements prepared under Previous GAAP. Accounting policies have been applied consistently to the preparation of the IndAS opening statement of financial position as at April 1, 2015 ("Transition Date") for the purpose of the transition to IndAS and as required by IndAS 101 (First time adoption of Indian accounting standards).

The Company's financial statements for the year ended March 31, 2017 are the first annual financial statements prepared in compliance with IndAS. The adoption of IndAS was carried out in accordance with IndAS 101 (First time adoption of Indian accounting standards), using April 1, 2015 as the transition date. IndAS 101 (First time adoption of Indian accounting standards) requires that all IndAS standards and interpretations that are effective for the first IndAS Financial Statements for the year ended March 31, 2017, be applied consistently and retrospectively for all fiscal years presented. All applicable IndAS have been applied consistently and retrospectively wherever required. The resulting difference between the carrying amounts of the assets and liabilities in the financial statements under both IndAS and Previous GAAP as of the Transition Date have been recognized directly in equity on transition.

**Reconciliations:**

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from Previous GAAP to IndAS in accordance with IndAS 101 (First time adoption of Indian accounting standards):

- Equity as at April 1, 2015
- Equity as at March 31, 2016
- Profit for the year ended March 31, 2016 and
- Explanation of material adjustments to cash flow statements.

In the reconciliations mentioned above, certain reclassifications have been made to Previous GAAP financial information to align with the IndAS presentation.

**Reconciliation of equity**

Particulars	As on the date of transition 1st April 2015			Rs. millions
	Notes to first time adoption	Previous GAAP	Adjustments on transition to IND AS	
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment	A	9,573.61	10,671.54	20,245.15
Capital work-in-progress		186.85	-	186.85
Financial Assets				
(i) Investments	B	26,159.01	13.84	26,172.85
(ii) Loans		48.06	-	48.06
(iii) Other financial assets		345.59	-	345.59
Other non-current assets		5.44	-	5.44
<b>Total-Non-current assets</b>		<b>36,318.56</b>	<b>10,685.38</b>	<b>47,003.94</b>
<b>Current assets</b>				
Inventories		1,039.56	-	1,039.56
Financial Assets				
(i) Trade receivables		2,853.47	-	2,853.47
(ii) Cash and cash equivalents		107.20	-	107.20
(iii) Other Bank balances		141.26	-	141.26
(iv) Loans		6,266.62	-	6,266.62

Particulars	As on the date of transition 1st April 2015			Rs. millions
	Notes to first time adoption	Previous GAAP	Adjustments on transition to IND AS	Ind AS
(v) Other financial assets	C	313.07	(21.23)	291.84
Other current assets		204.85	-	204.85
<b>Total-current assets</b>		<b>10,926.03</b>	<b>(21.23)</b>	<b>10,904.80</b>
<b>Total- Assets</b>		<b>47,244.59</b>	<b>10,664.15</b>	<b>57,908.74</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(i) Equity Share Capital	D	2,925.51	(2,810.00)	115.51
(ii) Other Equity	E	28,501.51	7,263.36	35,764.87
(iii) Money received against share warrants		59.63	-	59.63
<b>Total-Equity</b>		<b>31,486.65</b>	<b>4,453.36</b>	<b>35,940.01</b>
<b>Non-current liabilities</b>				
Financial Liabilities				
(i) Borrowings	F	5,514.12	798.72	6,312.84
Employee benefit obligations		16.99	-	16.99
Deferred tax liabilities	G	745.81	3,663.40	4,409.21
<b>Total-Non-Current Liabilities</b>		<b>6,276.92</b>	<b>4,462.12</b>	<b>10,739.04</b>
<b>Current liabilities</b>				
Financial Liabilities				
(i) Borrowings		2,318.74	-	2,318.74
(ii) Trade payables		4,582.41	-	4,582.41
(iii) Other financial liabilities	H	2,488.02	1,748.67	4,236.69
Employee benefit obligations		10.18	-	10.18
Other current liabilities		81.67	-	81.67
<b>Total-Current Liabilities</b>		<b>9,481.02</b>	<b>1,748.67</b>	<b>11,229.69</b>
<b>Total-Liabilities</b>		<b>15,757.94</b>	<b>6,210.79</b>	<b>21,968.73</b>
<b>Total-Equity and Liabilities</b>		<b>47,244.59</b>	<b>10,664.15</b>	<b>57,908.74</b>

\*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

#### Notes:

#### A. Property, plant and equipment:

As per 'the deemed cost' exception given in paragraphs D5 and D6 (Appendix D) to IndAS 101 (First time adoption of Indian accounting standards), any item of property, plant and equipment can be measured at the date of transition to Ind AS at its fair value or at revalued amount. The Previous GAAP revalued amount can be considered as deemed cost if the revaluation was, at the date of the revaluation, broadly comparable to either the fair value or cost or depreciated cost in accordance with IndAS.

In accordance with above, upon transition to IndAS, the various items of Property, plant and equipment have been valued as follows:

- Offshore Rigs of the company have been fair valued based on an independent technical evaluation at Rs19,904.00 million; which has been considered to be the 'deemed cost' of these assets. This gave rise to a fair value gain of Rs 10,671.54 million which was recognized in equity on transition.

- All the other assets were considered at cost with appropriate application of depreciation in accordance with Ind AS requirements retrospectively.

**B. Non-Current Investments:**

As per Indian GAAP, Non-Current investments are carried at cost. However the same need to be fair valued as per IndAS 101(First time adoption of Indian accounting standards). As per Appendix D paragraph D19B of IndAS 101(First time adoption of Indian accounting standards), "an entity may designate an investment in an equity instrument as at fair value through other comprehensive income in accordance with paragraph 5.7.5 of IndAS 109(Financial instruments) on the basis of the facts and circumstances that exist at the date of transition to IndAS."

The Aggregate carrying value of quoted non-current investments as per Indian GAAP as on April 1, 2015 was Rs.10.21 million. However the Fair Market value of these investments as on the same date was Rs.24.05 million. Hence, the value of non-current investments has increased as per IndAS to the extent of this difference of Rs.13.84 million which has been recognized in equity on transition.

**C. Other current Financial Assets:**

As per Indian Accounting Standard (IndAS) 109 Financial Instruments, "The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The effective interest rate is a rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, an entity shall estimate the expected cash flows by considering all the contractual terms of the financial instrument but shall not consider the expected credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

As per Indian GAAP, the transaction costs or issue / processing costs incurred for various loans / advances were charged off as expense at the time of incurrence. However, as per IndAS109 (quoted above), these transaction costs need to be amortized over the period of the loan.

As on April 1, 2015, the prepaid upfront processing charges amounting to Rs.21.23 million were included in Long Term Loans and Advances as per Indian GAAP.

However, as per IndAS, since the same has already been included in the workings for amortization of loan issue costs, this prepaid amount of Rs.21.23 million has been reversed.

The above difference of Rs.21.23 million has been deducted from equity on transition.

**D. Share Capital**

IndAS 32 (Financial Instruments: Presentation) requires the issuer of a financial instrument to classify the instrument as a liability or equity on initial recognition, in accordance with its substance and the definitions of these terms. The application of this principle requires certain instruments that have the form of equity to be classified as liability. For example, under IndAS 32(Financial Instruments: Presentation), mandatorily redeemable preference shares on which a fixed dividend is payable are treated as a liability. Under Indian GAAP, classification is normally based on form rather than substance.

As on April 1, 2015, the Redeemable Preference Share Capital was Rs.2,810 Million. This was classified under Equity Share Capital as per Indian GAAP. However, as per IndAS, the same has been classified as Debt Liability.

Hence the amount of Rs.2,810 million has been reduced from the total Share Capital of Rs.2,925.51 million. This leaves only the Equity Share Capital of Rs.115.51 million as on April 1, 2015.

## **E. Reserves and Surplus**

As on April 1, 2015, the "Reserves & Surplus" amount as per Indian GAAP was Rs.28,501.51 million. With the adoption of various IndAS as on the Transition date, the amounts of Various Assets and Liabilities have undergone adjustments resulting in increase by Rs 7263.36 million on transition.

These adjustments have been detailed in the various explanatory notes forming part of this report. All these adjustments have cumulatively impacted the "Reserves and Surplus".

## **F. Long Term Borrowings**

- i) As per IndAS 32 (quoted under Note No.D above), mandatorily redeemable preference shares on which a fixed dividend is payable are treated as a liability / debt.

As on April 1, 2015, the Redeemable Preference Share Capital was Rs.2,810.00 Million. This was classified under Equity Share Capital as per Indian GAAP. However, as per IndAS, the same needs to be classified as Debt Liability. Accordingly, the preference shares redeemable after one year have been reclassified under Long Term Borrowings. The details are as follows:

<b>Preference Shares</b>	<b>Million Units</b>	<b>In Rs. Million</b>
Redeemable on 16-06-2016	60.00	600.00
Redeemable on 03-08-2016	20.00	200.00
<b>Total</b>	<b>80.00</b>	<b>800.00</b>

- ii) As per Indian GAAP, the transaction costs or issue / processing costs incurred for Term Loans have been charged off as expense at the time of incurrence. However, as per IndAS109 (refer the text extract of this IndAS in Note no.C above), these transaction costs need to be amortized over the period of the loan. Also, for calculating these amortized amounts, the effective interest rate has been worked out for every Term Loan.

The long term component of these processing costs which have been adjusted from Long Term Borrowings as on April 1, 2015 are Rs. 1.28 million.

Since the adjustment number (i) above is merely a reclassification of Liability, the same will not affect the Reserve. The remaining amount of Rs. 1.28 million has been recognized in Equity on transition.

## **G. Deferred Tax Liabilities (net)**

Deferred tax is provided in full for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

As on April 1, 2015 the deferred tax liability already calculated on timing differences between depreciation as per Companies Act compared to Depreciation allowable as per Income Tax Act was Rs.745.81 million.

With the adoption of IndAS, there are various adjustments to the amounts of assets and liabilities (which have been identified under various notes in this document). These adjustments will also have an impact on the tax of the Company as per Indian Income Tax laws. The identified tax on timing difference between the IndAS balance sheet amounts as compared to the Income Tax Balance Sheet amounts as on April 1, 2015 is Rs.4,409.21 million. This would impact the deferred tax liability to the extent of Rs.3,663.40 million.

The above difference of Rs.3,663.40 million has been deducted from equity on transition.

**H. Other financial liabilities**

- (i) As per IndAS 32 (quoted under Note No. 5 above), mandatorily redeemable preference shares on which a fixed dividend is payable are treated as a debt liability.

As on April 1, 2015, the Redeemable Preference Share Capital was Rs. 2,810 Million. This was classified under Equity Share Capital as per Indian GAAP. However, as per IndAS, the same needs to be classified as Debt Liability.

Accordingly, the preference shares redeemable in the next one year have been reclassified under Short Term Borrowings. The details are as follows:

<b>Short Term Classification</b>		
<b>Preference Shares</b>	<b>Million Units</b>	<b>In Rs. Million</b>
Redeemable on 29-12-2014	55.00	550.00
Redeemable on 28-02-2015	40.00	400.00
Redeemable on 30-03-2015	61.00	610.00
Redeemable on 16-06-2015	45.00	450.00
<b>Total</b>	<b>201.00</b>	<b>2,010.00</b>

- (ii) As per Indian GAAP, the transaction costs or issue / processing costs incurred for Term Loans have been charged off as expense at the time of incurrence. However, as per IndAS109 (refer the text extract of this IndAS in Note no.3 above), these transaction costs need to be amortised over the period of the loan. Also, for calculating these amortised amounts, the effective interest rate has been worked out for every Term Loan.

The short term component of these processing costs which have been adjusted from Other Current Liabilities as on April 1, 2015 are Rs. 10.84 millions.

- (iii) As per IndAS 10, if an entity declares dividends to holders of equity instruments (as defined in IndAS 32, Financial Instruments: Presentation), after the reporting period, the entity shall not recognize those dividends as a liability at the end of the reporting period. The dividends, declared after the reporting period but before the financial statements are approved for issue, are not recognized as a liability at the end of the reporting period because no obligation exists at that time.

Such dividends are however, disclosed in the notes in accordance with IndAS 1, Presentation of Financial Statements.

Currently, dividend proposed after the date of the financial statements but prior to the approval of financial statements is considered as an adjusting event, and a provision for dividend payment is recognized in the financial statements of the period to which the dividend relates. Under IndAS, dividend declaration is considered as a non-adjusting subsequent event and provision for dividend is recognized only in the period when the dividend is declared and approved.

As on April 1, 2015, the Proposed Equity dividend was Rs.207.92 million and the tax on proposed equity dividend was Rs.42.56 million. This was provided for under the heading "short term provisions" as per Indian GAAP. However, since the same cannot be recognized as per IndAS, the total amount of Rs.250.48 million has been reduced from Short Term Provisions.

The above difference of Rs.250.48 million has been recognized in equity on transition.

## Reconciliation of equity

Particulars	As on 31st March 2016		Rs. in millions
	Previous GAAP	Adjustments	Ind AS
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	9,381.29	10,155.00	19,536.29
Financial Assets			
(i) Investments	26,178.87	3.39	26,182.26
(ii) Loans	52.96	-	52.96
(iii) Other financial assets	99.87	-	99.87
Other non-current assets	1.17	-	1.17
<b>Total-Non-current assets</b>	<b>35,714.16</b>	<b>10,158.39</b>	<b>45,872.55</b>
<b>Current assets</b>			
Inventories	995.74	-	995.74
Financial Assets			
(ii) Trade receivables	4,644.53	-	4,644.53
(ii) Cash and cash equivalents	377.20	-	377.20
(iii) Other Bank balances	103.48	-	103.48
(iv) Loans	6,960.11	-	6,960.11
(v) Other financial assets	80.58	(1.95)	78.63
Other current assets	79.19	(0.01)	79.18
<b>Total-current assets</b>	<b>13,240.83</b>	<b>(1.96)</b>	<b>13,238.87</b>
<b>Total- Assets</b>	<b>48,954.99</b>	<b>10,156.43</b>	<b>59,111.42</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(i) Equity Share Capital	2,926.73	(2,810.00)	116.73
(ii) Other Equity	32,413.76	6,223.96	38,637.72
<b>Total-Equity</b>	<b>35,340.49</b>	<b>3,413.96</b>	<b>38,754.45</b>
<b>Non-current liabilities</b>			
Financial Liabilities			
(i) Borrowings	4,486.71	(1.28)	4,485.43
Employee benefit obligations	10.74	-	10.74
Deferred tax liabilities	858.57	3,556.89	4,415.46
<b>Total-Non-Current Liabilities</b>	<b>5,356.02</b>	<b>3,555.61</b>	<b>8,911.63</b>
<b>Current liabilities</b>			
Financial Liabilities			
(i) Borrowings	2,022.51	-	2,022.51
(ii) Trade payables	4,094.68	0.01	4,094.69
(iii) Other financial liabilities	1,750.58	3,186.85	4,937.43

Employee benefit obligations	27.06	-	27.06
Other current liabilities	278.43	-	278.43
Current tax liabilities (Net)	85.22	-	85.22
<b>Total-Current Liabilities</b>	<b>8,258.48</b>	<b>3,186.86</b>	<b>11,445.34</b>
<b>Total-Liabilities</b>	<b>13,614.50</b>	<b>6,742.47</b>	<b>20,356.97</b>
<b>Total-Equity and Liabilities</b>	<b>48,954.99</b>	<b>10,156.43</b>	<b>59,111.42</b>

\*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

**Reconciliation of total comprehensive income**

Particulars	For the year ended 31st March 2016		Rs. in millions
	Previous GAAP	Adjustments	Ind AS
<b>Continuing Operations</b>			
<b>Income</b>			
Revenue from operations	10,141.34	-	10,141.34
Other income	683.69	-	683.69
<b>Total Income</b>	<b>10,825.03</b>	<b>-</b>	<b>10,825.03</b>
<b>Expenses</b>			
Consumption of stores,spares,power and fuel	540.18	-	540.18
Employee benefits expense	1,163.23	(2.36)	1,160.87
Finance Costs	843.29	368.44	1,211.73
Depreciation and amortization expense	980.19	516.56	1,496.75
Other expenses	2,013.12	-	2,013.12
<b>Total expenses</b>	<b>5,540.01</b>	<b>882.64</b>	<b>6,422.65</b>
<b>Profit/(loss) before exceptional items and tax</b>	<b>5,285.02</b>	<b>(882.64)</b>	<b>4,402.38</b>
Less : Exceptional items	-	-	-
<b>Profit /(loss) before tax before share in earnings of associate</b>	<b>5,285.02</b>	<b>(882.64)</b>	<b>4,402.38</b>
Share of profit of associate			
<b>Profit/(loss) before tax from continuing operations</b>	<b>5,285.02</b>	<b>(882.64)</b>	<b>4,402.38</b>
<b>Tax expense</b>			
Current tax	1,494.65	-	1,494.65
Deferred tax	112.76	(106.54)	6.22
<b>Total tax expense</b>	<b>1,607.41</b>	<b>(106.54)</b>	<b>1,500.87</b>
<b>Profit/(loss) for the year after tax from continuing operations</b>	<b>3,677.61</b>	<b>(776.10)</b>	<b>2,901.51</b>
<b>Discontinued Operations</b>			
Profit before tax from discontinued operations	-	-	-
Tax income/(expense) on discontinued operations	-	-	-
<b>Profit/(loss) for the year from discontinued operations</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit/(loss) for the year</b>	<b>3,677.61</b>	<b>(776.10)</b>	<b>2,901.51</b>

**Notes to IND AS Financial Statements for the year ended 31<sup>st</sup> March 2017**

<b>Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to profit or loss	-	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-
B (i) Items that will be reclassified to profit or loss			
Exchange differences on translation of foreign operations			
Net (loss)/gain on FVTOCI non current investments	-	(10.46)	(10.46)
Expected return on Plan assets & Net Actuarial gain/ (loss) recognised during the year-Employee benefits	-	(2.36)	(2.36)
<b>Other Comprehensive Income for the year,net of tax</b>	-	<b>(12.82)</b>	<b>(12.82)</b>
<b>Total Comprehensive Income for the year</b>	<b>3,677.61</b>	<b>(788.92)</b>	<b>2,888.69</b>

**EXPLANATION OF MATERIAL ADJUSTMENTS TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31 2016**

Statement of Material Adjustments to the Cash Flow Statement for the Year ended	
	There are no material adjustments to the Cash Flow Statement under IndAS The transition from Indian GAAP to IndAS did not change any cash flows of the company The Format and Presentation of the above Cash Flow Statement is in line with the requirements of IndAS 7 as follows:
1	Bank overdrafts which are repayable on demand are adjusted against cash and cash equivalents.
2	Interest paid has been classified under cash flows from financing activities
3	Interest and dividends received have been classified under cash flows from investing activities.
4	Dividends paid have been classified under cash flows from financing activities
5	Cash flows from transactions in foreign currency have been recorded in the functional currency by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the cash flow.

**23 .Deferred tax liabilities**

The balance comprises of temporary differences attributable to:

Particulars	31st March 2017 Rs. millions	31st March 2016 Rs. millions	1st April 2015 Rs. millions
Timing difference on account of depreciation	4,219.44	4,415.46	4,409.21

**24. Earnings per share (EPS)**

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

	Year ended As at 31st March 2017 Rs. millions	Year ended As at 31st March 2016 Rs. millions
<b>Profit for the year</b>	<b>2,111.44</b>	<b>2,901.51</b>
	<b>No. Millions</b>	<b>No. Millions</b>
Weighted average number of equity shares in calculating basic EPS	58.36	58.36
<b>Effect of dilution:</b>	<b>*</b>	
Stock options/Share Warrants Outstanding less number of shares that would have been issued at par value.	-	-
<b>Weighted average number of equity shares in calculating diluted EPS</b>	<b>58.36</b>	<b>58.36</b>

Notes to IND AS Financial Statements for the year ended 31<sup>st</sup> March 2017

Earning per share (basic in Rs)	36.18	49.72
Earning per share (diluted in Rs)	36.18	49.72

\*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 31.03.2017 and are ignored in the calculation of diluted earnings per share as required under the Accounting Standard.

## 25. Gratuities 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 2017 Rs. millions	31st March 2016 Rs. millions	31st March 2017 Rs. millions	31st March 2016 Rs. millions
<b>Components of employer expense</b>				
-Current service cost	11.02	10.10	0.45	0.73
-Interest cost	7.31	6.64	1.15	1.38
-Expected return on plan assets	(7.24)	(6.75)	-	-
-Past service cost	-	-	-	-
-Actuarial losses/(gains)	(2.34)	9.02	(10.16)	(2.78)
<b>Total expense recognized in the statement of profit and loss (Note 16)</b>	<b>18.33</b>	<b>16.73</b>	<b>(8.56)</b>	<b>(0.67)</b>
<b>Expenses/(Income) recognized in other comprehensive Income</b>	<b>(9.58)</b>	<b>2.27</b>		
<b>Actual return on plan assets</b>	<b>10.75</b>	<b>3.08</b>		
<b>Balance sheet</b>				
<b>Benefit (asset)/liability recognized in the balance sheet</b>				

	Gratuity		Leave Encashment	
	31st March 2017 Rs. millions	31st March 2016 Rs. millions	31st March 2017 Rs. millions	31st March 2016 Rs. millions
Present value of defined benefit obligation	117.91	103.10	6.93	16.34
Fair value of plan assests	109.16	84.00	-	-
Status [Deficit/(Surplus)]	8.75	19.10	6.93	16.34
Contribution made towards the fund	-	-	-	-
<b>(Net asset)/liability recognised in balance sheet</b>	<b>8.75</b>	<b>19.10</b>	<b>6.93</b>	<b>16.34</b>

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

	Gratuity		Leave Encashment	
	31st March 2017 Rs. millions	31st March 2016 Rs. millions	31st March 2017 Rs. millions	31st March 2016 Rs. millions
<b>Present value of the DBO at the beginning of the year</b>	<b>103.09</b>	89.05	16.34	18.37
Current service cost	11.01	10.10	0.45	0.73
Interest cost	7.31	6.64	1.16	1.38
Actuarial (gains)/losses	1.17	5.45	(10.16)	(2.78)
Benefits paid	(4.67)	(8.14)	(0.86)	(1.36)
<b>Present value of the DBO at the end of the year</b>	<b>117.91</b>	103.10	6.93	16.34

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

	Gratuity	
	31st March 2017 Rs. millions	31st March 2016 Rs. millions
<b>Plan assets at the beginning of the year</b>	<b>83.99</b>	82.43
Expected return on plan assets	7.24	6.66
Actuarial gains/(losses)	3.50	(3.57)
Actual company contribution	19.10	6.62
Benefits paid	(4.67)	(8.14)
<b>Plan assets at the end of the year</b>	<b>109.16</b>	84.00

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

	Gratuity	
	31st March 2017 Rs. millions	31st March 2016 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 2017 %	31st March 2016 %	31st March 2017 %	31st March 2016 %
Discount rate	7.26	7.81	7.26	7.81
Expected return on plan assets	7.50	8.00	-	-
Rate of increase in compensation levels	1.00	1.00	1.00	1.00

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 2017 Rs. millions	31st March 2016 Rs. millions	31st March 2015 Rs. millions	31st March 2014 Rs. millions
<b>Gratuity</b>				
Defined benefit obligation	117.92	103.09	89.05	69.10
Plan assets	109.16	83.99	82.44	48.06
Surplus/(deficit)	8.75	19.10	6.61	21.04
Experience adjustments on plan liabilities	1.17	5.45	11.13	7.22
Experience adjustment on plan assets	3.50	(3.57)	4.35	1.17
<b>Leave encashment</b>				
Defined benefit obligation	6.93	16.34	18.38	17.47
Experience adjustments on plan liabilities	(10.46)	0.29	3.28	8.82

## 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.

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 2016: 1.84 Million equity shares of Rs.2 each)-Options lapsed during the year Nil (up to 31st March 2016: 0.286 million equity shares of Rs.2 each)-Options exercised during the year- Nil (up to 31st March 2016: 0.160 million equity shares of Rs.2 each)-Options outstanding at the end of year :1.396 million equity shares of Rs.2 each (up to 31st March 2016: 1.396 million equity shares of Rs.2 each)-Options yet to be granted under the scheme: 0.288 million (31st March 2016: 0.288 million equity shares of Rs.2 each).

## 27. Interest in joint venture

(a) The 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 2017	Proportion of ownership interest 31st March 2016
Frontier Offshore Exploration (India) Limited	India	Joint Venture	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. The Company's identifiable 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.

Revenue from operation of Rs 7748.42 million (31st March 2016: Rs 8432.59 million) is derived from a single customer. This revenue is attributed to the drilling segment.

**Primary Segment information**

<b>Business Segment</b>	<b>31st March 2017</b>		<b>31st March 2016</b>	
	<b>Rs. millions</b>	<b>Rs. millions</b>	<b>Rs. millions</b>	<b>Rs. millions</b>
1. Segment revenue				
- Drilling	9,362.77		10,799.74	
-Wind energy	35.03	9,397.80	25.29	10,825.03
2. Segment results				
- Drilling	3,279.24		4,095.29	
-Wind energy	12.72		(1.32)	
	3,291.96		4,093.97	
less: Interest	(1,180.52)	2,111.44	(1,192.46)	2,901.51
3. Segment assets				
- Drilling	58,847.38		58,926.87	
-Wind energy	168.46	59,015.84	184.55	59,111.42
4. Segment liabilities				
- Drilling	18,135.92		20,351.30	
-Wind energy	0.08	18,136.00	5.67	20,356.97
5. Depreciation				
- Drilling	1,537.94		1,496.75	
-Wind energy	-	1,537.94	-	1,496.75
6. Capital expenditure including Capital Work In progress				
- Drilling	296.51		465.42	
-Wind energy	-	296.51	-	465.42

**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)

Aban Holdings Pte Limited, Singapore (wholly owned foreign subsidiary)

RadhapuramWintech Private Limited (Until 26th December 2016)

Aban Green Power Private Limited (Until 26th December 2016)

**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 (Merged with Aban International Norway AS during the year 2015-16)

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. 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 - Dy. Managing Director

(iii) Mr. C. P. Gopalkrishnan - Dy. Managing Director and Chief Financial Officer

**b. Relative of Key Management Personnel – Mrs. Deepa Reji Abraham - Director**

**Related party transactions during the year**

**Notes to IND AS Financial Statements for the year ended 31<sup>st</sup> March 2017**

**Nature of transaction**

	Subsidiary companies		Key Management Personnel/ Relative	
	31st March 2017 Rs. millions	31st March 2016 Rs. millions	31st March 2017 Rs. millions	31st March 2016 Rs. millions
1. Machinery maintenance charges paid	1.77	5.96	-	-
2. Rent paid/(received)	(5.93)	(5.63)	5.17	4.66
3. Remuneration	-	-	140.17	176.91
4. Interest received/(paid)	453.36	464.32	-	(0.41)
5. Sale of Asset	45.00	34.97		
6. Investment In Indian subsidiary	12.59	19.86		
7. Advances recoverable/(payable)	23.16	27.85		
	Subsidiary companies		Key Management Personnel/ Relative	
	31st March 2017 Rs. millions	31st March 2016 Rs. millions	31st March 2017 Rs. millions	31st March 2016 Rs. millions
8. Loan given (unsecured)	760.49	328.56	-	-
9. Loan given earlier repaid	-	482.54		
10. Dividend paid	-	-	-	34.80
11. Loan taken /(repaid)	-	-	-	(180.00)
12. Allotment of Shares	-	-	-	1.22
13. Support service Income received/receivable	3.00	-	-	-
14. Amount outstanding as at 31st March 2017				
- Receivable	7,764.53	6,761.63		
- Payable	-	-	72.12	108.86

**30. Capital and other commitments**

	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions
Capital and Other commitments not provided for	551.51	161.95

**31. Contingent Liabilities**

	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions
(a) Guarantees given by banks on behalf of the company	1,170.17	1,529.55
(b) Corporate guarantees given by the company to banks on behalf of subsidiaries of company's wholly owned foreign subsidiary	614.41	642.63

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

**As at 31st March 2017:**

- (i) In respect of civil suits against the company - Rs 95.50 million
- (ii) In respect of Income Tax matters :
  - Income Tax demand relating to the period 2002 – 2006 amounting to INR 556.40 million pending before High Court of Madras;
  - Income Tax demand relating to the period 2008 – 2009 amounting to INR 103.10 million pending before Commissioner of Income Tax (Appeals);
  - Income Tax demand relating to the period 2006 – 2008 amounting to INR 396.17 million pending before Income Tax Appellate Tribunal;
  - Income Tax demand relating to the period 2008 – 2009 amounting to INR 418.38 million pending before the Income Tax Appellate Tribunal.
  - Income Tax demand relating to the period 2009 – 2010 amounting to INR 812 million pending before Income Tax Appellate Tribunal.
  - Income tax demand relating to the period 2010-2011 amounting to INR 1907.90 Million pending before Income Tax Appellate Tribunal.
  - Income tax demand relating to the period 2011-2012 amounting to INR 854.33 Million pending before Income Tax Appellate Tribunal.
- (iii) In respect of Service Tax matters:
  - Service Tax demand relating to the year 2007 amounting to INR 17.36 million pending before Supreme Court.
  - Service Tax demand relating to the year 2011 amounting to INR 78.72 million pending before the CESTAT ,Chennai.
  - Service Tax demand relating to the year 2010 amounting to INR 16.32 million pending before the CESTAT ,Chennai.
  - Service Tax demand relating to the period 2011 – 2012 amounting to INR 18.94 million pending before the CESTAT ,Chennai.
  - Service Tax demand relating to the period 2012 – 2014 amounting to INR 36.78 million pending before the CESTAT ,Chennai.
  - Service Tax demand relating to the period 2014 – 2015 amounting to INR 79.80 million pending before the CESTAT ,Chennai.
  - Service Tax demand relating to the period 2005 – 2011 amounting to INR 37.31 million pending before the CESTAT ,Chennai.
  - Service Tax demand relating to the period 2012 – 2014 amounting to INR 236.49 million pending before the CESTAT ,Chennai.
  - Service Tax demand relating to the period 2008 – 2010 amounting to INR 605.75 million pending before the CESTAT ,Mumbai.
  - Service Tax demand relating to the period 2009 – 2012 amounting to INR 166.89 million pending before the CESTAT ,Mumbai.
- (iv) In respect of Customs duty matter:
  - Customs Duty demand relating to the period 2015 - 2016 amounting to INR 107.90 million pending before CESTAT Mumbai.
  - Customs Duty demand relating to the period 2016 - 2017 amounting to INR 916.00 million pending before Bombay high court.
- (v) In respect of Sales Tax matter:
  - Sales Tax demand for the period 2010-11 amounting to INR 984.90 million pending before Joint Commissioner of Sales Tax Appeals.
  - Sales Tax demand for the period 2012-13 amounting to INR 459.75 million for which company is in the process of preferring an appeal with Appellate Authority.

**As at 31st March 2016:**

- (i) In respect of civil suits against the company - Rs 95.50 million
- (ii) In respect of Income Tax matters :
  - Income Tax demand relating to the period 2002 – 2006 amounting to INR 556.40 million pending before High Court of Madras;
  - Income Tax demand relating to the period 2006 – 2008 amounting to INR 396.17 million pending before Income Tax Appellate

**Notes to IND AS Financial Statements for the year ended 31<sup>st</sup> March 2017**

Tribunal; Income Tax demand relating to the period 2008 – 2009 amounting to INR 418.38 million pending before the Commissioner of Income Tax (Appeals); and the Income Tax demand relating to the period 2009 – 2010 amounting to INR 812 million pending before Income Tax Appellate Tribunal.

Income tax demand relating to the period 2010-2011 amounting to INR 1907.90 Million pending before Income Tax Appellate Tribunal.

(iii) In respect of Service Tax matters:

Service Tax demand relating to the year 2007 amounting to INR 17.36 million pending before Supreme Court.

Service Tax demand relating to the year 2011 amounting to INR 78.72 million pending before the CESTAT ,Chennai.

Service Tax demand relating to the year 2010 amounting to INR 16.32 million pending before the CESTAT ,Chennai.

Service Tax demand relating to the period 2011 – 2012 amounting to INR 18.94 million pending before the CESTAT ,Chennai.

Service Tax demand relating to the period 2012 – 2014 amounting to INR 236.49 million pending before the CESTAT ,Chennai.

Service Tax demand relating to the period 2008 – 2010 amounting to INR 605.75 million pending before the CESTAT ,Mumbai.

(iv) In respect of Customs duty matter:

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

**32. (i) Loans and advances in the nature of loans given to subsidiaries (disclosures pursuant to Regulation 34(3) and 53(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements ) Regulations, 2015**

Particulars	Subsidiary	Balance outstanding as at 31st March 2017 Rs. millions	Maximum balance outstanding during the year Rs. millions	Balance outstanding as at 31st March 2016 Rs. millions	Maximum balance outstanding during the year Rs. millions
Aban Energies Limited (advance)	Indian subsidiary	60.16	60.16	44.69	44.69
Aban Holdings Pte Ltd (Loan & advance)	Foreign subsidiary	7,630.84	7,630.84	6,653.86	6,905.78
Radhapuram Wintech Pvt Ltd( Loan & advance)*	Indian subsidiary	15.91	15.91	13.80	13.80
Aban Green Power Pvt Ltd( Loan & advance)*	Indian subsidiary	57.62	57.62	49.28	49.28

\* The loanee company ceased to be subsidiaries effective from 26th December 2016 on account of sale of equity shares held in the company thereby losing controlling interest.

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

The loanees have not made any investments in the shares of the Company

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

	Year ended 31st March 2017 Rs. millions	Year ended 31st March 2016 Rs. millions
a. Capital items	63.77	298.22
b. Stores and spare parts	184.16	257.95

**34. Expenditure in foreign currency**

	Year ended 31st March 2017 Rs. millions	Year ended 31st March 2016 Rs. millions
a. Interest on foreign currency loans	448.80	429.87
b. Drilling services and management fees	68.60	108.76
c. Travel and transport	373.95	297.84
d. Consultancy fees	173.49	233.08
e. Rental charges for machinery	11.79	11.10
f. Insurance	132.44	170.33
g. Repairs to machinery	48.11	74.23
h. Catering	27.38	38.98
i. Salary and staff welfare	156.42	323.07
j. Others	15.82	23.92

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

	Year ended		Year ended	
	31st March 2017 Value (Rs. millions)	31st March 2017 % of total consumption	31st March 2016 Value (Rs. millions)	31st March 2016 % of total consumption
<b>Stores and spares</b>				
Imported	220.99	53.00%	305.98	71.00%
Indigenous	195.98	47.00%	124.98	29.00%

**36. Net Dividend remitted in foreign currency**

Year of remittance (ending on)	31st March 2017 Rs. millions	31st March 2016 Rs. millions
Period to which it relates	2015-16	2014-15
Number of non-resident shareholders	1	1
Number of equity shares held	8.33	8.33
Net dividend remitted	-	29.98

**37. Earnings in foreign currency**

	Year ended 31st March 2017 Rs. millions	Year ended 31st March 2016 Rs. millions
a. Drilling and production services	8,854.90	10,135.64
b. Interest from foreign subsidiary	445.57	456.15
c. Others	3.85	178.53

### 38. Generation of Electricity from wind power (net)

Year ended		Year ended	
31st March 2017	31st March 2017	31st March 2016	31st March 2016
Unit millions	Rs. millions	Unit millions	Rs. millions
5.00	13.65	2.29	5.70

### 39. Due to micro and small enterprises

The company has no demand to suppliers registered under the Micro, Small and Medium Enterprises Development Act, 2006 (31st March 2016: Nil)

### 40. Details of loan 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 2017: Rs. 614.41 million (31st March 2016: Rs. 642.63 million)

### 41. Details of Specified Bank Notes held and transacted during the period from 8th November, 2016 to 30th December, 2016:

Rs. in millions

Particulars	Specified Bank Notes	Other Denomination Notes	Total Amount
<b>Closing cash in hand as on 8th November 2016</b>	0.30	0.06	0.36
(+) Permitted Receipts	-	1.80	1.80
(-) Permitted Payments	-	1.74	1.74
(-) Amount Deposited in Banks	0.30	-	0.30
<b>Closing cash in hand as on 30th December 2016</b>	-	0.12	0.12

### 42. 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.LLP  
Chartered Accountants  
ICAI - Registration No.102860W/W100089

**Ramaswamy Subramanian**

Partner

Membership No: 016059

Place: Chennai

Date : May 29, 2017

*For and on behalf of the Board*

**Reji Abraham**

Managing Director

**C.P.Gopalkrishnan**

Dy. Managing Director & Chief Financial Officer

**P.Venkateswaran**

Dy. Managing Director

**S.N. Balaji**

Asst. General Manager (Legal) & Secretary

## FORM AOC-1

## SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARIES/ASSOCIATES AS PER COMPANIES ACT 2013

## Part "A": SUBSIDIARIES

## Statement pursuant to Section 129(3) of the Companies Act, 2013

Name of the subsidiary Company	Aban Energies Ltd India	Radhapuram Wintech Private Limited India	Aban GreenPower Private Limited India	Aban Holdings Pte Ltd, Singapore	Aban Singapore Pte Ltd, Singapore	Aban Abraham Pte Ltd, Singapore	Aban 7 Pte Ltd, Singapore	Aban 8 Pte Ltd, Singapore	Aban Pearl Pte Singapore	Aban International Norway AS Norway
	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions
a) Share Capital	2.00			26,046.71	32,422.50	3,242.25	4,928.22	2,464.11	3,761.01	90,348.90
b) Reserves & Surplus *	(40.09)			175.21	(7,582.43)	(3,935.21)	(4,073.56)	7,601.63	(4,666.09)	(9,432.77)
c) Total Assets	26.38			5.55	10,009.83	26,076.90	4,849.98	11,171.26	0.01	150.18
d) Total Liabilities	64.48			6,206.14	141,256.22	26,769.86	3,995.32	1,105.52	905.09	19,086.16
e) Investments (except in case of investment in subsidiaries)	-	-	-	32,422.50	156,086.46	-	-	-	-	99,832.12
f) Turnover	12.49	55.54	77.96	8,615.85	13,732.83	1,639.04	160.75	808.53	-	263.90
g) Profit/(Loss) before Taxation	(12.56)	2.11	(3.26)	(471.86)	671.44	(2,166.33)	(482.92)	(583.42)	(0.44)	(430.27)
h) Provision for Taxation	-	2.49	-	-	0.42	109.42	(5.43)	30.25	-	-
i) Profit/(Loss) after Taxation	(12.56)	(0.38)	(3.26)	(471.86)	671.02	(2,275.75)	(477.48)	(613.67)	(0.44)	(430.27)
j) Proposed Dividend				-	-	-	-	-	-	-
k) % of shareholding	100%	15%	15%	100%	100%	100%	100%	100%	100%	100%

Name of the subsidiary Company	Aban Labuan Pvt Ltd Malaysia	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
	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions
a) Share Capital	0.00	41,684.99	8,782.51	9,451.83	8,426.76	2,446.91	4,418.95
b) Reserves & Surplus *	125.08	854.65	5,249.81	16,061.12	14,144.38	14,910.05	9,727.59
c) Total Assets	2.14	383.78	15,855.49	26,114.74	22,606.18	17,947.81	14,261.33
d) Total Liabilities	(122.94)	160.56	1,823.16	601.78	35.04	590.85	114.78
e) Investments (except in case of investment in subsidiaries)	-	42,316.43	-	-	-	-	-
f) Turnover	-	-	408.89	1,697.27	0.08	2,353.10	247.20
g) Profit/(Loss) before Taxation	(3.02)	(1,876.29)	(930.16)	(113.16)	(1,103.51)	369.02	(1,192.89)
h) Provision for Taxation	-	(0.00)	42.61	60.35	-	84.29	10.05
i) Profit/(Loss) after Taxation	(3.02)	(1,876.29)	(972.78)	(173.51)	(1,103.51)	284.73	(1,202.94)
j) Proposed Dividend	-	-	-	-	-	-	-
k) % of shareholding	100%	100%	100%	100%	100%	100%	100%

	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	3,327.33	3,642.82	1,819.31	0.01
b)	Reserves & Surplus *	1,474.96	1,836.91	1,706.31	(1,878.46)
c)	Total Assets	8,657.80	5,534.55	3,599.77	760.45
d)	Total Liabilities	3,855.51	54.82	74.14	2,638.89
e)	Investments (except in case of investment in subsidiaries)	-	-	-	-
f)	Turnover	214.86	-	183.82	626.54
g)	Profit/(Loss) before Taxation	(1,401.44)	(1,158.95)	(1,141.41)	(221.01)
h)	Provision for Taxation	3.64	-	9.45	-
i)	Profit/(Loss) after Taxation	(1,405.08)	(1,158.95)	(1,150.86)	(221.01)
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. 64.8450 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	3/31/2017
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	122.83
	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	122.79
f)	Profit/(Loss) for the year	
	Considered in Consolidation	2.20
	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

**Reji Abraham**  
Managing Director

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

**P.Venkateswaran**  
Dy. Managing Director

**S.N. Balaji**  
Asst. General Manager (Legal) & Secretary

Place: Chennai

Date : May 29, 2017

---

---

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF ABAN OFFSHORE LIMITED**

**Report on the Consolidated IND AS Financial Statements**

We have audited the accompanying consolidated Ind AS financial statements of Aban Offshore Limited (hereinafter referred to as "the Holding company"), its subsidiaries and an associate (the Holding Company, its subsidiaries and an associate) together referred to as "the Group", comprising of the Consolidated Balance sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

**Management's Responsibility for the Consolidated IND AS 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 Ind AS financial statements that give a true and fair view of the consolidated state of affairs (financial position), consolidated Profit or Loss (financial performance including other comprehensive income) and consolidated cash flows and consolidated changes in equity of the group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated Ind AS 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 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 Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 (financial position) of the Group as at 31st March, 2017, their consolidated loss(financial performance including other comprehensive income), their consolidated cash flows and the consolidated change in equity for the year ended on that date.

## Other Matters

(a) We have audited the Ind AS financial statements of M/s Aban Energies Limited, Chennai, India, an Indian subsidiary of the Holding Company. We did not audit the financial statements of M/s 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 ('DD 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 760.45 Million as at March 31, 2017 and total revenue of INR 626.54 Million for the year then ended. The Consolidated Financial statement of Aban Holdings Pte Limited audited by other auditor reflect total assets of INR 162152.54 Million as at 31st March 2017, total revenue of INR 8,577.16 Million and net cash out flows amounting to INR 244.21 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 2.20 Million for the year ended 31st March, 2017, in respect of an associate, whose financial statements have also been audited by other auditor. The audit report of the consolidated accounts of Aban Holdings Pte Ltd, the wholly owned foreign subsidiary and its subsidiaries which includes the unaudited financial of 'DD Mexico' has 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

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, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity 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 Ind AS 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, 2017, and taken on record by the Board of Directors of the Holding Company and our report on the financial statements of its subsidiary company in India, none of the directors of the Holding Company and its subsidiary incorporated in India is disqualified as on 31st March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) 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 32 (b) to the consolidated Ind AS financial statements.
  - ii. The Group 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 company incorporated in India.
  - iv. The Group has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 08, 2016 to December 30, 2016 with respect to the Holding Company and its subsidiary company incorporated in India. Based on audit procedures and relying on the Management representation we report that the disclosures are in accordance with books of account maintained by the Group and as produced to us by the Management – Refer Note 36 to the consolidated Ind AS financial statements.

## For FORD RHODES PARKS & CO. LLP

*Chartered Accountants*

ICAI – Registration No: 102860W / W100089

## Ramaswamy Subramanian

*Partner*

Membership No: 016059

Place : Chennai

Date : May 29, 2017

**“ANNEXURE A”****ANNEXURE TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE CONSOLIDATED  
FINANCIAL STATEMENTS OF ABAN OFFSHORE LTD****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated Ind AS financial statements of the Group as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Aban Offshore Limited (hereinafter referred to as “the holding company”) and its Indian subsidiary company.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the respective Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of assets of the Company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Holding Company and its Indian subsidiary company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to the Indian subsidiary Company, is based on our audit reports of such company.

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

**Chartered Accountants**

**ICAI – Registration No: 102860W / W100089**

**Ramaswamy Subramanian**

**Partner**

**Membership No: 016059**

Place : Chennai

Date : May 29, 2017



## Aban Offshore Limited

### Consolidated Balance Sheet As at 31<sup>st</sup> March 2017

Particulars	Notes	As at 31 <sup>st</sup> March, 2017 Rs. Millions	As at 31 <sup>st</sup> March, 2016 Rs. Millions	As at 1 <sup>st</sup> April, 2015 Rs. Millions
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment	5	151,933.20	161,654.81	161,060.77
Intangible assets	5	10,094.97	10,314.45	9,729.86
Capital work-in-progress	5	92.88	-	186.85
Financial assets				
(i) Investments	6(a)	271.36	160.77	144.05
(ii) Loans	6(c)	338.65	451.59	778.43
(iii) Other financial assets	6(f)	118.40	142.78	373.28
Other non-current assets	7	169.10	42.08	34.67
<b>Total-Non-current assets</b>		<b>163,018.56</b>	<b>172,766.48</b>	<b>172,307.91</b>
<b>Current assets</b>				
Inventories	8	3,768.12	4,087.10	3,786.51
Financial Assets				
(i) Trade receivables	6(b)	18,553.59	23,197.91	15,941.33
(ii) Cash and cash equivalents	6(d)	806.20	1,228.58	1,012.62
(iii) Other Bank balances	6(e)	136.88	103.47	141.26
(iv) Loans	6(c)	444.62	620.02	870.07
(v) Other financial assets	6(f)	190.22	108.49	284.99
Other current assets	7	358.86	178.75	347.54
<b>Total-current assets</b>		<b>24,258.49</b>	<b>29,524.32</b>	<b>22,384.32</b>
<b>Total assets</b>		<b>187,277.05</b>	<b>202,290.80</b>	<b>194,692.23</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(i) Equity Share Capital	9(a)	116.73	116.73	115.51
(ii) Other Equity		26,237.94	36,816.48	37,777.10
(iii) Money received against share warrants		-	-	59.63
<b>Equity attributable to shareholders of the Company</b>		<b>26,354.67</b>	<b>36,933.21</b>	<b>37,952.24</b>
<b>Non-controlling interests</b>		<b>-</b>	<b>0.63</b>	<b>0.50</b>
<b>Total-Equity</b>		<b>26,354.67</b>	<b>36,933.84</b>	<b>37,952.74</b>
<b>Non-current liabilities</b>				
Financial Liabilities				
(i) Borrowings	10(a)	118,272.10	132,141.89	129,909.70
Employee benefit obligations	11	12.98	11.05	17.93
Deferred tax liabilities	12	4,219.44	4,408.90	4,407.82
<b>Total-Non-Current Liabilities</b>		<b>122,504.52</b>	<b>136,561.84</b>	<b>134,335.45</b>
<b>Current liabilities</b>				
Financial Liabilities				
(i) Borrowings	10(b)	2,027.06	2,275.93	2,318.73
(ii) Trade payables	13	7,504.24	8,126.62	8,950.02
(iii) Other financial liabilities	10(c)	28,750.74	17,673.38	11,023.23
Employee benefit obligations	12	6.06	27.73	10.39
Other current liabilities	14	129.76	300.37	101.67
Current tax liabilities (Net)		-	391.09	-
<b>Total-Current Liabilities</b>		<b>38,417.86</b>	<b>28,795.12</b>	<b>22,404.04</b>
<b>Total-Liabilities</b>		<b>160,922.38</b>	<b>165,356.96</b>	<b>156,739.49</b>
<b>Total-Equity and Liabilities</b>		<b>187,277.05</b>	<b>202,290.80</b>	<b>194,692.23</b>

Summary of significant accounting policies 3.1  
The accompanying notes 1 to 37 are an integral part of the financial statements

As Per our Report of even date  
For Ford, Rhodes, Parks & Co.LLP  
Chartered Accountants  
ICAI - Registration No.102860W/W100089  
**Ramaswamy Subramanian**  
Partner  
Membership No: 016059  
Place: Chennai Date : May 29, 2017

For and on behalf of the Board

**Reji Abraham**  
Managing Director

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

**S.N. Balaji**  
Asst. General Manager (Legal) & Secretary

## Consolidated Statement of Profit and Loss

For the year ended 31<sup>st</sup> March 2017

Particulars	Notes	Year ended 31 <sup>st</sup> March, 2017 Rs. Millions	Year ended 31 <sup>st</sup> March, 2016 Rs. Millions
<b>Continuing Operations</b>			
<b>Income</b>			
Revenue from operations	15	17,579.20	33,345.53
Other income	16	148.76	193.65
<b>Total Income</b>		<b>17,727.96</b>	<b>33,539.18</b>
<b>Expenses</b>			
Consumption of stores,spares,power and fuel	17	1,205.80	1,692.73
Employee benefits expense	18	2,392.78	5,033.93
Finance Costs	19	10,904.86	10,380.14
Depreciation and amortization expense	20	7,011.59	9,018.28
Other expenses	21	4,915.01	7,700.13
Total expenses		<b>26,430.04</b>	<b>33,825.21</b>
<b>Loss before exceptional items and tax</b>		<b>(8,702.08)</b>	<b>(286.03)</b>
Less : Exceptional items			
<b>Loss before tax before share in earnings of associate</b>		<b>(8,702.08)</b>	<b>(286.03)</b>
Share of profit of associate		2.20	20.05
Loss before tax from continuing operations		(8,699.88)	(265.98)
<b>Tax expense</b>			
Current tax		1,904.47	2,143.18
Deferred tax		(196.02)	1.06
Total tax expense		<b>1,708.45</b>	<b>2,144.24</b>
<b>Loss for the year after tax from continuing operations</b>		<b>(10,408.33)</b>	<b>(2,410.22)</b>
<b>Discontinued Operations</b>			
Profit before tax from discontinued operations		-	-
Tax income/(expense) on discontinued operations		-	-
Profit/(loss) for the year from discontinued operations		-	-
<b>Loss for the year</b>		<b>(10,408.33)</b>	<b>(2,410.22)</b>
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		-	-
Exchange differences on translation of foreign operations		(184.16)	1,478.26
Net loss/(gain) on FVTOCI non current investments		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
Exchange differences on translation of foreign operations		-	-
Net gain/ (loss)on FVTOCI non current investments		4.37	(10.46)
Expected return on Plan assets & Net Actuarial gain/ (loss) recognised - Employee Benefits		9.58	(2.36)
Other Comprehensive Income for the year,net of tax		(170.21)	1,465.44
<b>Total Comprehensive Income for the year</b>		<b>(10,578.54)</b>	<b>(944.78)</b>
<b>Loss attributable to:</b>			
Owners of the entity		<b>(10,578.54)</b>	<b>(944.78)</b>
Non-controlling interest		-	-
<b>Other comprehensive income attributable to:</b>			
Owners of the entity		-	-
Non-controlling interest		-	-
<b>Total comprehensive income attributable to:</b>			
Owners of the entity		(10,578.54)	(944.78)
Non-controlling interest		-	-
Total comprehensive income attributable to owners:			

	Notes	Year ended 31 <sup>st</sup> March, 2017 Rs. Millions	Year ended 31 <sup>st</sup> March, 2016 Rs. Millions
Continuing operations		(10,578.54)	(944.78)
Discontinued operations		-	-
<b>Earnings per equity share for profit from continuing operations attributable to owners of the entity</b>			
Basic earnings per share		(178.35)	(41.30)
Diluted earnings per share		(178.35)	(41.30)
<b>Earnings per equity share for profit from discontinued operations attributable to owners of the entity</b>			
Basic earnings per share		-	-
Diluted earnings per share		-	-
<b>Earnings per equity share from continuing and discontinued operations attributable to owners of the entity</b>			
Basic earnings per share		(178.35)	(41.30)
Diluted earnings per share		(178.35)	(41.30)

Summary of significant accounting policies

3.1

The accompanying notes 1 to 37 are an integral part of the financial statements

As Per our Report of even date  
For Ford, Rhodes, Parks & Co.LLP  
Chartered Accountants  
ICAI - Registration No.102860W/W100089

*For and on behalf of the Board*

**Ramaswamy Subramanian**  
Partner  
Membership No: 016059  
Place: Chennai  
Date : May 29, 2017

**Reji Abraham**  
Managing Director

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

**S.N. Balaji**  
Asst. General Manager (Legal) & Secretary

## Consolidated Cash Flow Statement

For the year ended 31<sup>st</sup> March 2017

	Year ended 31st March 2017 Rs. millions	Year ended 31st March 2016 Rs. millions
<b>Cash Flow from operating activities</b>		
Loss before tax from continuing Operations	(8,702.08)	(286.03)
<b>Profit/ (Loss) before tax</b>	<b>(8,702.08)</b>	<b>(286.03)</b>
<u>Non cash adjustment to reconcile profit before tax to net cash flows</u>		
Depreciation/amortization on continuing operations	7,011.59	9,018.28
Loss/(profit) on sale of fixed assets	(21.40)	(0.12)
Provision for Employee Benefits	(11.78)	16.10
Provision for Doubtful Debts	-	1,046.36
Unrealized foreign exchange loss/(gain)	(30.51)	223.65
Net (gain)/Loss on sale of Non Current investments	(75.78)	-
Interest expenses	10,597.78	9,854.67
Interest income	(40.15)	(10.39)
Dividend income	(1.74)	(0.64)
Operating profit before working capital changes	8,725.93	19,861.88
<u>Movements in working capital:</u>		
Increase/(Decrease) in trade payables	(812.23)	(801.92)
Increase/(Decrease) in other current liabilities	7,220.69	2,722.52
Decrease/(Increase) in trade receivables	4,807.91	(8,183.45)
Decrease/(Increase) in inventories	318.98	(301.57)
Decrease/(Increase) in other non current financial assets/other assets	10.31	807.50
Decrease/(Increase) in other current financial assets/other assets	133.23	56.36
Cash generated from(used in) operations	20,404.82	14,161.32
Direct taxes paid (net of refunds)	(2,382.23)	(1,167.16)
<b>Net cash flow from /(used in) operating activities (A)</b>	<b>18,022.59</b>	<b>12,994.16</b>
<b>Cash Flow from investing activities</b>		
Purchase of fixed assets including Intangible Assets net of exchange difference on translation	(355.32)	(807.38)
Exchange difference on translation of fixed assets including Intangible Assets of Foreign Subsidiaries	2,997.75	(7,624.42)
Capital advances	(161.18)	(28.19)
Proceed from sale of fixed assets	45.11	0.66
Proceeds from sale of non-current investments	1.61	-
Purchase of non-current investments	(0.05)	-
Interest received	40.36	10.15
Dividends received	1.74	0.64
<b>Net cash flow from /(used in) investing activities (B)</b>	<b>2,570.02</b>	<b>(8,448.54)</b>

## Consolidated Cash Flow Statement

For the year ended 31<sup>st</sup> March 2017

	Year ended 31st March 2017 Rs. millions	Year ended 31st March 2016 Rs. millions
<b>Cash Flow from financing activities</b>		
Proceeds from issuance of share capital	-	178.88
Proceeds from long term borrowings	-	2,478.79
Repayment of long term borrowings	(13,814.11)	-
Proceeds from short term borrowings	-	96.72
Repayment of short term borrowings	(287.10)	(301.43)
Interest paid	(6,919.69)	(6,398.77)
Dividends paid on equity shares	-	(210.12)
Dividends paid on preference shares	-	(263.57)
Tax on equity dividend paid	-	(43.01)
Tax on preference dividend paid	-	(53.95)
<b>Net cash used in financing activities (C)</b>	<b>(21,020.90)</b>	<b>(4,516.46)</b>
<b>Net increase /(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(428.29)</b>	<b>29.15</b>
Effect of exchange differences on cash and cash equivalents held in foreign currency	1.08	(1.18)
Cash and cash equivalents at the beginning of the year	(411.40)	(439.37)
<b>Cash and cash equivalents at the end of the year</b>	<b>(838.61)</b>	<b>(411.40)</b>
<b>Reconciliation of cash and cash equivalents as per the cash flow statement</b>		
Cash and cash equivalents as per above comprise of the following		
Cash and cash equivalents (note 6 (d) & (e))	943.08	1,332.06
Cash credit from banks (secured) (note 10(b))	(1,781.69)	(1,743.46)
<b>Balances per statement of cash flows</b>	<b>(838.61)</b>	<b>(411.40)</b>
Cash and cash equivalents include restricted cash balance - unpaid dividend liability of Rs. 16.40 million (previous year Rs. 18.54 million)		

Summary of significant accounting policies

3.1

\*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.LLP  
Chartered Accountants  
ICAI - Registration No.102860W/W100089

**Ramaswamy Subramanian**  
Partner  
Membership No: 016059  
Place: Chennai  
Date : May 29, 2017

For and on behalf of the Board

**Reji Abraham**  
Managing Director

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

**S.N. Balaji**  
Asst. General Manager (Legal) & Secretary



## Aban Offshore Limited

### Consolidated Statement of Changes in Equity

a. Equity Share Capital	Notes	Rs. millions
As at 1st April 2015		115.51
Changes in equity share capital		1.22
<b>As at 31st March 2016</b>		<b>116.73</b>
Changes in equity share capital		-
<b>As at 31st March 2017</b>		<b>116.73</b>

### b. Other Equity

Rs.  
millions

	Notes	Money received against share warrants	Reserves and Surplus						Items of Other Comprehensive Income			Total
			Capital Reserve	Securities Premium Reserve	Investment Allowance Reserve	Capital Redemption reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Foreign currency translation reserve	Other items of Other Comprehensive Income	
Balance at 1st April 2015		59.63	0.03	17,563.49	52.40	2,470.00	1,479.72	16,211.45				37,836.73
Profit for the year		-	-	-	-	-	-	(2,410.22)				(2,410.22)
Total Comprehensive Income for the year		-	-	-	-	-	-	-		1,478.26	(12.82)	1,465.44
Dividends		-	-	-	-	-	-	(253.13)				(253.13)
Transfer to Capital redemption reserve		-	-	-	-	260.00	-	(260.00)				-
Any other change - Allotment against Share Warrants	(59.63)	-	-	237.29	-	-	-	-				177.66
<b>Balance at 31st March 2016</b>		-	<b>0.03</b>	<b>17,800.78</b>	<b>52.40</b>	<b>2,730.00</b>	<b>1,479.72</b>	<b>13,288.10</b>	<b>-</b>	<b>1,478.26</b>	<b>(12.82)</b>	<b>36,816.48</b>

	Notes	Money received against share warrants	Reserves and Surplus						Items of Other Comprehensive Income				Total
			Capital Reserve	Securities Premium Reserve	Investment Allowance Reserve	Capital Redemption reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Foreign currency translation reserve	Other items of Other Comprehensive Income		
Balance at 1st April 2016		-	0.03	17,800.78	52.40	2,730.00	1,479.72	13,288.10		1,478.26	(12.82)	36,816.48	
Profit for the year		-	-	-	-	-	-	(10,408.33)				(10,408.33)	
Total Comprehensive Income for the year		-	-	-	-	-	-	-		(184.16)	13.95	(170.21)	
Dividends		-	-	-	-	-	-	-				-	
Transfer to Capital redemption reserve		-	-	-	80.00	-	-	(80.00)				-	
Any other change (to be specified)		-	-	-	-	-	-	-				-	
Balance at 31st March 2017		-	0.03	17,800.78	52.40	2,810.00	1,479.72	2,799.78		1,294.10	1.13	26,237.94	

As Per our Report of even date

For Ford, Rhodes, Parks & Co.LLP

Chartered Accountants

ICAI - Registration No.102860W/W100089

**Ramaswamy Subramanian**

Partner

Membership No: 016059

Place: Chennai

Date : May 29, 2017

For and on behalf of the Board

**Reji Abraham**

Managing Director

**S.N. Balaji**

Asst. General Manager (Legal) & Secretary

**C.P.Gopalkrishnan**

Dy. Managing Director & Chief Financial Officer

## 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 19 subsidiaries and an associate are referred to as "Company" for the purpose of this Consolidated Financial Statements. The Parent Company has one Indian subsidiary company - Aban Energies Ltd (wholly owned subsidiary), and a wholly owned foreign subsidiary Aban Holdings Pte. Limited, Singapore. Two Indian subsidiaries namely Radhapuram Wintech (P) Ltd, Aban Green Power (P) Ltd, ceased to be subsidiaries of the parent company effective December 26, 2016. 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 subsidiary 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 Consolidated financial statements have been prepared in accordance with IFRS converged Indian Accounting Standards (IndAS) as issued by the Ministry of Corporate Affairs (MCA). These consolidated financial statements are in compliance with IndAS 101, "First Time Adoption of Indian Accounting Standards", as these are the Company's first IndAS financial statements for the year ended March 31, 2017.

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 Ind AS 27 (Separate financial statements), IndAS 110 ( Consolidated financial statements) and IndAS 112 (Disclosure of interest in other entities) based on the core principle that the consolidated entity presents the Parent company and its subsidiaries as if they are a single economic entity.

In preparing these consolidated financial statements, the financial statements of the Parent company and its subsidiaries are combined line by line by adding together like items of assets, liabilities, equity, income and expenses. In order that the consolidated financial statements present financial information about the Company as that of a single economic entity, the following steps are then taken:

(a) The carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary are eliminated. 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.

(b) Non-controlling interests in the profit or loss of consolidated subsidiaries for the reporting period, if any, are identified; and

(c) Non-controlling interests in the net assets of consolidated subsidiaries, if any, are identified separately from the parent's ownership interests in them.

IntraCompany balances and transactions, including income, expenses and dividends, are eliminated in full. Profits and losses resulting from intraCompany transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full.

These Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

Functional Currency of Foreign Subsidiaries is US Dollars. The assets and liabilities of overseas subsidiaries denominated in foreign currencies are translated in INR at exchange rates prevailing at the date of the Balance Sheet; profits and losses are translated at average exchange rates for the relevant accounting periods. Exchange differences arising are recognized in the Other Comprehensive Income and are included in the translation reserve. Such translation differences shall be recognized as income or expenses in the period in which the operation is disposed of.

**3.1 Summary of significant accounting policies****I Use of estimates**

Preparation of these consolidated financial statements in accordance with IndAS requires management to make judgements on the basis of certain estimates and assumptions. In addition, the application of accounting policies requires management judgement. Estimates are based on the managements view on past events and future development and strategies. Management reviews the estimates and assumptions on a continuous basis, by reference to past experiences and other factors that can reasonably be used to assess the book values of assets and liabilities.

The accounting policies which have the most significant effect on the figures disclosed in the consolidated financial statements are mentioned below and these should be read in conjunction with the disclosure of the significant IndAS accounting policies provided below:

**i. Impairment testing**

Company's management reviews regularly, and at each reporting date, whether there is any indication of impairment in respect of Goodwill. Goodwill is tested annually for impairment, even if there is no indication of impairment.

**ii. Useful life of Property, Plant and Equipment**

The assessment of the useful life of each asset by considering the historical experience and expectations regarding future operations and expected usage, estimated technical obsolescence, residual value, physical wear and tear and the operating environment in which the asset is located needs significant judgement by the management.

**iii. Fair Value**

Certain financial instruments, such as investments in equity securities, derivative financial instruments and certain elements of borrowings, are carried in the financial statements at fair value, with changes in fair value reflected in the income statements. Fair values are estimated by reference to published price quotations or by using other valuation techniques that may include inputs that are not based on observable market data, such as discounted cash flows analysis.

**II Presentation of true and fair view**

These Consolidated financial Statements have been prepared by applying IndAS principles and necessary disclosures have been made which present a true and fair view of the financial position, financial performance and cash flows of the Company.

**III Going concern**

These Consolidated financial statements have been prepared on a going concern basis and it is assumed that the company will continue in operation in the foreseeable future and neither there is an intention nor need to materially curtail the scale of operations.

**IV Accrual basis**

These Consolidated financial statements, except for cash flow information, have been prepared using the accrual basis of accounting

**V Materiality**

Each material class of similar items has been presented separately in these Consolidated Financial Statements.

**VI Basis of Measurement**

These consolidated financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain property, plant and equipment and financial instruments that have been measured at fair values or revalued amounts as required by the relevant IndAS.

## **VII Offsetting**

In preparation of these Consolidated Financial Statements, the Company has not offset assets and liabilities or income and expenses, unless required or permitted by Ind AS.

## **VIII Investment in Associates**

An associate is an entity in which the investor has significant influence, but which is neither a subsidiary nor a joint venture of the investor. Interests in Associates are accounted in these Consolidated Financial Statements using the equity method of accounting in accordance with IndAS 28.

## **IX Functional and Presentation Currency**

IndAS 21 (Effects of changes in foreign exchange rates) requires that functional currency and presentation currency be determined. Functional currency is the currency of the primary economic environment in which the entity operates. Presentation currency is the currency in which the financial statements are presented.

These consolidated financial statements are presented in Indian Rupee, which is the functional currency and presentation currency of the Parent Company. All foreign currency transactions are expressed in the functional currency using the exchange rate at the transaction date.

Foreign currency balances representing cash or amounts to be received or paid in cash (monetary items) are retranslated at the end of the year using the exchange rate on that date. Exchange differences on such monetary items are recognized as income or expense for the year.

Non-monetary balances that are not remeasured at fair value and are denominated in a foreign currency are expressed in the functional currency using the exchange rate at the transaction date. Where a non-monetary item is remeasured at fair value in the financial statements, the exchange rate at the date when fair value was determined is used.

The functional currency of the foreign subsidiaries is United States Dollars. However for the purpose of preparation of consolidated financial statements, the assets and liabilities of the foreign subsidiaries are translated and presented in Indian Rupees (which is the functional and presentation currency of the Parent company) at the closing rate at the end of the reporting period. The income statement is translated at exchange rates at the dates of the transactions or at the average rate if that approximates the actual rates. All resulting exchange differences are recognized in other comprehensive income.

## **X Property, plant and equipment**

Property, plant and equipment (PPE) is recognized when the cost of an asset can be reliably measured and it is probable that the entity will obtain future economic benefits from the asset.

PPE is measured initially at cost. Cost includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable cost of bringing the asset to working condition for its intended use (inclusive of import duties and non-refundable purchase taxes).

In the first year of transition to IndAS, the various items of PPE have been valued as per their 'deemed cost' in accordance with IndAS 101.

The company has chosen the deemed cost exception provided in Ind AS 101. Accordingly, it has partly revalued in property, plant and equipment, and partly recalculated carrying values by applying Ind AS guidance from the date of acquisition of such assets.

The cost of a major inspection or overhaul of an item occurring at regular intervals over the useful life of the item is capitalised to the extent that it meets the recognition criteria of an asset. The carrying amounts of the parts replaced are derecognized.

**XI Depreciation on Property, plant and equipment**

The depreciable amount of PPE (being the gross carrying value less the estimated residual value) is depreciated on a systematic basis over its useful life. Subsequent expenditure relating to an item of PPE is capitalised if it meets the recognition criteria.

PPE may comprise parts with different useful lives. Depreciation is calculated based on each individual part's life subject to the life of the main asset. In case of replacement of one part, the new part is capitalised to the extent that it meets the recognition criteria of an asset, and the carrying amount of the parts replaced is derecognized.

In the first year of transition to IndAS, the various items of PPE have been valued as per their 'deemed cost' in accordance with IndAS 101.

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful life of the assets as under-

<b>Fixed Assets</b>	<b>Useful Life</b>
Buildings	60 years
Drilling Rigs	30 or 40 years
Drillship	25 or 40 years
Office Equipment	5 years
Computers	3 years
Windmills	22 years
Furniture and fixtures	10 years
Motor Vehicles	8 years

As on transition, based on the technical evaluation, the estimated useful lives of the drilling rigs and drillships of the Parent company and foreign subsidiaries have been revised from 20 or 30 years to 30 or 40 years which are separately assessed for each rig/drillship.

**XII Intangible assets**

An intangible asset is an identifiable non-monetary asset without physical substance. Goodwill is recognized in these Consolidated Financial Statements as an intangible asset using the following principles:

An intangible asset has an indefinite useful life when, based on an analysis of all the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity.

Goodwill is presumed to have indefinite useful life. Hence goodwill will not be amortised but tested for impairment annually or whenever there is an indication of impairment.

Goodwill on acquisition of subsidiaries has been recognized in the consolidated financial statements as an intangible asset and it is measured on the date of acquisition applying the principles of IndAS retrospectively.

**XIII Borrowings costs**

Borrowing costs are interest and other costs that an entity incurs in connection with the borrowing of funds. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of that asset. Other borrowing costs are recognized as an expense.

Borrowing costs include interest expense, if any, calculated using the effective interest method, finance charges, if any, in respect of finance leases and exchange differences, if any, arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

#### **XIV Impairment of Property, plant and equipment**

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is recognized immediately in profit or loss, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset shall be treated as a revaluation decrease.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

An impairment loss recognized in prior periods for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized.

#### **XV 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.

Investments are recognized and measured at fair value

#### **XVI Inventories**

The Company determines the cost for items that are not interchangeable or that have been segregated for specific contracts on an individual-item basis as per IndAS 2, 'Inventories'. The cost of other inventory items used is assigned by using either the first-in, first-out (FIFO) or weighted average cost formula.

The Company uses the same cost formula for all inventories of similar nature and use. The cost formula used is applied on a consistent basis from period to period.

Inventories are initially recognized at the lower of cost and net realisable value (NRV). Cost of inventories includes import duties, non-refundable taxes, transport and handling costs and any other directly attributable costs, less trade discounts, rebates and similar items. Costs such as abnormal amount of wasted materials, storage costs, administrative costs and selling costs are excluded from the cost of inventories. NRV is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated selling expenses.

#### **XVII Revenue recognition**

Revenue is recognized when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service.

For this, the company first determines whether control is transferred over time. If the answer to this question is negative, only then revenue is recognized at a point in time, or else it is recognized over time.

The company recognizes revenue to depict the transfer of goods or services to customers at an amount expected to be received in exchange for those goods or services.

Income from drilling 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.

**XVIII Retirement and other employee benefits**

Employee benefits are all forms of consideration given or promised by the company in exchange for services rendered by its employees. These benefits include salary-related benefits (such as wages, profit-sharing, bonuses and compensated absences, such as paid holiday and long-service leave), termination benefits (such as severance and redundancy pay) and postemployment benefits (such as retirement benefit plans).

**Defined contribution plans**

The cost of defined contribution plans is the contribution payable by the employer for that accounting period.

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.

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

**Defined benefit plans**

Accounting for defined benefit plans is based on actuarial assumptions and different valuation methods to measure the balance sheet obligation and the expense.

Where defined benefit plans are funded, the plan assets are measured at fair value. At each balance sheet date, the plan assets and the defined benefit obligations are remeasured. The income statement reflects the change in the surplus or deficit, except for contributions made to the plan and benefits paid by the plan, along with business combinations and remeasurement gains and losses.

Remeasurement gains and losses comprise actuarial gains and losses, return on plan assets (comprise amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability or asset). Remeasurements are recognized in other comprehensive income.

The amount of pension expense (income) to be recognized in profit or loss is comprised of the following individual components, unless they are required or permitted to be included in the costs of an asset:

- Service costs (present value of the benefits earned by active employees)
- Net interest costs (unwinding of the discount on the defined benefit obligations and a theoretical return on plan assets)

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.

Provision for leave encashment is based on actuarial valuation carried out by an independent actuary at the Balance Sheet date.

**XIX Taxes on income**

Current tax expense is based on the taxable and deductible amounts to be used for the computation of the taxable income for the current year. A liability is recognized in the balance sheet in respect of current tax expense for the current and prior periods to the extent unpaid. An asset is recognized if current tax has been overpaid.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, except when the temporary difference arises from the following:

- Initial recognition of goodwill (for deferred tax liabilities only)
- Initial recognition of an asset or liability in a transaction which is not a business combination and which affects neither accounting profit nor taxable profit
- Investments in subsidiaries, branches, associates and joint ventures, but only when certain criteria apply

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

A deferred tax asset is recognized for deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

Current and deferred tax is recognized in profit or loss for the period, unless the tax arises from a business combination or a transaction or event that is recognized outside profit or loss, either in other comprehensive income or directly in equity in the same or different period.

## **XX Derivative financial instruments and hedge accounting**

### **Initial recognition and subsequent measurement**

Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognized in Other Comprehensive Income (OCI) and later reclassified to profit or loss when the hedge item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as:

Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment. Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment. Hedges of a net investment in a foreign operation. The company does not have any derivatives instruments during the period April 1, 2015 to March 31, 2017.

## **XXI 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. Detailed disclosures for each of these Reporting Segments are given in these Financial Statements in accordance with IndAS 108 (Operating segments).

## **XXII Earnings per share**

Basic EPS is calculated by dividing the profit or loss for the period attributable to the equity holders of the parent company by the weighted average number of ordinary shares outstanding (including adjustments for bonus and rights issues).

Diluted EPS is calculated by adjusting the profit or loss and the weighted average number of ordinary shares by taking into account the conversion of any dilutive potential ordinary shares.

Basic and diluted EPS are presented in the statement of profit and loss for each class of ordinary shares in accordance with IndAS 33 (Earnings per share).

**XXIII Provisions, contingent liabilities and contingent assets**

The Company recognizes a provision when:

- There is a present obligation to transfer economic benefits as a result of past events;
- it is probable (more likely than not) that such a transfer will be required to settle the obligation;
- and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the expenditure required to settle the obligation at the balance sheet date, measured at the expected cash flows discounted for the time value of money. Provisions are not recognized for future operating losses.

An obligation and any anticipated recovery are presented separately as a liability and an asset respectively; however, an asset is recognized only if it is virtually certain that settlement of the obligation will result in a reimbursement, and the amount recognized for the reimbursement does not exceed the amount of the provision. The amount of any expected reimbursement is disclosed. Net presentation is done only in the income statement.

Management performs an exercise at each balance sheet date to identify the best estimate of the expenditure required to settle the present obligation at the balance sheet date, discounted at an appropriate rate. The increase in provision due to the passage of time (that is a consequence of the discount rate) is recognized as borrowing cost.

Contingent liabilities are possible obligations whose existence will be confirmed only on the occurrence or non-occurrence of uncertain future events outside the entity's control, or present obligations that are not recognized because of the following:

- (a) It is not probable that an outflow of economic benefits will be required to settle the obligation; or
- (b) the amount cannot be measured reliably.

As per IndAS 37 (Provisions, Contingent liabilities and Contingent assets), Contingent liabilities, if any, are not recognized but are disclosed and described in the notes to the Consolidated financial statements, including an estimate of their potential financial effect and uncertainties relating to the amount or timing of any outflow, unless the possibility of settlement is remote.

Contingent assets are possible assets whose existence will be confirmed only on the occurrence or non-occurrence of uncertain future events outside the entity's control. As per IndAS 37, Contingent assets, if any, are not recognized but are disclosed and described in the notes to the Consolidated financial statements, including an estimate of their potential financial effect if the inflow of economic benefits is probable.

**XXIV 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.

**XXV Share based payments**

All types of share-based payments and transactions are measured at fair value and recognized over the vesting period in accordance with IndAS 102. However this is not applicable for equity instruments that vested before date of transition to IndAS.

**XXVI Related Party Disclosures**

All disclosures as specified under IndAS 24 (Related party disclosures) are made in these Consolidated Financial Statements in respect of the company's transactions with related parties.

**XXVII Leases**

A lease gives one party (the lessee) the right to use an asset over an agreed period of time in return for payment to the lessor.

Lease contracts entered into by the company are classified as operating leases. Under an operating lease, the lessor does not transfer substantially all of the risks and rewards of ownership.

Under an operating lease, the lessee does not recognize an asset and lease obligation. The rentals paid are normally charged to the income statement of the lessee and credited to that of the lessor on a straight-line basis.

## **XXVIII Financial Instruments**

Financial assets and financial liabilities are recognized on the Company Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

### **Financial Assets - Trade receivables**

Trade receivables are non-interest-bearing and are recognized initially at fair value, and subsequently at amortized cost using the effective interest rate method, less provision for impairment, if any.

### **Financial Assets - Investments**

Investments consist of investments in equity shares (quoted) and are recognized at fair value through OCI. Gains and losses arising from changes in fair value are recognized directly in other comprehensive income, until the security is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognized in other comprehensive income is included in the Consolidated Income Statement for the period. Dividends, if any, on equity instrument are recognized in the Company Income Statement when the company's right to receive payment is established.

### **Loans and advances to customers**

Loans and advances are initially recognized at fair value plus directly related transaction costs. Subsequent to initial recognition, these assets are carried at amortized cost using the effective interest method less any impairment losses. Income from these financial assets is calculated on an effective yield basis and is recognized in the Consolidated Income Statement.

### **Impairment of loans and advances to customers**

At each balance sheet date, the Company reviews the carrying amounts of its loans and advances to determine whether there is any indication that those assets have suffered an impairment loss.

If there is objective evidence that an impairment loss on a financial asset or Company of financial assets classified as loans and advances has been incurred, the Company measures the amount of the loss as the difference between the carrying amount of the asset or Company of assets and the present value of estimated future cash flows from the asset or Company of assets discounted at the effective interest rate of the instrument at initial recognition.

Impairment losses, if any, are recognized in the Consolidated Income Statement and the carrying amount of the financial asset or Company of financial assets is reduced by establishing an allowance for impairment losses.

If in a subsequent period the amount of the impairment loss reduces and the reduction can be ascribed to an event after the impairment was recognized, the previously recognized loss is reversed by adjusting the allowance. Once an impairment loss has been recognized on a financial asset or Company of financial assets, interest income is recognized on the carrying amount using the rate of interest at which estimated future cash flows were discounted in measuring impairment.

Loan impairment provisions are established taking into account the level of arrears, security, past loss experience, credit scores and defaults based on portfolio trends. The most significant factors in establishing these provisions are the expected loss rates.

### **Interest-bearing borrowings**

Interest-bearing bank loans and overdrafts are initially recorded at fair value, net of attributable transaction costs. Subsequent to initial recognition, interestbearing borrowings are stated at amortized cost with any difference between proceeds and redemption value being recognized in the Consolidated Income Statement over the period of the borrowings on an effective interest rate basis.

### Trade payables

Trade payables are non-interest-bearing and are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method.

### Derivative financial instruments and hedge accounting

The Company has not entered into any derivative or hedging transactions.

### Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet only when there is a current legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

4. 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:

Name of the company	Country of Incorporation	Percentage of holding	Accounts considered	Reporting Currency
Aban Energies Limited	India	100%	31st March 2017 (audited)	Indian Rupee
Aban Holdings Pte Ltd	Singapore	100%	31st March 2017 (audited)	US Dollars
Aban Singapore Pte Ltd	Singapore	(a)	31st March 2017 (audited)	US Dollars
Aban International Norway AS	Norway	(b)	31st March 2017 (audited)	US Dollars
Aban 7 Pte Ltd	Singapore	(b)	31st March 2017 (audited)	US Dollars
Aban 8 Pte Ltd	Singapore	(b)	31st March 2017 (audited)	US Dollars
Aban Abraham Pte Ltd	Singapore	(b)	31st March 2017 (audited)	US Dollars
Aban Pearl Pte Ltd	Singapore	(b)	31st March 2017 (audited)	US Dollars
Deep Drilling Invest Pte Ltd	Singapore	(c)	31st March 2017 (audited)	US Dollars
Deep Drilling 1 Pte Ltd	Singapore	(d)	31st March 2017 (audited)	US Dollars
Deep Drilling 2 Pte Ltd	Singapore	(d)	31st March 2017 (audited)	US Dollars
Deep Drilling 3 Pte Ltd	Singapore	(d)	31st March 2017 (audited)	US Dollars
Deep Drilling 4 Pte Ltd	Singapore	(d)	31st March 2017 (audited)	US Dollars
Deep Drilling 5 Pte Ltd	Singapore	(d)	31st March 2017 (audited)	US Dollars
Deep Drilling 6 Pte Ltd	Singapore	(d)	31st March 2017 (audited)	US Dollars
Deep Drilling 7 Pte Ltd	Singapore	(d)	31st March 2017 (audited)	US Dollars
Deep Drilling 8 Pte Ltd	Singapore	(d)	31st March 2017 (audited)	US Dollars
Deep Driller Mexico S de RL de CV, Mexico	Mexico	(d)	31st March 2017 (not required to be audited)	US Dollars
Aban Labuan Pvt Limited	Labuan, Malaysia	(b)	31st March 2017 (audited)	US Dollars

### Note:

- a) Wholly-owned subsidiary of Aban Holdings Pte Ltd, Singapore  
b) Wholly-owned subsidiaries of Aban Singapore Pte Ltd  
c) Subsidiary of Aban International Norway AS (66%) and Aban Singapore Pte Ltd (34%)  
d) Wholly-owned subsidiaries of Deep Drilling Invest Pte Ltd

Besides the above, the financials of Belati Oilfield Sdn Bhd, 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.

**Notes to Consolidated IND AS Financial Statements for the year ended 31<sup>st</sup> March 2017**

**5 Property, plant and equipment**

Rs.millions

	Land-Freehold	Buildings	Offshore Jack-up rigs	Drillship	Other Machineries	Wind Mills	Office Equip-ment	Furniture & Fixtures	Vehicles	Total	Capital work in progress
<b>Year ended 31st March 2016</b>											
<b>Gross Carrying amount</b>											
Deemed cost as on 1st April 2015	128.57	104.52	131,035.47	29,585.97	4.08	109.42	29.41	32.55	30.78	161060.77	186.85
Additions	-	3.09	1,102.76	42.63	-	15.37	1.78	0.08	3.35	1169.06	
Disposals	-	-	-	-	-	(13.71)	-	-	(3.54)	(17.25)	
Other adjustments (transfer)	-	-	-	-	-	-	-	-	-	-	(186.85)
-Exchange differences	-	-	8,454.30	-	-	-	2.67	3.02	0.23	8460.22	
-Borrowing costs	-	-	-	-	-	-	-	-	-	-	
<b>Closing Gross Carrying amount</b>	<b>128.57</b>	<b>107.61</b>	<b>140592.53</b>	<b>29628.60</b>	<b>4.08</b>	<b>111.08</b>	<b>33.86</b>	<b>35.65</b>	<b>30.82</b>	<b>170672.80</b>	<b>-</b>
<b>Accumulated Depreciation</b>											
Depreciation charged during the year	-	4.08	8428.17	528.92	-	41.68	7.57	0.70	7.16	9018.28	
Disposals						-	-	-	(3.00)	(3.00)	
Other adjustments										-	
-Exchange differences	-	-	-	-	-	-	1.50	1.21	-	2.71	
-Borrowing costs											
<b>Closing Accumulated Depreciation</b>	<b>-</b>	<b>4.08</b>	<b>8428.17</b>	<b>528.92</b>	<b>-</b>	<b>41.68</b>	<b>9.07</b>	<b>1.91</b>	<b>4.16</b>	<b>9017.99</b>	<b>-</b>
<b>Net Carrying amount</b>	<b>128.57</b>	<b>103.53</b>	<b>132164.36</b>	<b>29099.68</b>	<b>4.08</b>	<b>69.40</b>	<b>24.79</b>	<b>33.74</b>	<b>26.66</b>	<b>161654.81</b>	<b>-</b>
<b>Year ended 31st March 2017</b>											
<b>Gross Carrying amount</b>											
Opening gross carrying amount	128.57	107.61	140,592.53	29,628.60	4.08	111.08	33.86	35.65	30.82	170672.80	-
Additions	-	1.17	258.03	28.25	-	-	0.70	-	2.48	290.63	92.88
Disposals	-	-	(21.60)	-	-	(23.62)	-	-	(1.66)	(46.88)	
Other adjustments	-	-	-	-	-	(16.65)	-	-	-	(16.65)	
-Exchange differences	-	-	(3625.89)	(763.13)	-	-	(3.52)	-	(0.47)	(4393.01)	
-Borrowing costs	-	-	-	-	-	-	-	-	-	-	
<b>Closing Gross Carrying amount</b>	<b>128.57</b>	<b>108.78</b>	<b>137203.07</b>	<b>28893.72</b>	<b>4.08</b>	<b>70.81</b>	<b>31.04</b>	<b>35.65</b>	<b>31.17</b>	<b>166506.89</b>	<b>92.88</b>
<b>Accumulated Depreciation</b>											
Opening accumulated depreciation	-	4.08	8,428.17	528.92	-	41.68	9.07	1.91	4.16	9017.99	
Depreciation charged during the year	-	4.08	5,154.15	1,842.95	-	-	5.47	0.07	4.87	7011.59	
Disposals	-	-	(2.84)	-	-	-	-	-	(1.58)	(4.42)	
Other adjustments	-	-	-	-	-	-	-	-	-	-	-
-Exchange differences	-	-	(1209.10)	(238.37)	-	-	(3.53)	-	(0.47)	(1451.47)	
-Borrowing costs	-	-	-	-	-	-	-	-	-	-	-
<b>Closing Accumulated Depreciation</b>	<b>-</b>	<b>8.16</b>	<b>12,370.38</b>	<b>2,133.50</b>	<b>-</b>	<b>41.68</b>	<b>11.01</b>	<b>1.98</b>	<b>6.98</b>	<b>14573.69</b>	<b>-</b>
<b>Net Carrying amount</b>	<b>128.57</b>	<b>100.62</b>	<b>124,832.69</b>	<b>26,760.22</b>	<b>4.08</b>	<b>29.13</b>	<b>20.03</b>	<b>33.67</b>	<b>24.19</b>	<b>151933.20</b>	<b>92.88</b>

**Intangible assets**

	Rs.millions	
	Goodwill	Total
Deemed cost as at 1st April 2015	9,729.86	9,729.86
Additions		
Disposals		
Other adjustments		
-Exchange differences	584.59	584.59
-Borrowing costs	-	-
<b>At 31st March 2016</b>	<b>10,314.45</b>	<b>10,314.45</b>
Cost		
At 1st April 2016	10,314.45	10,314.45
Additions		
Disposals		
Other adjustments		
-Exchange differences	(219.48)	(219.48)
-Borrowing costs	-	-
<b>At 31st March 2017</b>	<b>10,094.97</b>	<b>10,094.97</b>

**6 (a) Non-current investments**

	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
<b>Investment in joint ventures</b>			
0.17 million (31st March 2016 : 0.17 million) equity shares of MYR 1 each in Belati Oilfield Sdn Bhd [(Note 28(b))]	122.85	123.32	96.15
Investments in associates-Aban Drilling Services Private Limited	0.05	-	-
<b>Other Investments</b>			
0.3 million (31st March 2016: 0.3 million) equity shares of Rs.10			
each fully paid in Aban Informatics Private Limited	19.85	19.85	19.85
0.076 million (74% holding) (31st March 2016:0.076 million) equity shares of Rs.10 each fully paid in Radhapuram Wintech Private Limited *	0.15	-	-
4.011 million (31st March 2016 :4.011 million)10% Non Cumulative Redeemable Preference shares of Rs 10 each fully paid in Radhapuram Wintech Private Limited	40.11	-	-
0.103 million (74% holding) (31st March 2016:.066) equity shares of Rs.10 each. fully paid in Aban Green Power Private Ltd.*	0.25	-	-
5.42 million (31st March 2016:3.471 million)10% Non Cumulative Redeemable Preference shares of Rs 10 each fully paid in Aban Green Power Private Limited	66.13	-	-
	<u>249.39</u>	<u>143.17</u>	<u>116.00</u>

**Notes to Consolidated IND AS Financial Statements for the year ended 31<sup>st</sup> March 2017**

	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
<b>Non-trade investments (valued at cost unless stated otherwise)</b>			
<b>Investment in equity shares (quoted)</b>			
-0.01 million (31st March 2016: 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 2016: Rs.0.17 million))	-	-	-
-0.0003 million (31st March 2016: 0.0003 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 2016 : Rs 0.02 million)	-	-	-
-0.0024 million(31st March 2016: 0.0024 million) equity shares of Rs.10 each fully paid in State Bank of Travancore Ltd	0.72	0.93	0.37
-0.01 million(31st March 2016: 0.01 million) equity shares of Rs.10 each fully paid in ICICI Bank Ltd	2.90	2.48	3.16
-0.05 million(31st March 2016: 0.05 million)equity shares of Rs.5 each fully paid in Oil and Natural Gas Corporation Limited	9.36	10.83	17.32
-0.03 million(31st March 2016:0.03 million)equity shares of Rs.10 each fully paid in Indian Bank Ltd	8.99	3.36	7.20
<b>Investment in equity shares (unquoted)</b>			
1.519 million (31st March 2016: 1.519 million)equity shares of Rs.10 each fully paid in Madras Stock Exchange Limited	-	-	-
	21.97	17.60	28.05
	<b>271.36</b>	<b>160.77</b>	<b>144.05</b>
Aggregate amount of quoted investments	21.97	17.60	28.05
Aggregate amount of unquoted investments	249.39	143.17	116.00
Aggregate provision for diminution in value of investments	5.18	5.18	5.18

\* Radhapuram Wintech Private Ltd and Aban Green Power Private Ltd ceased to be subsidiaries of Parent company with effect from 26th December 2016 consequent to sale of shares in part thereby losing controlling interest.

**6(b).Trade receivables**

	Non-current			Current		
	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 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>						
Secured, considered good	-	-	-	-	-	-
Unsecured, considered good	-	-	-	12,768.13	14,528.47	5,718.24
Doubtful	-	-	-	23.80	4,014.48	2,781.40
	-	-	-	12,791.93	18,542.95	8,499.64
Provision for doubtful receivables	-	-	-	(23.80)	(4,014.48)	(2,781.40)
(A)	-	-	-	12,768.13	14,528.47	5,718.24
<b>Other receivables</b>						
Secured, considered good	-	-	-	-	-	-
Unsecured, considered good	-	-	-	5,785.46	8,669.44	10,223.09
Doubtful	-	-	-	-	-	-
	-	-	-	5,785.46	8,669.44	10,223.09
Provision for doubtful receivables	-	-	-	-	-	-
(B)	-	-	-	5,785.46	8,669.44	10,223.09
<b>Total(A+B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,553.59</b>	<b>23,197.91</b>	<b>15,941.33</b>

**6(c ).Loans**

	Long Term			Short Term		
	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
<b>Loans and advances to related parties</b>						
Unsecured, considered good	-	-	123.65	75.13	-	45.98
	-	-	123.65	75.13	-	45.98
<b>Advances recoverable in cash or kind</b>						
Secured considered good	-	-	-	-	-	-
Unsecured considered good	309.09	418.90	619.23	349.91	596.53	794.44
Doubtful	-	-	-	-	-	-
	309.09	418.90	619.23	349.91	596.53	794.44
Provision for doubtful advances	-	-	-	-	-	-
	309.09	418.90	619.23	349.91	596.53	794.44
Loans to employees	29.56	32.69	35.55	19.58	23.49	29.65
	<b>338.65</b>	<b>451.59</b>	<b>778.43</b>	<b>444.62</b>	<b>620.02</b>	<b>870.07</b>

**6(d) Cash and cash equivalents**

	Non Current			Current		
	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
<b>Cash and cash equivalents</b>						
<b>Balances with banks:</b>						
-On current accounts	-	-	-	742.59	1,073.22	991.40
-Deposits with original maturity of less than three months	-	-	-	57.90	154.48	20.64
Cash on hand	-	-	-	5.71	0.88	0.58
	<b>-</b>	<b>-</b>	<b>-</b>	<b>806.20</b>	<b>1,228.58</b>	<b>1,012.62</b>
<b>Note 6(e) Other bank balances</b>						
On unpaid dividend account	-	-	-	16.40	18.53	18.02
-Deposits with original maturity for more than 12 months	3.03	10.08	23.35	-	-	-
-Deposits with original maturity for more than 3 months but less than 12 months	-	-	-	-	-	-
- Margin money deposit	-	-	-	120.48	84.94	123.24
	<b>3.03</b>	<b>10.08</b>	<b>23.35</b>	<b>136.88</b>	<b>103.47</b>	<b>141.26</b>
Amount disclosed under other financial assets (See note 6 (f))	(3.03)	(10.08)	(23.35)			
	<b>-</b>	<b>-</b>	<b>-</b>			

**6(f). Other financial assets**

	Long Term			Short Term		
	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
<b>Security deposit</b>						
Secured, considered good	-	-	-	-	-	-
Unsecured, considered good	20.17	38.35	17.06	32.67	33.64	73.01
Doubtful	-	-	-	-	-	-
	<b>20.17</b>	<b>38.35</b>	<b>17.06</b>	<b>32.67</b>	<b>33.64</b>	<b>73.01</b>
Provision for doubtful security deposit	-	-	-	-	-	-
	<b>20.17</b>	<b>38.35</b>	<b>17.06</b>	<b>32.67</b>	<b>33.64</b>	<b>73.01</b>
Balances with statutory/government authorities	95.20	94.35	26.26	70.88	74.85	5.21

**Notes to Consolidated IND AS Financial Statements for the year ended 31<sup>st</sup> March 2017**

Non current bank balances [Note 6 ( d )]	3.03	10.08	23.35	-	-	-
<b>Other loans and advances</b>						
Advance income-tax(net of provision for taxation)	-	-	-	86.67	-	206.77
MAT credit entitlement account	-	-	306.61	-	-	-
	<b>118.40</b>	<b>142.78</b>	<b>373.28</b>	<b>190.22</b>	<b>108.49</b>	<b>284.99</b>

**7. Other assets**

	Non Current			Current		
	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
<b>Unsecured, considered good unless stated otherwise</b>						
Non-current bank balances	-	-	-	-	-	-
(A)	-	-	-	-	-	-
<b>Others</b>						
Interest accrued on fixed deposits	-	-	-	0.20	0.41	0.16
Prepaid Expenses	169.10	42.08	34.67	197.48	150.15	347.38
Advances Unsecured, considered good	-	-	-	161.18	28.19	-
(B)	<b>169.10</b>	<b>42.08</b>	<b>34.67</b>	<b>358.86</b>	<b>178.75</b>	<b>347.54</b>
<b>Total(A+B)</b>	<b>169.10</b>	<b>42.08</b>	<b>34.67</b>	<b>358.86</b>	<b>178.75</b>	<b>347.54</b>

**8. Inventories**

	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
<b>Stores, Spares and Fuel</b>	<b>3,768.12</b>	4,087.10	3,786.51
	<b>3,768.12</b>	4,087.10	3,786.51

**9 (a) Equity Share capital**

	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
<b>Authorised shares (No. millions)</b>			
2,500 (31st March 2016: 2,500 ) Equity Shares of Rs.2/- each	5,000.00	5,000.00	5,000.00
<b>Issued , subscribed and fully paid -up Equity shares (No. in millions)</b>			
<b>Equity Shares</b>			
36.88 (31st March 2016: 36.88) equity shares of Rs.2/- each	73.75	73.75	73.75
0.85 (31st March 2016: 0.85) equity shares of Rs.2/- each issued			

**Notes to Consolidated IND AS Financial Statements for the year ended 31<sup>st</sup> March 2017**

against conversion of foreign currency convertible bonds	1.70	1.70	1.70
0.16 (31st March 2016: 0.16 ) equity shares of Rs.2/- each issued against employee stock option scheme	0.33	0.33	0.33
16.47 (31st March 2016: 16.47) equity shares of Rs.2/- each issued against qualified institutional placement	32.94	32.94	32.94
4.00 (31st March 2016:4.00) equity shares of Rs. 2/- each issued against conversion of share warrants allotted on a preferential basis	8.00	8.00	6.78
0.01 (31st March 2016: 0.01) Shares Forfeited -equity shares at Re 1/- each	0.01	0.01	0.01
	<b>116.73</b>	<b>116.73</b>	<b>115.51</b>

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

Equity shares of Rs 2 each	31st March 2017		31st March 2016		1st April 2015	
	No. millions	Rs. millions	No. millions	Rs. millions	No. millions	Rs. millions
At the beginning of the period	58.36	116.73	57.75	115.51	43.51	87.04
Issued during the period	-	-	0.61	1.22	14.24	28.47
<b>Outstanding at the end of the period</b>	<b>58.36</b>	<b>116.73</b>	<b>58.36</b>	<b>116.73</b>	<b>57.75</b>	<b>115.51</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.

During the year ended 31st March 2017, the amount of per share dividend recognized as distributions to equity shareholders is Nil (31st March 2016: Nil).

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 2015:1.84 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 2016: 0.16 million equity shares of Rs.2 each)

**Share Warrants:**

During 2013-14, the Company had allotted 4.00 million share warrants on a preference basis to the Promoter/ Promoter Company 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 the allotment money and allotted the shares against warrants in earlier years and no warrants are pending for conversion as at 31st March 2017.



## Aban Offshore Limited

### Notes to Consolidated IND AS Financial Statements for the year ended 31<sup>st</sup> March 2017

#### Details of shareholders holding more than 5% shares in the Parent Company

	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	No. millions	% holding in the class	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	9.64%	5.63	9.64%	5.63	9.74%
Deepa Reji Abraham	4.04	6.92%	4.04	6.92%	3.43	5.94%
India Offshore Inc	8.33	14.27%	8.33	14.27%	8.33	14.42%
Aban Investments Private Limited	5.65	9.69%	5.65	9.69%	5.65	9.79%
	<b>23.65</b>	<b>40.52%</b>	<b>23.65</b>	<b>40.52%</b>	<b>23.04</b>	<b>39.89%</b>

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.

#### 9 (b) Other equity

	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs.millions	As at 1st April 2015 Rs.millions
<b>Capital Reserve as per last Balance Sheet</b>	<b>0.03</b>	<b>0.03</b>	<b>0.03</b>
<b>Securities Premium Account</b>			
Balance as per last financial statements	17,800.78	17,563.49	8,854.42
Add: On Allotment under ESOS	-	-	41.30
Add: On Allotment under Qualified Institutional Placements	-	-	7,478.43
Add: On Allotment against Conversion of Share Warrants	-	237.29	1,318.71
Less: Qualified Institutional Placement Issue Expenses	-	-	(129.37)
	<b>17,800.78</b>	<b>17,800.78</b>	<b>17,563.49</b>
<b>Investment Allowance Reserve-utilised as per last Balance Sheet</b>	<b>52.40</b>	<b>52.40</b>	<b>52.40</b>
<b>Capital Redemption Reserve</b>			
Balance as per last financial statements	2,730.00	2,470.00	2,270.00
Add: Transfer from statement of profit and loss	80.00	260.00	200.00
	<b>2,810.00</b>	<b>2,730.00</b>	<b>2,470.00</b>
<b>General Reserve</b>			
Balance as per last financial statements	1,479.72	1,479.72	1,479.72
Add: Transfer from statement of profit and loss	-	-	-
	<b>1,479.72</b>	<b>1,479.72</b>	<b>1,479.72</b>
<b>Translation Reserve</b>	<b>1,294.10</b>	<b>1,478.26</b>	<b>-</b>
<b>Surplus/(deficit) in the statement of profit and loss</b>			
Balance as per last financial statements	13,275.28	16,211.45	11,586.23
Profit/(Loss) for the year	(10,408.33)	(2,410.22)	5,449.42
Net gain/(loss) on fair value through OCI	4.37	(10.46)	-
Expected return on Plan assets & Net Actuarial gain/( loss) recognised during the year through OCI	9.58	(2.36)	-

**Notes to Consolidated IND AS Financial Statements for the year ended 31<sup>st</sup> March 2017**

Less: Appropriations			
Transfer to capital redemption reserve	(80.00)	(260.00)	(200.00)
Transfer to general reserve	-	-	-
Equity dividend paid Rs 3.60 Per equity share *	-	(2.20)	(48.04)
Tax on equity dividend *	-	(0.45)	(8.16)
Equity dividend-Nil Per equity share*	-	(207.92)	(207.92)
(31st March 2016-Nil Per equity share)*	-		
Tax on equity dividend	-	(42.56)	(42.56)
Dividend on preference shares	-	-	(263.57)
Tax on preference dividend	-	-	(53.95)
<b>Total appropriations</b>	<b>(80.00)</b>	<b>(513.13)</b>	<b>(824.20)</b>
<b>Net Surplus/(deficit) in the statement of profit and loss</b>	<b>2,800.90</b>	<b>13,275.28</b>	<b>16,211.45</b>
<b>Total Other Equity</b>	<b>26,237.94</b>	<b>36,816.48</b>	<b>37,777.10</b>

# Includes Rs 3,625.61 Million being net decrease in equity on account of IND AS Adjustments on transition.

\* Relates to the Equity Shares issued to Qualified Institutional Buyers, promoter/promoter group against conversion of share warrants and employees under stock option scheme(2014-2015)

\* Relates to the Equity Shares issued to promoter/promoter group against conversion of share warrants (2015-2016)

**10(a) Borrowings**

	Non-Current maturities			Current maturities		
	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
<b>Term loans</b>						
Foreign currency term loans from banks (secured)	116,527.26	130,234.87	128,514.93	16,692.97	7,424.99	893.91
Rupee term loans from banks (secured)	98.96	74.46	174.46	198.76	125.00	107.48
Rupee term loan from financial institution (secured)	-	-	-	-	-	214.63
<b>Other loans</b>						
Bonds	1,525.48	1,614.85	-	-	2,153.13	5,468.31
Hire purchase loan (secured)	-	1.53	3.64	1.31	2.21	2.31
From companies (secured)	120.40	216.18	416.67	49.11	226.27	283.33
Redeemable Preference Shares(unsecured)	-	-	800.00	2,810.00	2,810.00	2,010.00
	<b>118,272.10</b>	<b>132,141.89</b>	<b>129,909.70</b>	<b>19,752.15</b>	<b>12,741.60</b>	<b>8,979.97</b>
<b>The above amount includes</b>						
Secured borrowings	118,272.10	132,141.89	129,109.70	16,942.15	9,931.60	8,979.97
Unsecured borrowings	-	-	800.00	2,810.00	2,810.00	-
Amount disclosed under the head "Other current financial liabilities" {(Note 10 (c))}	-	-	-	(19,752.15)	(12,741.60)	(8,979.97)
	<b>118,272.10</b>	<b>132,141.89</b>	<b>129,909.70</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Rs Million**

S no	Particulars	Maturity Date	Terms of repayment	Coupon/Interest rate	31st March 2017	31st March 2016	1st April 2015
a	Foreign currency term loans from banks (USD)	2017-2028	Unequal quarterly repayments	3 months LIBOR + 5% to 6.5%	128,601.84	131,993.01	123,288.22
b	Foreign currency term loans from banks (USD)	2017	Bullet Payment	3 months LIBOR + 5% to 6.5%	263.27	-	-
c	Foreign currency term loans from banks (USD)	2016	Bullet Payment	3 months LIBOR + 5% to 6.5%	-	198.75	-
d	Bond Loans	2020-2021	Bullet Payment	15%	1,525.48	-	-
e	Bond Loans	2017-2018	Equal quarterly repayments	12% to 15%	-	3,767.97	-
f	Bond Loans	2015-2016	Unequal annual instalments	12%	-	-	5,468.31
g	Foreign currency loan from banks (USD)	2020-2022	Equated quarterly / monthly repayments	6 months LIBOR + 6% to 7%	4,355.12	5,468.11	6,120.08
h	Rupee term loans from banks	2017-2020	Unequal quarterly repayments	14.25% to 14.35%	297.72	199.46	281.94
i	Rupee term loans from financial institution	2016	Repaid in 2016	13%	-	-	215.17
j	Hire purchase loan	2017	Equated monthly instalments	9.72%	1.31	3.74	5.95
k	Rupee term loans from companies	2020	Equated monthly repayments	13.50%	169.51	442.45	700.00
l	Redeemable Preference shares	2014-2016	Overdue for Payment	12%	2,810.00	2,810.00	2,810.00
	<b>Total Borrowings</b>				<b>138,024.25</b>	<b>144,883.49</b>	<b>138,889.67</b>
	<b>Less: Current maturities of long term debt</b>				<b>19,752.15</b>	<b>12,741.60</b>	<b>8,979.97</b>
	<b>Non-Current borrowings</b>				<b>118,272.10</b>	<b>132,141.89</b>	<b>129,909.70</b>

Loans under (a) above are secured by first and second charge on specific offshore drilling rigs of the foreign subsidiary company and first and second charge on drilling rigs owned by Parent company. Amount overdue as on the balance sheet date on account of interest and principal is Rs 8160.67 million and Rs 4737.25 million.

Loans under (c) above are secured by first charge on specific offshore drilling rig of the foreign subsidiary company

Loans under (d) above are secured by first charge on specific offshore drilling rig of the foreign subsidiary company

\* Includes penal interest of 2 %

Loans under (g) above are secured by first and second charge on specific offshore drilling rigs, floating production units and first and second charge on drilling rigs owned by foreign subsidiaries. Amount overdue as on the balance sheet date on account of interest and principal is Rs. 85.07 million and Rs 249.58 million.

Loans under (h) above are secured by first charge on specific offshore drilling rigs owned by foreign subsidiaries. Amount overdue as on the balance sheet date on account of interest and principal is Rs. 8.30 million and Rs 44.80 million.

Loans under (j) are Secured by hypothecation of vehicles.

Loans under (k) are Secured by charge on properties owned by Promoter/Promoter group company.

As per INDAS, Redeemable Preference share capital grouped under Borrowings

## 10 (b) Current Borrowings

	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs.millions	As at 1st April 2015 Rs.millions
Cash credit from banks (secured)	1,781.69	1,743.46	1,593.25
Short term borrowings from banks (secured)	(0.00)	279.05	400.48
Short term borrowings from a Director (unsecured)	-	-	180.00
-Intercompany Loan	245.37	253.42	145.00
	<b>2,027.06</b>	<b>2,275.93</b>	<b>2,318.73</b>
<b>The above amount includes</b>			
Secured borrowings	1,781.69	2,022.51	1,993.73
Unsecured borrowings	245.37	253.42	325.00
	<b>2,027.06</b>	<b>2,275.93</b>	<b>2,318.73</b>

## 10 (c) Other financial liabilities

	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs.millions	As at 1st April 2015 Rs.millions
Current maturities of long term borrowings {(note 10(a))}	19,752.15	12,741.60	8,979.97
Interest accrued but not due on borrowings	1.52	4,436.17	1,632.84
Interest accrued and due on borrowings	8,212.96	100.23	74.88
Investor Education and Protection Fund will be credited by following amounts (as and when due)			
- Unclaimed dividends	16.40	18.54	18.02
Dividend accrued and due on redeemable preference share (including penalty)	652.66	376.84	263.57
Provision for tax on redeemable preference share dividend	115.04	-	53.95
	<b>28,750.74</b>	<b>17,673.38</b>	<b>11,023.23</b>

## 11. Employee benefit obligations

	Long- Term			Short-Term		
	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs. millions	As at 1st April 2015 Rs. millions
<b>Provision for employee benefits</b>						
Provision for Provident Fund	-	-	-	2.70	2.42	2.38
Provision for Gratuity	6.21	-	4.67	2.87	19.67	1.95
Provision for Leave Encashment	6.77	11.05	13.26	0.49	5.64	6.06
	<b>12.98</b>	<b>11.05</b>	<b>17.93</b>	<b>6.06</b>	<b>27.73</b>	<b>10.39</b>

**12. Deferred tax liabilities**

	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs.millions	As at 1st April 2015 Rs.millions
<b>Deferred tax liability on timing differences</b>			
On depreciation	4,219.44	4,406.10	4,407.82
On others	-	2.80	-
	<u><b>4,219.44</b></u>	<u><b>4,408.90</b></u>	<u><b>4,407.82</b></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 @13.15 p.a. % to 16.25 % p.a.

**13. Trade payables**

	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs.millions	As at 1st April 2015 Rs.millions
Trade payables	<u><b>7,504.24</b></u>	<u><b>8,126.62</b></u>	<u><b>8,950.02</b></u>

**14. Other current liabilities**

	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs.millions	As at 1st April 2015 Rs.millions
Service tax payable	111.63	283.43	77.49
TDS payable	18.13	16.94	24.18
	<u><b>129.76</b></u>	<u><b>300.37</b></u>	<u><b>101.67</b></u>

**15. Revenue from operations**

	Year ended 31st March 2017 Rs. millions	Year ended 31st March 2016 Rs.millions
Revenue from drilling services	17,432.06	33,246.42
Revenue from wind power generation	147.14	99.11
	<u><b>17,579.20</b></u>	<u><b>33,345.53</b></u>

**16. Other income**

	Year ended 31st March 2017 Rs. millions	Year ended 31st March 2016 Rs.millions
Rental income	5.01	3.64
<b>Dividend income on</b>		
-Non Current investments	1.74	0.49
-Current investments	-	0.15
<b>Interest income on</b>		

**Notes to Consolidated IND AS Financial Statements for the year ended 31<sup>st</sup> March 2017**

-Bank deposits	7.50	10.39
-Loan to Others	2.40	-
-Inter Corporate Deposits	30.25	-
Net gain on sale of Tangible assets	21.40	0.12
Net gain on sale of Non Current investments #	75.78	-
Miscellaneous Income	4.68	178.86
	<b>148.76</b>	<b>193.65</b>

# Represents gain on sale of RWPL and AGPPL shares on consolidation basis as per INDAS

**17 Consumption of Stores, Spares, power and Fuel**

	Year ended 31st March 2017 Rs. millions	Year ended 31st March 2016 Rs.millions
Consumption of stores and spares	1,007.74	1,497.46
Power and Fuel	198.06	195.27
	<b>1,205.80</b>	<b>1,692.73</b>

**18. Employee benefit expense**

	Year ended 31st March 2017 Rs. millions	Year ended 31st March 2016 Rs.millions
Salaries,wages and bonus	2,294.00	4,906.62
Contribution to provident fund	51.39	55.83
Gratuity expense	18.35	17.22
Staff welfare expenses	29.04	54.26
	<b>2,392.78</b>	<b>5,033.93</b>

**19. Finance costs**

	Year ended 31st March 2017 Rs. millions	Year ended 31st March 2016 Rs.millions
Interest on borrowings	10,597.78	9,854.67
Loan Processing charges	15.63	19.26
Amortization of ancillary borrowings costs	291.45	506.21
	<b>10,904.86</b>	<b>10,380.14</b>

**20.Depreciation and amortization expense**

	Year ended 31st March 2017 Rs. millions	Year ended 31st March 2016 Rs.millions
Depreciation on property, plant and equipment	7,011.59	9,018.28
	<b>7,011.59</b>	<b>9,018.28</b>

**21 Other expenses**

	Year ended 31st March 2017 Rs. millions	Year ended 31st March 2016 Rs. millions
Freight and Forwarding Cost	30.71	42.51
Rent	62.01	76.64
Rates and taxes	40.64	9.87
Rental charges for Machinery	110.67	180.93
Insurance	446.89	938.24
Repairs and maintenance		
-Plant and machinery	215.25	306.44
-Buildings	1.92	4.04
-Others	19.59	21.81
Drilling services and Management Fees	387.10	1,209.78
Advertising and sales promotion	3.98	2.58
Exchange differences(net)	205.09	13.93
Travelling ,conveyance and Transportation	1,510.41	932.83
Communication Costs	58.85	136.52
Printing and Stationery	3.97	5.42
Professional and Consultancy Expenses	1,313.68	1,735.92
Catering Expenses	240.59	338.90
Directors' Sitting Fees	0.89	0.92
Payment to Auditors		
As Auditor		
- Audit fee	34.85	35.64
- Tax audit fee	0.86	0.86
- Limited review	1.88	1.88
In other capacity		
- Taxation matters	0.50	0.50
- Company law matters	-	-
-Management services	-	-
-Other services (Certification Fees)	1.31	1.69
Reimbursement of Expenses	-	-
Exchange Losses(net)	-	121.27
Bad debts/advances written off/Provision for bad debts	-	1,046.36
Corporate Social Responsibility (CSR )Expenditure	-	10.00
Miscellaneous expenses	223.37	524.65
	<b>4,915.01</b>	<b>7,700.13</b>

**22 Fair value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The group categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability. Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

## Financial Instruments by category

Rs. Millions

Particulars	31st March 2017			31st March 2016			1st April 2015		
	FVPL	FVOCI	Amortized Cost	FVPL	FVOCI	Amortized Cost	FVPL	FVOCI	Amortized Cost
<b>Financial Assets</b>									
Investments- Equity Instruments	-	21.97	249.39	-	17.60	143.17	-	28.05	116.00
Trade Receivables	-	-	18,553.59	-	-	23,197.91	-	-	15,941.33
Loans	-	-	783.27	-	-	1,071.61	-	-	1,648.50
Cash and Bank Balances	-	-	943.08	-	-	1,332.06	-	-	1,153.88
Other Financial assets	-	-	308.62	-	-	251.27	-	-	658.27
<b>Total</b>	<b>-</b>	<b>21.97</b>	<b>20,837.95</b>	<b>-</b>	<b>17.60</b>	<b>25,996.02</b>	<b>-</b>	<b>28.05</b>	<b>19,517.98</b>
<b>Financial Liabilities</b>									
Borrowings & other financial liabilities	-	-	149,049.90	-	-	152,091.20	-	-	143,251.66
Trade payables	-	-	7,504.24	-	-	8,126.62	-	-	8,950.02
<b>Total</b>	<b>-</b>	<b>-</b>	<b>156,554.14</b>	<b>-</b>	<b>-</b>	<b>160,217.82</b>	<b>-</b>	<b>-</b>	<b>152,201.68</b>

The fair value of FVOCI equity investments have been derived from market prices of the quoted securities hence fall under level 1 hierarchy of fair valuation.

## Fair value of financial assets and liabilities measured at amortised cost

Rs. Millions

Particulars	31st March 2017		31st March 2016		1st April 2015	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Non current financial assets</b>						
Loans	338.65	338.65	451.59	451.59	778.43	778.43
Other financial assets	118.40	118.40	142.78	142.78	373.28	373.28
<b>Total</b>	<b>457.05</b>	<b>457.05</b>	<b>594.37</b>	<b>594.37</b>	<b>1,151.72</b>	<b>1,151.72</b>
<b>Non current Financial Liabilities</b>						
Borrowings	118,272.10	118,272.10	132,141.89	132,141.89	129,909.70	129,909.70
<b>Total</b>	<b>118,272.10</b>	<b>118,272.10</b>	<b>132,141.89</b>	<b>132,141.89</b>	<b>129,909.70</b>	<b>129,909.70</b>

## 23 Financial risk factors

The Company's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management strategy seeks to minimize adverse effect from the unpredictability of financial markets on the Company's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Company. They review and agree on the policies for managing each of these risks and are summarised as follows:

The main financial risks faced by the Company relate to fluctuations in interest and foreign exchange rates, the risk of default by counterparties to financial transactions and the availability of funds to meet business needs. The management of these risks is set out below.

### Foreign exchange risk

The Company is exposed to foreign exchange risk principally via:

- transactional exposure that arises from the sales / receivables denominated in a currency other than the functional currency of the company

<b>Receivables</b>	<b>Rs. millions</b>	<b>Rs. millions</b>
<b>Currency</b>	<b>2017</b>	<b>2016</b>
USD	3,751.85	3,894.74
EURO	506.01	550.46

- Transactional exposure that arises from the cost of goods sold / payables denominated in a currency other than the functional currency of the Company.

<b>Payables</b>	<b>Rs. millions</b>	<b>Rs. millions</b>
<b>Currency</b>	<b>2017</b>	<b>2016</b>
USD	97.40	274.71
SGD	2.07	10.75
AED	15.94	20.41

- Foreign currency exposure that arises from foreign currency term loans / Working Capital loans (including interest payable) denominated in a currency other than the functional currency of the Company.

<b>Loans incl interest payable</b>	<b>Rs. millions</b>	<b>Rs. millions</b>
<b>Currency</b>	<b>2017</b>	<b>2016</b>
USD	4,440.08	5,812.97

- Cash and cash equivalents held in foreign currency.

<b>Cash &amp; Cash equivalents held in forein currency</b>	<b>Rs. millions</b>	<b>Rs. millions</b>
<b>Currency</b>	<b>2017</b>	<b>2016</b>
USD	229.08	258.13
EURO	0.49	0.84
AED	19.23	9.08

All these unhedged exposures are naturally hedged by future foreign currency earnings.

The impact on the Company financial statements from foreign currency volatility is shown in the sensitivity analysis on the next page.

### Sensitivity analysis

The sensitivity analysis reflects the impact on income and equity due to financial instruments held at the balance sheet date. It does not reflect any change in sales or costs that may result from changing interest or exchange rates.

The following table shows the illustrative effect on the Consolidated Income Statement and equity that would result, at the balance sheet date, from changes in currency exchange rates that are reasonably possible for major currencies where there have recently been significant movements:

<b>Particulars</b>	<b>2017</b>		<b>2016</b>	
	<b>Income Gain/ (Loss) Rs.millions</b>	<b>Equity Gain/ (Loss) Rs.millions</b>	<b>Income Gain/ (Loss) Rs.millions</b>	<b>Equity Gain/ (Loss) Rs.millions</b>
5% appreciation of USD ( 2016: 5%)	(39.28)	-	(109.65)	-
10% appreciation of EURO ( 2016: 10%)	50.60	-	55.05	-
5% appreciation of SGD ( 2016: 5%)	(0.10)	-	(0.54)	-
5% appreciation of AED ( 2016: 5%)	(0.80)	-	(1.02)	-

The following table shows the illustrative effect on the Income Statement and equity that would result, at the balance sheet date, from changes in interest rates that are reasonably possible for term loans with floating interest where there have recently been significant movements:

**Notes to Consolidated IND AS Financial Statements for the year ended 31<sup>st</sup> March 2017**

Particulars	2017	2016
	Income Gain/ (Loss) Rs.millions	Equity Gain/ (Loss) Rs.millions
Increase in LIBOR by 50 basis points	(673.66)	(696.12)
Increase in Bond borrowing by 100 basis points	(15.25)	(37.68)
Increase in rupee lending rate by 100 basis points	(4.69)	(6.46)

A decrease in interest rates and a depreciation of foreign currencies would have the opposite effect to the impact in the table above.

### Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The major classes of financial assets of the Company are bank deposits, trade receivables, amount due from associated company and amounts due from subsidiary corporations. For bank deposits, the Company maintains its cash deposits if any primarily with lenders of the Company or financial institutions with high credit quality to minimise their exposure to the banks.

Due to the nature of the Company's operations, revenue and receivable are typically concentrated amongst a relatively small customer base of oil and gas companies. Customers are government linked based oil and gas corporations. The Company has policies in place to ensure that drilling contracts are with customers of adequate financial standing and appropriate credit history, and where necessary, certain guarantees in form of bank. The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial assets on the balance sheet.

#### (i) Financial assets that are neither past due nor impaired

Bank deposits that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies. Trade receivables that are neither past due nor impaired are substantially receivables from companies with a good collection track record with the Group. Amounts due from subsidiary corporations are neither past due nor impaired.

#### (ii) Financial assets that are past due and/or impaired

There is no other class of financial assets that is past due and/or impaired except for trade receivables. The age analysis of trade receivables that are past due but not impaired is as follows:

Rs. millions		
Particulars	2017	2016
Past Due upto 6 months	5,785.46	8,669.43
Past Due over 6 months	12,768.13	14,528.47

Allowance for impairment of trade receivables arise from customers that are either in financial difficulties and/or have history at default or significant delay in payments which management is of the opinion that payments are not forthcoming as at the end of financial year. In the event that payment is doubtful, the receivables will be recommended for write off.

### Liquidity risk

The drilling operations of the Company requires substantial investment and are dependent on its ability to finance its rig construction and acquisitions and service its bank borrowings as well as other capital and operating requirements and commitments. The Company ensures that arrangements have been made to obtain adequate funds to meet all its operating and capital obligations in the form of continuing committed credit facilities with banks and financial institutions.

The undiscounted cash flows will differ from both the carrying values and fair value. Cash flows in foreign currencies are translated using spot rates at the balance sheet date.

#### As At 31/3/2017

Rs. millions						
Non-drivative financial liabilities	Due within 1 year	Due between 1 and 2 years	Due between 2 and 3 years	Due between 3 and 4 years	Due between 4 and 5 years	Due beyond 5 years
Bank borrowing	16,942.25	14,839.91	11,754.87	10,879.07	10,041.42	70,743.54
Bonds	-	-	-	1,525.48	-	-
Preference Shares	2,810.00	-	-	-	-	-

**As At 31/3/2016**
**Rs. millions**

<b>Non-drivative financial liabilities</b>	<b>Due within 1 year</b>	<b>Due between 1 and 2 years</b>	<b>Due between 2 and 3 years</b>	<b>Due between 3 and 4 years</b>	<b>Due between 4 and 5 years</b>	<b>Due beyond 5 years</b>
Bank borrowing	7,543.32	11,680.41	15,685.78	10,966.35	10,915.17	8,3079.45
Bonds	2,153.13	1,614.84	-	-	-	-
Preference Shares	2,810.00	-	-	-	--	-

**Capital management**

- (a) The Company's objectives when managing capital are to ensure the Company's ability to continue as a going concern and to maintain an optimal capital structure by issuing or redeeming additional equity, borrowings and other instruments when necessary.

As the Company is mainly funded through external borrowings, the objectives of the Board of Directors when managing capital is to ensure that the Group and the Company continue to enjoy the use of funds from borrowings by ensuring that the Company continue to service its debt obligations in the form of interests and principal repayments on due dates in accordance with the borrowing agreements, and to ensure that they remain in compliance with the financial and non-financial covenants in relation to their borrowings.

The Company considers capital to comprise of its equity and borrowings, as follows:

**Rs. millions**

<b>Particulars</b>	<b>2017</b>	<b>2016</b>
Total Equity	26,354.67	36,933.84
Borrowings	120,299.16	134,417.82

**(b) Fair value measurements**

The carrying amounts less impairment provision of trade receivables and payables are assumed to approximate their fair values. The carrying amounts of current borrowings approximate their fair values.

**24 Transition to IndAS**

The transition to IndAS has been carried out from the accounting principles generally accepted in India (Indian GAAP), which is considered as the "Previous GAAP", for purposes of IndAS 101. The preparation of these consolidated financial statements resulted in changes to the Company's accounting policies as compared to most recent annual financial statements prepared under Previous GAAP. Accounting policies have been applied consistently to the preparation of the consolidated IndAS opening statement of financial position as at April 1, 2015 ("Transition Date") for the purpose of the transition to IndAS and as required by IndAS 101.

The Company's consolidated financial statements for the year ended March 31, 2017 are the first annual financial statements prepared in compliance with IndAS. The adoption of IndAS was carried out in accordance with IndAS 101, using April 1, 2015 as the transition date. IndAS 101 requires that all IndAS standards and interpretations that are effective for the first consolidated IndAS Financial Statements for the year ended March 31, 2017, be applied consistently and retrospectively for all fiscal years presented. All applicable IndAS have been applied consistently and retrospectively wherever required. The resulting difference between the carrying amounts of the assets and liabilities in the consolidated financial statements under both IndAS and Previous GAAP as of the Transition Date have been recognized directly in Transition Reserve at the Transition Date.

**Reconciliations:**

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from Previous GAAP to IndAS in accordance with IndAS 101:

- Equity as at April 1, 2015
- Equity as at March 31, 2016
- Profit for the year ended March 31, 2016 and
- Explanation of material adjustments to cash flow statements.

In the reconciliations mentioned above, certain reclassifications have been made to Previous GAAP financial information to align with the IndAS presentation.

**RECONCILIATION OF CONSOLIDATED EQUITY AS AT APRIL 1, 2015**

Rs. In Millions

		As on the date of transition 1st April 2015		
Particulars	Notes to first time adoption	Previous GAAP	Adjustments	Ind AS
ASSETS				
Non-Current Assets				
Property,Plant and Equipment	A	114,640.02	46,420.75	161,060.77
Capital work-in-progress		186.85	-	186.85
Goodwill on Consolidation	B	68,989.67	(59,259.81)	9,729.86
Financial Assets			-	-
(i) Investments	C	131.24	12.81	144.05
(ii) Loans		778.43	-	778.43
(iii) Other financial assets	D	2,570.66	(2,197.38)	373.28
Other non-current assets	D	23.35	11.32	34.67
Total-Non-current assets		187,320.22	(15,012.31)	172,307.91
Current assets				
Inventories		3,786.51	-	3,786.51
Financial Assets			-	-
(ii) Trade receivables		15,941.33	-	15,941.33
(ii) Cash and cash equivalents		1,030.64	(18.02)	1,012.62
(iii) Bank balances other than (ii) above		123.24	18.02	141.26
(iv) Loans		870.07	-	870.07
(v) Other financial assets	E	653.73	(368.74)	284.99
Other current assets	E	0.16	347.38	347.54
Total-current assets		22,405.68	(21.36)	22,384.32
Total- Assets		209,725.90	(15,033.67)	194,692.23
EQUITY AND LIABILITIES				
Equity				
(i) Share Capital	F	2,925.51	(2,810.00)	115.51
Other Equity				
Money received against share warrants		59.63	-	59.63
Reserves and surplus	G	54,025.38	(16,248.28)	37,777.10
Equity attributable to shareholders of the Company		57,010.52	(19,058.28)	37,952.24
Non-controlling interests		0.50	-	0.50
Total-Equity		57,011.02	(19,058.28)	37,952.74
Non-current liabilities				
Financial Liabilities				
(i) Borrowings	H	130,877.51	(967.81)	129,909.70
Employee benefit obligations		17.93	-	17.93
Deferred tax liabilities	I	744.42	3,663.40	4,407.82
Total-Non-Current Liabilities		131,639.86	2,695.59	134,335.45

<b>Current liabilities</b>				
Financial Liabilities				
(i) Borrowings		2,318.73	-	2,318.73
(ii) Trade payables		8,950.02	-	8,950.02
(iii) Other financial liabilities	J	9,694.07	1,329.16	11,023.23
Employee benefit obligations		10.39	-	10.39
Other current liabilities		101.67	-	101.67
Current tax liabilities (Net)		0.14	(0.14)	-
<b>Total-Current Liabilities</b>		<b>21,075.02</b>	<b>1,329.02</b>	<b>22,404.04</b>
<b>Total-Liabilities</b>		<b>152,714.88</b>	<b>4,024.61</b>	<b>156,739.49</b>
<b>Total-Equity and Liabilities</b>		<b>209,725.90</b>	<b>(15,033.67)</b>	<b>194,692.23</b>

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

**RECONCILIATION OF CONSOLIDATED EQUITY AS AT MARCH 31, 2016**
**Rs. In Millions**

<b>Particulars</b>	<b>As on the date of transition 31st March 2016</b>		
	<b>Previous GAAP</b>	<b>Adjustments</b>	<b>IND AS</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	115,371.47	46,283.34	161,654.81
Goodwill	73,134.91	(62,820.46)	10,314.45
Financial Assets			
(i) Investments	157.38	3.39	160.77
(ii) Loans	2,073.44	(1,621.85)	451.59
(iii) Other financial assets	174.78	(32.00)	142.78
Other non-current assets	10.08	32.00	42.08
<b>Total-Non-current assets</b>	<b>190,922.06</b>	<b>(18,155.58)</b>	<b>172,766.48</b>
<b>Current assets</b>			
Inventories	4,087.10	-	4,087.10
Financial Assets			
(i) Trade receivables	23,197.91	-	23,197.91
(ii) Cash and cash equivalents	1,228.58	-	1,228.58
(iii) Bank balances other than above (ii) above	103.47	-	103.47
(iv) Loans	822.90	(202.88)	620.02
(v) Other financial assets	260.59	(152.10)	108.49
Other current assets	28.60	150.15	178.75
<b>Total-current assets</b>	<b>29,729.15</b>	<b>(204.83)</b>	<b>29,524.32</b>
<b>Total- Assets</b>	<b>220,651.21</b>	<b>(18,360.41)</b>	<b>202,290.80</b>
<b>EQUITY AND LIABILITIES</b>			

**Notes to Consolidated IND AS Financial Statements for the year ended 31<sup>st</sup> March 2017**

<b>Equity</b>			
(i) Share Capital	2,926.73	(2,810.00)	116.73
Other Equity			
Reserves and surplus	57,545.77	(20,729.29)	36,816.48
<b>Equity attributable to shareholders of the Company</b>	<b>60,472.50</b>	<b>(23,539.29)</b>	<b>36,933.21</b>
Non-controlling interests	0.63	-	0.63
<b>Total-Equity</b>	<b>60,473.13</b>	<b>(23,539.29)</b>	<b>36,933.84</b>
<b>Non-current liabilities</b>			
Financial Liabilities			
(i) Borrowings	133,706.73	(1,564.84)	132,141.89
Employee benefit obligations	11.05	-	11.05
Deferred tax liabilities	852.02	3,556.88	4,408.90
<b>Total-Non-Current Liabilities</b>	<b>134,569.80</b>	<b>1,992.04</b>	<b>136,561.84</b>
<b>Current liabilities</b>			
Financial Liabilities			
(i) Borrowings	2,275.93	-	2,275.93
(ii) Trade payables	8,126.62	-	8,126.62
(iii) Other financial liabilities	14,486.54	3,186.84	17,673.38
Employee benefit obligations	27.73	-	27.73
Other current liabilities	300.37	-	300.37
Current tax liabilities (Net)	391.09	-	391.09
<b>Total-Current Liabilities</b>	<b>25,608.28</b>	<b>3,186.84</b>	<b>28,795.12</b>
<b>Total-Liabilities</b>	<b>160,178.08</b>	<b>5,178.88</b>	<b>165,356.96</b>
<b>Total-Equity and Liabilities</b>	<b>220,651.21</b>	<b>(18,360.41)</b>	<b>202,290.80</b>

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

**RECONCILIATION OF CONSOLIDATED TOTAL COMPREHENSIVE INCOME FOR THE YEAR ENDED MARCH 31, 2016**

**Rs. In Millions**

Particulars Continuing Operations	for the year ended 31st March 2016		
	Previous GAAP	Adjustments	IND AS
<b>Income</b>			
Revenue from operations	33,345.53	-	33,345.53
Other income	193.65	-	193.65
<b>Total Income</b>	<b>33,539.18</b>	<b>-</b>	<b>33,539.18</b>
<b>Expenses</b>			
Consumption of stores,spares,power and fuel	1,692.73	-	1,692.73
Employee benefits expense	5,036.29	(2.36)	5,033.93
Finance Costs	9,751.61	628.53	10,380.14
Depreciation and amortization expense	6,615.03	2,403.25	9,018.28

Other expenses	7,700.13	-	7,700.13
<b>Total expenses</b>	<b>30,795.79</b>	<b>3,029.42</b>	<b>33,825.21</b>
<b>Profit/(Loss) before exceptional items and tax</b>	<b>2,743.39</b>	<b>(3,029.42)</b>	<b>(286.03)</b>
Less : Exceptional items			
<b>Profit/(Loss) before tax before share in earnings of associate</b>	<b>2,743.39</b>	<b>(3,029.42)</b>	<b>(286.03)</b>
Share of profit of associate	20.05	-	20.05
<b>Profit/(Loss) before tax from continuing operations</b>	<b>2,763.44</b>	<b>(3,029.42)</b>	<b>(265.98)</b>
<b>Tax expense</b>			
Current tax	2,143.18	-	2,143.18
Deferred tax	107.59	(106.53)	1.06
<b>Total tax expense</b>	<b>2,250.77</b>	<b>(106.53)</b>	<b>2,144.24</b>
<b>Profit/(Loss) for the year after tax from continuing operations</b>	<b>512.67</b>	<b>(2,922.89)</b>	<b>(2,410.22)</b>
<b>Profit/(loss) for the year</b>	<b>512.67</b>	<b>(2,922.89)</b>	<b>(2,410.22)</b>
<b>Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to profit or loss			
Exchange differences on translation of foreign operations	1,478.26		1,478.26
Net loss/(gain) on FVTOCI non current investments			
(ii) Income tax relating to items that will not be reclassified to profit or loss			
<b>B (i) Items that will be reclassified to profit or loss</b>			
Exchange differences on translation of foreign operations			
Net gain/ (loss) on FVTOCI non current investments	-	(10.46)	(10.46)
Expected return on Plan assets & Net Actuarial gain/ (loss) recognised - Employee Benefits	-	(2.36)	(2.36)
Other Comprehensive Income for the year, net of tax	1,478.26	(12.82)	1,465.44
<b>Total Comprehensive Income for the year</b>	<b>1,990.93</b>	<b>(2,935.71)</b>	<b>(944.78)</b>

**EXPLANATION OF MATERIAL ADJUSTMENTS TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31 2016**

Statement of Material Adjustments to the Cash Flow Statement for the Year ended	
	There are no material adjustments to the Cash Flow Statement under IndAS The transition from Indian GAAP to IndAS did not change any cash flows of the company. The Format and Presentation of the above Cash Flow Statement is in line with the requirements of IndAS 7 as follows:
1	Bank overdrafts which are repayable on demand are included as a part of cash and cash equivalents
2	Interest paid has been classified under cash flows from financing activities
3	Interest and dividends received have been classified under cash flows from investing activities.
4	Dividends paid have been classified under cash flows from financing activities
5	Cash flows from transactions in foreign currency have been recorded in the functional currency by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the cash flow.

## **A Property, plant and equipment:**

As per 'the deemed cost' exception given in paragraphs D5 and D6 to IndAS 101, any item of property, plant and equipment can be measured at the date of transition to Ind ASs at its fair value or at revalued amount. The Previous GAAP revalued amount can be considered as deemed cost if the revaluation was, at the date of the revaluation, broadly comparable to either the fair value or cost or depreciated cost in accordance with IndAS.

In accordance with above, upon transition to IndAS, the various items of Property, plant and equipment have been valued as follows:

- Assets amounting to Rs. 19,751 million have been measured at Fair Market Value and the fair market value has been considered to be the 'deemed cost' of these assets.
- Assets amounting to Rs. 140,716 million have been revalued in accordance with IndAS and the revalued amounts have been considered to be the 'deemed cost' of these assets.

The above changes have led to an increase in the total value of tangible fixed assets from Rs.114,640.02 million as per IGAAP to Rs.161,060.77 million as per IndAS. This difference of Rs.46,420.75 million has been recognized in Equity on transition.

## **B Intangible Assets**

As per paragraph C4 (g) of appendix C to IndAS 101, the carrying amount of Goodwill in the opening IndAS Balance sheet can be the previous GAAP carrying amount less any impairment loss, by applying IndAS 36 in testing the goodwill for impairment at the date of transition.

Goodwill on acquisition of subsidiaries has been recognized in the consolidated financial statements as an intangible asset and it is measured on the date of acquisition applying the principles of IndAS retrospectively.

This has resulted in decrease in the value of Goodwill from Rs.68,989.67 million as per Previous GAAP to Rs. 9,729.88 million as per IndAS.

The above difference of Rs. 59,259.81 million has been deducted from equity on transition.

## **C Non-Current Investments**

As per Indian GAAP, Non-Current investments are carried at cost. However the same need to be fair valued as per IndAS 101. As per Appendix D paragraph D19B of IndAS 101, "An entity may designate an investment in an equity instrument as at fair value through other comprehensive income in accordance with paragraph 5.7.5 of IndAS 109 on the basis of the facts and circumstances that exist at the date of transition to IndAS."

The Aggregate carrying value of quoted investments as per Indian GAAP as on April 1, 2015 was Rs.131.24 million. However the Fair Market value of these investments as on the same date was Rs.144.05 million. Hence, the value of non-current investments has increased as per IndAS to the extent of this difference of Rs.12.81 million.

The above difference of Rs.12.81 million has also been recognized in Equity on transition.

## **D Other Non current assets**

As per Indian Accounting Standard (IndAS) 109 Financial Instruments, "The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The effective interest rate is a rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, an entity shall estimate the expected cash flows by considering all the contractual terms of the financial instrument but shall not consider the expected credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

As per Indian GAAP, the transaction costs or issue / processing costs incurred for various loans / advances were charged off as expense at the time of incurrence. However, as per IndAS 109 (quoted above), these transaction costs need to be amortized over the period of the loan.

As on April 1, 2015, the prepaid upfront processing charges amounting to Rs.2,186.03 million were included in Long Term Loans and Advances as per Indian GAAP.

However, as per IndAS, since the same has already been included in the workings for amortization of loan issue costs, this prepaid amount of Rs.2,186.03 million has been reversed.

The above difference of Rs.2,186.03 million has been deducted from Equity on transition.

#### **E Other current assets:**

The short term component of prepaid upfront processing charges (as per Note D above) amounting to Rs.21.36 million were included in Short Term Loans and Advances as per Indian GAAP.

These have been reversed and also deducted from Equity on transition.

#### **F Share Capital**

IndAS 32 requires the issuer of a financial instrument to classify the instrument as a liability or equity on initial recognition, in accordance with its substance and the definitions of these terms. The application of this principle requires certain instruments that have the form of equity to be classified as liability. For example, under IndAS 32, mandatorily redeemable preference shares on which a fixed dividend is payable are treated as a liability. Under Indian GAAP, classification is normally based on form rather than substance.

As on April 1, 2015, the Redeemable Preference Share Capital was Rs.2,810.00 Million. This was classified under Equity Share Capital as per Indian GAAP. However, as per IndAS, the same needs to be classified as Debt Liability.

Hence the amount of Rs.2,810.00 million has been reduced from the total Share Capital of Rs.2,925.51 million. This leaves only the Equity Share Capital of Rs.115.51 million as on April 1, 2015.

#### **G Reserves and Surplus**

As on April 1, 2015, the "Reserves & Surplus" amount as per Indian GAAP was Rs.54,025.38. With the adoption of various IndAS as on the Transition date, the amounts of Various Assets and Liabilities have undergone adjustments.

These adjustments have been detailed in the various explanatory notes forming part of this report. All these adjustments have cumulatively impacted the "Other Equity" on transition.

#### **H Long Term Borrowings**

- i) As per IndAS 32 (quoted under Note No. 6 above), mandatorily redeemable preference shares on which a fixed dividend is payable are treated as a liability / debt.

As on April 1, 2015, the Redeemable Preference Share Capital was Rs.2,810.00 Million. This was classified under Equity Share Capital as per Indian GAAP. However, as per IndAS, the same needs to be classified as Debt Liability. Accordingly, the preference shares redeemable after one year have been reclassified under Long Term Borrowings. The details are as follows:

Preference Shares	Millions Units	In Rs. Millions
Redeemable on 16-06-2016	60	600
Redeemable on 03-08-2016	20	200
<b>Total</b>	<b>80</b>	<b>800</b>

- ii) As per Indian GAAP, the transaction costs or issue / processing costs incurred for Term Loans have been charged off as expense at the time of incurrence. However, as per IndAS 109 (refer the text extract of this IndAS in Note no.4 above), these transaction costs need to be amortised over the period of the loan. Also, for calculating these amortised amounts, the effective interest rate has been worked out for every Term Loan.

The long term component of these processing costs which have been adjusted from Long Term Borrowings as on April 1, 2015 is Rs. 1,767.81 million.

Since the adjustment number (i) above is merely a reclassification of Liability, the same will not affect the Other Equity. The remaining amount of Rs. 1,767.81 million has been recognized in Equity on transition.

## **I Deferred Tax Liabilities**

Deferred tax is provided in full for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

As on April 1, 2015 the deferred tax liability already calculated on timing differences between depreciation as per Companies Act compared to Depreciation allowable as per Income Tax Act was Rs.744.42 million.

With the adoption of IndAS, there are various adjustments to the amounts of assets and liabilities (which have been identified under various notes in this document). These adjustments will also have an impact on the tax of the Company as per Indian Income Tax laws. The identified difference between the IndAS balance sheet amounts as compared to the Income Tax Balance Sheet amounts as on April 1, 2015 is Rs.12,972.09 million. This would impact the deferred tax liability to the extent of Rs.3,663.40 million. With this addition the total deferred tax liability has increased to Rs.4,407.82 million.

The above difference of Rs.3,663.40 million has been deducted from Equity on transition.

## **J Other financial liabilities**

- (i) As per IndAS 32 (quoted under Note No. 5 above), mandatorily redeemable preference shares on which a fixed dividend is payable are treated as a liability / debt.

As on April 1, 2015, the Redeemable Preference Share Capital was Rs. 2,810.00 Million. This was classified under Equity Share Capital as per Indian GAAP. However, as per IndAS, the same needs to be classified as Debt Liability.

Accordingly, the preference shares redeemable in the next one year have been reclassified under Short Term Borrowings. The details are as follows:

<b>Short Term Classification</b>		
<b>Preference Shares</b>	<b>Millions Units</b>	<b>In Rs. Millions</b>
Redeemable on 29-12-2014	55.00	550.00
Redeemable on 28-02-2015	40.00	400.00
Redeemable on 30-03-2015	61.00	610.00
Redeemable on 16-06-2015	45.00	450.00
<b>Total</b>	<b>201.00</b>	<b>2010.00</b>

- (ii) As per Indian GAAP, the transaction costs or issue / processing costs incurred for Term Loans have been charged off as expense at the time of incurrence. However, as per IndAS 109 (refer the text extract of this IndAS in Note no.3 above), these transaction costs need to be amortised over the period of the loan. Also, for calculating these amortised amounts, the effective interest rate has been worked out for every Term Loan.

As on April 1, 2015, the short term component of these processing costs which have been adjusted from other Current Liabilities as on April 1, 2015 is Rs.430.35 million.

- (iii) As per IndAS 10, if an entity declares dividends to holders of equity instruments (as defined in IndAS 32, Financial Instruments: Presentation), after the reporting period, the entity shall not recognize those dividends as a liability at the end of the reporting period. The dividends, declared after the reporting period but before the financial statements are approved for issue, are not recognized as a liability at the end of the reporting period because no obligation exists at that time.

Such dividends are however, disclosed in the notes in accordance with IndAS 1 (Presentation of Financial Statements).

Currently, dividend proposed after the date of the financial statements but prior to the approval of financial statements is considered as an adjusting event, and a provision for dividend payment is recognized in the financial statements of the period to which the dividend relates. Under IndAS, dividend declaration is considered as a non-adjusting subsequent event and provision for dividends is recognized only in the period when the dividend is declared and approved.

As on April 1, 2015, the Proposed Equity dividend was Rs.207.92 million and the tax on proposed equity dividend was Rs.42.56 million.

This was provided for under the heading "short term provisions" as per Indian GAAP. However, since the same cannot be recognized as per IndAS, the total amount of Rs.250.48 million has been reduced from Short Term Provisions.

The above difference of Rs.250.48 million has been recognized in Equity on transition.

## 25. Earnings per share (EPS)

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

	Year ended 31st March 2017 Rs. millions	Year ended 31st March 2016 Rs.millions
Loss for the year	(10,408.33)	(2,410.22)
	(10,408.33)	(2,410.22)
	No. millions	No. millions
Weighted average number of equity shares in calculating basic EPS	58.36	58.36
<b>Effect of dilution:</b>		
Stock options/Share Warrants Outstanding less number of shares that would have been issued at par value.	*	-
<b>Weighted average number of equity shares in calculating diluted EPS</b>	<b>58.36</b>	<b>58.36</b>
Earning per share (basic in Rs)	(178.35)	(41.30)
Earning per share (diluted in Rs)	(178.35)	(41.30)

\*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 31.03.2017 and are ignored in the calculation of diluted earnings per share as required under the Accounting Standard.

## 26. 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

## 27. 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.

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 2016: 1.84 Million equity shares of Rs.2 each)-Options lapsed during the year Nil (up to 31st March 2016: 0.286 million equity shares of Rs.2 each)-Options exercised during the year- Nil (up to 31st March 2016: 0.160 million equity shares of Rs.2 each)-Options outstanding at the end of year :1.396 million equity shares of Rs.2 each (up to 31st March 2016: 1.396 million equity shares of Rs.2 each)-Options yet to be granted under the scheme: 0.288 million (31st March 2016: 0.288 million equity shares of Rs.2 each).

**Notes to Consolidated IND AS Financial Statements for the year ended 31<sup>st</sup> March 2017**

**28. 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 2017	Proportion of ownership interest 31st March 2016
Frontier Offshore Exploration (India) Limited	India	Joint Venture	25%	25%
Belati Oilfield Sdn Bhd	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:

	31st March 2017 Rs. millions	31st March 2016 Rs.millions
Assets-As at	126.16	130.51
Liabilities-As at	(3.31)	(7.19)
Revenue for the year ended	6.40	1,088.53
Net Profit for the year ended	2.20	20.05

**29 Segment information**

A. The Company's identifiable 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.

Primary Segment information Business Segment	31st March 2017		31st March 2016	
	Rs. millions	Rs.millions	Rs. millions	Rs.millions
1. Segment revenue				
- Drilling	17,580.82		33,440.07	
- Wind energy	147.14	17,727.96	99.11	33,539.18
2. Segment results				
- Drilling	1,913.13		8,992.28	
- Wind energy	(3.48)		(52.18)	
	1,909.65		8,940.10	
less: Interest	(10,597.78)	(8,702.08)	(9,226.13)	(286.03)
3. Segment assets				
- Drilling	187,082.22		201,983.51	
- Wind energy	194.83	187,277.05	307.31	202,290.82
4. Segment liabilities				
- Drilling	160,898.51		165,361.33	
- Wind energy	23.87	160,922.38	(4.37)	165,356.96
5. Depreciation				
- Drilling	7,011.59		8,976.61	
- Wind energy	-	7,011.59	41.67	9,018.28
6. Capital expenditure including Capital Work In progress				
- Drilling	516.50		9,839.49	
- Wind energy	-	516.50	34.97	9,874.46



## Aban Offshore Limited

Notes to Consolidated IND AS Financial Statements for the year ended 31<sup>st</sup> March 2017

---

### 30 Related Party disclosure:

#### 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)

#### 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

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 Holdings Pte Ltd, (WOS) of AOL

Belati Oilfield Sdn Bhd, 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  | - | Dy. Managing Director                             |
| (iii) | Mr.C.P.Gopalkrishnan | - | Dy. Managing Director and Chief Financial Officer |

##### b. Relative of Key Management Personnel — Mrs. Deepa Reji Abraham - Director

Related party transactions during the year

Nature of transaction	Key Management Personnel/Relative	
	31st March 2017 Rs. millions	31st March 2016 Rs.millions
1. Rent paid	5.17	4.66
2. Remuneration	197.53	255.81
3. Interest received/(paid)	-	(0.41)
4. Dividend paid	-	34.80
5. Loan taken/(repaid)	-	(180.00)
6. Allotment of Shares	-	1.22
7. Amount outstanding as at 31st March 2017		
-Payable	72.12	108.86

#### Other transactions

Personal guarantee given by Managing Director of the Company to banks towards availment of Loan and non-fund based facilities-Rs 15,906.50 million (31st March 2016 : Rs 16,251 million)

### 31.Capital and other commitments

	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs.millions
Capital and Other commitments not provided for	551.51	161.95

### 32. Contingent Liabilities

	As at 31st March 2017 Rs. millions	As at 31st March 2016 Rs.millions
(a) Guarantees given by banks on behalf of the company	1,575.71	2,556.39

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

#### As at 31st March 2017:

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

(ii) In respect of Income Tax matters :

Income Tax demand relating to the period 2002 – 2006 amounting to INR 556.40 million pending before High Court of Madras;

Income Tax demand relating to the period 2008 – 2009 amounting to INR 103.10 million pending before Commissioner of Income Tax (Appeals);

Income Tax demand relating to the period 2006 – 2008 amounting to INR 396.17 million pending before Income Tax Appellate Tribunal;

Income Tax demand relating to the period 2008 – 2009 amounting to INR 418.38 million pending before the Income Tax Appellate Tribunal.

Income Tax demand relating to the period 2009 – 2010 amounting to INR 812 million pending before Income Tax Appellate Tribunal.

Income tax demand relating to the period 2010-2011 amounting to INR 1907.90 Million pending before Income Tax Appellate Tribunal.

Income tax demand relating to the period 2011-2012 amounting to INR 854.33 Million pending before Income Tax Appellate Tribunal.

(iii) In respect of Service Tax matters:

Service Tax demand relating to the year 2007 amounting to INR 17.36 million pending before Supreme Court.

Service Tax demand relating to the year 2011 amounting to INR 78.72 million pending before the CESTAT ,Chennai.

Service Tax demand relating to the year 2010 amounting to INR 16.32 million pending before the CESTAT ,Chennai.

Service Tax demand relating to the period 2011 – 2012 amounting to INR 18.94 million pending before the CESTAT ,Chennai.

Service Tax demand relating to the period 2012 – 2014 amounting to INR 36.78 million pending before the CESTAT ,Chennai.

Service Tax demand relating to the period 2014 – 2015 amounting to INR 79.80 million pending before the CESTAT ,Chennai.

Service Tax demand relating to the period 2005 – 2011 amounting to INR 37.31 million pending before the CESTAT ,Chennai.

Service Tax demand relating to the period 2012 – 2014 amounting to INR 236.49 million pending before the CESTAT ,Chennai.

Service Tax demand relating to the period 2008 – 2010 amounting to INR 605.75 million pending before the CESTAT ,Mumbai.

Service Tax demand relating to the period 2009 – 2012 amounting to INR 166.89 million pending before the CESTAT ,Mumbai.

(iv) In respect of Customs duty matter:

Customs Duty demand relating to the period 2015-2016 amounting to INR 107.90 million pending before Honble' High Court of Mumbai.

Customs Duty demand relating to the period 2016-2017 amounting to INR 916.00 million for which company is intending preferring an appeal before CESTAT.

(v) In respect of Sales Tax matter:

Sales Tax demand for the period 2010-11 amounting to INR 984.90 million pending before Appellate Authority.

Sales Tax demand for the period 2012-13 amounting to INR 459.75 million for which company is in the process of preferring an appeal with Appellate Authority.

**As at 31st March 2016:**

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

(ii) In respect of Income Tax matters :

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

Income tax demand relating to the period 2010-2011 amounting to INR 1907.90 Million pending before Income Tax Appellate Tribunal.

(iii) In respect of Service Tax matters:

Service Tax demand relating to the year 2007 amounting to INR 17.36 million pending before Supreme Court.

Service Tax demand relating to the year 2011 amounting to INR 78.72 million pending before the CESTAT ,Chennai.

Service Tax demand relating to the year 2010 amounting to INR 16.32 million pending before the CESTAT ,Chennai.

Service Tax demand relating to the period 2011 – 2012 amounting to INR 18.94 million pending before the CESTAT ,Chennai.

Service Tax demand relating to the period 2012 – 2014 amounting to INR 236.49 million pending before the CESTAT ,Chennai.

Service Tax demand relating to the period 2008 – 2010 amounting to INR 605.75 million pending before the CESTAT ,Mumbai.

(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.

33. 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

**Notes to Consolidated IND AS Financial Statements for the year ended 31<sup>st</sup> March 2017**

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.

**34. 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 2017</b> <b>Rs. millions</b>	<b>31st March 2016</b> <b>Rs. millions</b>
Within one year	32.36	59.76
After one year but not more than two years	0.97	33.79
More than five years	-	0.99
	<u><b>33.33</b></u>	<u><b>94.54</b></u>

**35. Additional Information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary**

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. millions	As % of consolidated Profit or Loss	Amount Rs. millions
Parent				
Aban Offshore Limited	155.11	40,879.90	(20.45)	2,201.23
Subsidiaries				
Indian				
Aban Energies Limited	(0.15)	(40.09)	0.12	(12.56)
Radhapuram wintech Private Limited*	-	-	0.00-	(0.38)
Aban Greenpower Private Limited*	-	-	0.03	(3.26)
Foreign				
Aban Holdings Pte Ltd, Singapore	0.66	175.21	4.54	(471.86)
Aban Singapore Pte Ltd, Singapore	(29.24)	(7,705.23)	(6.46)	671.02
Aban Abraham Pte Ltd, Singapore	(14.93)	(3,935.21)	21.89	(2,275.75)
Aban 7 Pte Ltd, Singapore	(15.46)	(4,073.56)	4.59	(477.48)
Aban 8 Pte Ltd, Singapore	28.84	7,601.63	5.90	(613.67)
Aban Pearl Pte Ltd, Singapore	(17.70)	(4,666.09)	0.00	(0.44)
Aban International Norway AS, Norway	(35.79)	(9,432.77)	4.14	(430.27)
Aban Labuan Pvt Ltd Malaysia	0.47	125.08	0.03	(3.02)
Deep Drilling Invest Pte Ltd, Singapore	(212.22)	(55,929.68)	18.05	(1,876.25)
Deep Drilling 1 Pte Ltd, Singapore	19.92	5,249.81	9.36	(972.78)
Deep Drilling 2 Pte Ltd, Singapore	60.94	16,061.12	1.67	(173.51)



## Aban Offshore Limited

### Notes to Consolidated IND AS Financial Statements for the year ended 31<sup>st</sup> March 2017

Deep Drilling 3 PteLtd,Singapore	53.67	14,144.38	10.62	(1,103.51)
Deep Drilling 4 PteLtd,Singapore	56.57	14,910.05	(2.74)	284.73
Deep Drilling 5 PteLtd,Singapore	36.91	9,727.59	11.57	(1,202.94)
Deep Drilling 6 PteLtd,Singapore	5.60	1,474.96	13.52	(1,405.08)
Deep Drilling 7 PteLtd,Singapore	6.97	1,836.91	11.15	(1,158.95)
Deep Drilling 8 PteLtd,Singapore	6.47	1,706.31	11.07	(1,150.86)
Deep Driller Mexico S de RL De CV, Mexico	(7.13)	(1,878.46)	2.13	(221.01)
Minority Interest	-	-	-	-
Associates (Investment as per Equity Method)	0.47	122.79	(0.02)	2.20

\* Ceased to be subsidiaries effective December 26, 2016

### 36. Details of Specified Bank Notes held and transacted during the period from 8th November, 2016 to 30th December, 2016:

Rs. In Million			
Particulars	Specified Bank Notes	Other Denomination Notes	Total Amount
Closing cash in hand as on 8th November 2016	0.48	0.10	0.57
(+) Permitted Receipts	-	2.23	2.23
(-) Permitted Payments	-	2.11	2.11
(-) Amount Deposited in Banks	0.47	-	0.47
<b>Closing cash in hand as on 30th December 2016</b>	<b>-</b>	<b>0.22</b>	<b>0.22</b>

### 37. 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.LLP  
Chartered Accountants  
ICAI - Registration No.102860W/W100089

**Ramaswamy Subramanian**  
Partner  
Membership No: 016059  
Place: Chennai  
Date : May 29, 2017

*For and on behalf of the Board*

**Reji Abraham**  
Managing Director

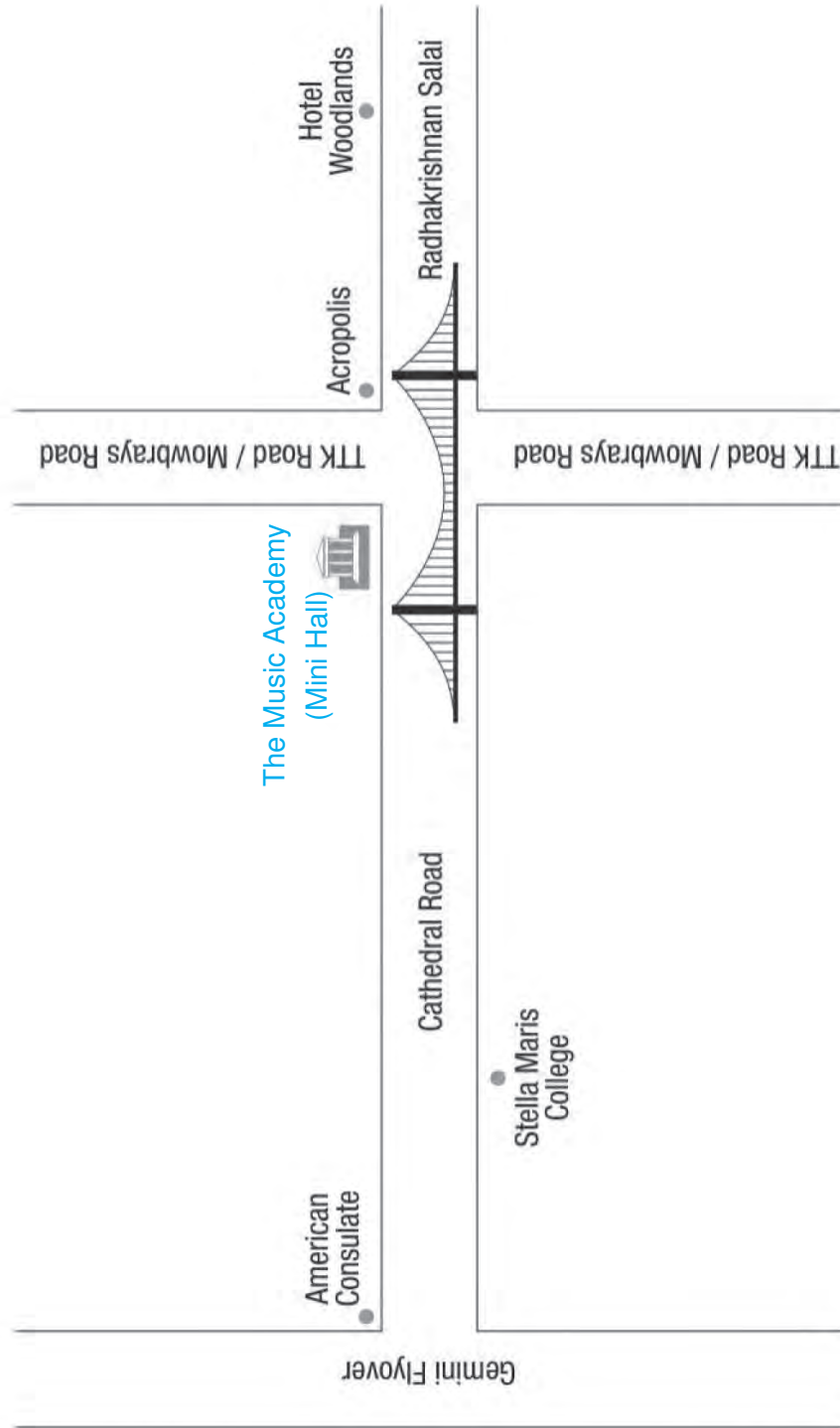
**C.P.Gopalkrishnan**  
Dy. Managing Director & Chief Financial Officer

**S.N. Balaji**  
Asst. General Manager (Legal) & Secretary

**Financial Highlights- 10 years at a glance (Consolidated)**

PARTICULARS	2016-17 (Rs.Millions)	2015-16 (Rs.Millions)	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)
<b>STATEMENT OF PROFIT &amp; LOSS ACCOUNT</b>										
Income from Operation & Other Income	17,727.96	33,539.18	40,851.97	39,671.17	36,993.64	32,266.87	33,732.04	33,804.68	34,543.61	21,350.09
<b>Profit before Finance Cost , Tax, Depreciation and Amortisation</b>	<b>9,214.37</b>	<b>19,112.38</b>	<b>24,231.71</b>	<b>22,347.58</b>	<b>20,125.86</b>	<b>19,061.83</b>	<b>20,930.88</b>	<b>18,814.16</b>	<b>21,369.83</b>	<b>11,605.68</b>
Finance Cost	10,904.86	10,380.14	10,910.02	11,406.25	11,884.49	9,890.85	9,335.97	9,768.22	8,553.03	6,658.47
Depreciation/Exceptional Items/Amortisation	7,011.59	9,018.28	5,979.52	5,483.77	4,909.47	5,160.41	8,280.01	4,615.56	6,014.72	3,140.40
<b>Profit before Tax</b>	<b>(8,702.08)</b>	<b>(266.03)</b>	<b>7,342.18</b>	<b>5,457.55</b>	<b>3,331.90</b>	<b>4,010.57</b>	<b>3,314.90</b>	<b>4,430.39</b>	<b>6,802.07</b>	<b>1,806.81</b>
Tax	1,708.45	2,144.24	1,937.58	1,545.26	1,418.24	795.38	2,530.86	2,570.74	2,507.66	1,430.12
<b>Profit after Tax</b>	<b>(10,410.53)</b>	<b>(2,430.27)</b>	<b>5,404.60</b>	<b>3,912.29</b>	<b>1,913.66</b>	<b>3,215.19</b>	<b>784.04</b>	<b>1,859.65</b>	<b>4,294.41</b>	<b>376.69</b>
Minority Interest	-	-	-	-	-	-	-	-	3.51	(0.11)
Share of profit/(loss) of associate	2.20	20.05	44.82	18.36	25.07	-	665.41	1,250.39	1,116.03	853.08
<b>Profit after Tax and Minority Interest</b>	<b>(10,408.33)</b>	<b>(2,410.22)</b>	<b>5,449.42</b>	<b>3,930.65</b>	<b>1,938.73</b>	<b>3,215.19</b>	<b>1,449.45</b>	<b>3,110.03</b>	<b>5,406.93</b>	<b>1,229.88</b>
<b>BALANCE SHEET</b>										
Non Current Assets (including Net Fixed Assets)	162,747.20	172,605.71	183,839.90	178,727.83	164,398.75	157,718.96	139,726.19	153,644.92	175,603.52	126,246.93
Investment	271.36	160.77	131.24	83.27	62.17	34.06	153.46	4,950.56	5,750.52	6,390.86
Net Current Assets	5,579.81	13,459.74	14,380.87	9,069.41	5,231.26	6,266.45	11,998.66	5,287.67	2,964.11	6,573.12
<b>Total Assets</b>	<b>168,598.37</b>	<b>186,226.22</b>	<b>198,352.01</b>	<b>187,880.51</b>	<b>169,692.18</b>	<b>164,019.47</b>	<b>151,876.30</b>	<b>163,883.15</b>	<b>184,318.14</b>	<b>139,210.91</b>
Share Holders Fund	26,354.67	36,933.84	57,011.02	41,662.53	32,837.28	28,616.45	21,337.72	21,806.51	17,447.83	8,123.27
Borrowings (including current maturities of long term borrowings)	138,024.26	144,883.48	140,596.57	145,608.81	136,467.37	135,134.46	130,248.65	141,641.00	166,354.78	130,433.99
Deferred Tax Liability	4,219.44	4,408.90	744.42	609.17	387.52	288.56	291.93	435.65	515.53	653.65
<b>Total Liabilities</b>	<b>168,598.37</b>	<b>186,226.23</b>	<b>198,352.01</b>	<b>187,880.51</b>	<b>169,692.18</b>	<b>164,019.47</b>	<b>151,876.30</b>	<b>163,883.15</b>	<b>184,318.14</b>	<b>139,210.91</b>
Return on Networth	-39.49%	-6.53%	9.56%	9.43%	5.90%	11.24%	6.79%	14.26%	30.99%	15.14%
EPS (Basic)-Rs.	(178.35)	(41.30)	96.50	82.78	37.16	67.16	25.86	69.84	134.65	24.85
EPS (Diluted)-Rs.	(178.35)	(41.30)	95.78	82.78	37.01	66.68	25.71	68.77	134.05	24.31
Debt Equity Ratio	5.24	3.92	2.47	3.49	4.16	4.72	6.10	6.50	9.53	16.06

## Route Map for AGM Venue





**ABAN OFFSHORE LIMITED**

CIN: L01119TN1986PLC013473

Registered Office: Janpriya Crest, 113, Pantheon Road, Egmore, Chennai – 60 0008

Tel: 91 (044) 49060606 : Fax: 91 (044) 28195527 e-mail :ir@aban.com

**ATTENDANCE SLIP**

Name & Address of the Shareholder	Folio No :
	DP ID :
	Client ID :
	No. of share held :

I hereby certify that I am a member / proxy appointed by the member\* of the Company and record my presence at the 31st Annual General Meeting of the Company, to be held on Monday, September 11, 2017 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

Name & Address of the Shareholder	Signature of the Member(s) / Proxy*

\* Strike Out whichever is not applicable.

Note: Please fill up this attendance slip and hand over at the entrance of the meeting hall.

**ABAN OFFSHORE LIMITED**

CIN: L01119TN1986PLC013473

Registered Office: Janpriya Crest, 113, Pantheon Road, Egmore, Chennai – 60 0008

Tel: 91 (044) 49060606 : Fax: 91 (044) 28195527 e-mail :ir@aban.com

**Proxy Form - Form MGT-11**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]  
31st Annual General Meeting – September 11, 2017

Name of the Member(s): \_\_\_\_\_

Registered address: \_\_\_\_\_

E-mail id: \_\_\_\_\_

Folio No./DP ID & Client ID No/: \_\_\_\_\_

I/We, being the member (s) holding \_\_\_\_\_ shares of the  
Aban Offshore Limited, hereby appoint



## Aban Offshore Limited



1. Name: \_\_\_\_\_

Address: \_\_\_\_\_

e-mail id : \_\_\_\_\_

Signature : \_\_\_\_\_ or failing him/her

2. Name : \_\_\_\_\_

Address : \_\_\_\_\_

e-mail id : \_\_\_\_\_

Signature : \_\_\_\_\_ or failing him/her

3. Name : \_\_\_\_\_

Address : \_\_\_\_\_

e-mail id : \_\_\_\_\_

Signature : \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31st Annual General Meeting of the Company, to be held on Monday, September 11, 2017 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 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	For	Against	Abstain
1	Adoption of Audited Financial Statement for the year ended 31st March 2017 together with the reports of the Board of Directors and Auditors thereon.			
2	Reappointment of Mr.C.P.Gopalkrishnan (DIN: 00379618) as a Director liable to retire by rotation			
3	To appoint M/s. P.Murali & Co., Chartered Accountants as Statutory Auditors.			
4	Appointment of Mr. Reji Abraham (DIN: 00210557) Managing Director and fixing the remuneration			
5	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.			
6	Consent for issue of securities to Qualified Institutional Buyers.			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

Signature of the Member(s): \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_

Affix Re. 1  
Revenue Stamp  
& Sign across  
the Stamp

### Notes:

- The proxy form to be effective, should be duly stamped, completed, signed and must be returned so as to reach the Registered Office of the Company, not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a Member of the Company.
- A Proxy need not be a member of the Company.
- A person can act as a Proxy on behalf of members not exceeding fifty and holding in aggregate not more than 10% of the total paid up share capital of the company carrying voting rights. A member holding more than 10% of the total paid up share capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as a Proxy for any other shareholder.
- Appointing a Proxy does not prevent a member from attending the meeting in person, if he so wishes.
- In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.



To



[www.abanoffshore.com](http://www.abanoffshore.com)

*If undelivered please return to:*

**Aban Offshore Limited**

*'Janpriya Crest'*

*113 Pantheon Road*

*Egmore*

*Chennai 600 008.*