



Independent Auditor's Report

To the Members of Deep Onshore Drilling Services Private Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Deep Onshore Drilling Services Private Limited. ('the Company'), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information (herein after referred to as "standalone financial statements").

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 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 there under.

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 standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its losses and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 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 the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of Order.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of written representations received from the directors as on 31st March 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"; and
 - 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 Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company does not have any pending litigations on its financial position in its standalone financial statements. Refer Note no. 6
 - ii. The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.



- iv. The company had provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and the same are in accordance with the books of accounts maintained by the company.

Place: Ahmedabad
Date: May 02, 2017



For, Dhirubhai Shah & Doshi
Chartered Accountants
Firm's Registration Number: 102511W

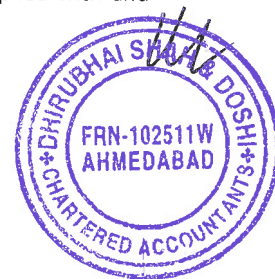
A handwritten signature in black ink, appearing to read "Kaushik D. Shah".

Kaushik D. Shah
Partner
Membership Number: 016502

Annexure- A to the Independent Auditor's Report

The Annexure referred to in Independent Auditors' Report to the members of the company on the standalone financial statements for the year ended 31 March 2017, we report that:

- (i) The company does not have any Fixed Assets. Hence, reporting under Clause i(a), i(b) & i(c) of the Order is not applicable.
- (ii) The company does not have any Inventory. Hence, reporting under Clause (ii) of the Order is not applicable.
- (iii) The Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, and therefore, the provisions of clauses (iii)(a), (iii)(b) & (iii)(c) of the Order are not applicable to the Company.
- (iv) As informed to us, there are no transactions of loans, investments, guarantees and security prescribed in the provision of Section 185 and 186 of the Companies Act, 2013 during the year under audit. Hence, reporting under Clause (iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits from the public. Hence, reporting under Clause (v) of the Order is not applicable.
- (vi) Company is not required to maintain cost records as per the Companies (Cost Records and Audit) Rules, 2014 prescribed by Central Government under subsection (1) of section 148 of the Companies Act; Hence this clause is not applicable to the company.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities and does not have any undisputed statutory dues for a period of more than six months from the date they became payable. Hence, reporting under Clause (vii)(b) of the Order is not applicable.
- (viii) In our opinion and according to the information and explanation given to us, the Company has not borrowed any sum from financial institutions, bank, government, or debenture holders. Hence, reporting under clause (viii) of the Order is not applicable.
- (ix) In our opinion, and according to the information and explanations given to us, reporting under Clause (ix) of the Order is not applicable as the Company has not taken any Term Loan.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration during the year. Hence, reporting under Clause (xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, Clause (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has made preferential allotment of shares during the year under review. Consequently, the requirement of Section 42 of the Companies Act, 2013 has been complied with and the amount raised has been used for the purposes for which the fund has been raised.



- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: Ahmedabad
Date: May 02, 2017



For, Dhirubhai Shah & Doshi
Chartered Accountants
Firm's Registration Number: 102511W

A handwritten signature in blue ink, appearing to read "Kaushik D. Shah".

Kaushik D. Shah
Partner
Membership Number: 016502

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 standalone 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 the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 standalone financial statements.

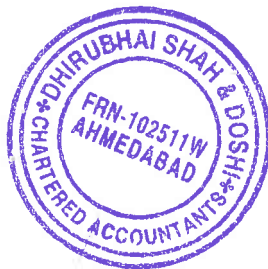
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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 31 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.

Place: Ahmedabad
Date: May 02, 2017



For, Dhirubhai Shah & Doshi
Chartered Accountants
Firm's Registration Number: 102511W



Kaushik D. Shah
Partner
Membership Number: 016502

DEEP ONSHORE DRILLING SERVICES PRIVATE LIMITED

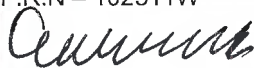
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BALANCE SHEET AS AT 31ST March, 2017

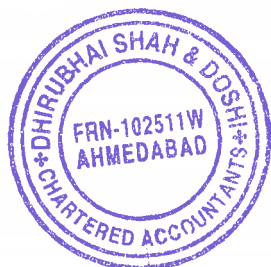
(Amount in Rs.)

Particulars	Note No	As at 31st March, 2017
I. EQUITY AND LIABILITIES		
1 Shareholders' Funds		
(a) Share Capital	3	100,000
TOTAL RS...		100,000
II. ASSETS		
1 Non-current Assets		
(a) Fixed Assets	4	
i) Tangible Assets		-
ii) Intangible Assets		-
iii) Capital Work in Progress		6,435
2 Current Assets		
(d) Cash and Cash Equivalent	5	93,565
TOTAL RS...		100,000
The notes form an integral part of these financial statements		1 to 6

As per our report of E
For & on Behalf of
Dhirubhai Shah & Doshi
Chartered Accountants
F.R.N - 102511W



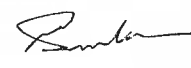
Kaushik D. Shah
Partner
M.No. - 016502
PLACE: AHMEDABAD
DATE : 2nd May, 2017



For Deep Onshore Drilling Services
Private Limited



Paras Savla
Director
DIN:00145639



Rupesh Savla
Director
DIN:00126303

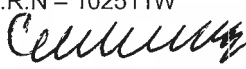
PLACE: AHMEDABAD
DATE : 2nd May, 2017

DEEP ONSHORE DRILLING SERVICES PRIVATE LIMITED
CIN : U11200GJ2016PTC092985
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST March, 2017

(Amount in Rs.)



Particulars	Note No	For the year ended 31st March, 2017
I. REVENUE		
Operating Income		-
II Other Income		-
III Total Revenue (I + II)		-
IV Expenses		
- Operating Expense		-
- Employee benefits expenses		-
- Finance Costs		-
- Depreciation and amortization expense		-
- Other Expenses		-
Total Expenses		-
V Profit/(Loss) before exceptional items and tax (III - IV)		-
VI Exceptional items		-
VII Profit/(Loss) before tax (V - VI)		-
VIII Tax Expense :		
(1) Current Tax		
(2) Current Tax (Expense related to Prior Years)		
(3) Deferred Tax Asset		
IX Profit / (Loss) for the year (VII - VIII)		-
X Earnings per Equity Share of Rs. 10 each		
-- Basic EPS		-
-- Diluted EPS		-
The notes form an integral part of these financial statements	1 to 6	

As per our report of Even date Attached
For & on Behalf of
Dhirubhai Shah & Doshi
Chartered Accountants
F.R.N – 102511W


Kaushik D. Shah
Partner
M.No. - 016502
PLACE: AHMEDABAD
DATE : 2nd May, 2017



For Deep Onshore Drilling Services
Private Limited

 
Paras Savla Rupesh Savla
Director Director
DIN:00145639 DIN:00126303
PLACE: AHMEDABAD
DATE : 2nd May, 2017

DEEP ONSHORE DRILLING SERVICES PRIVATE LIMITED
CIN : U11200GJ2016PTC092985
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31.03.17

(Amount in Rs.)

PARTICULARS	2016-17	
CASH FLOWS FROM OPERATING ACTIVITIES :		
NET CASH GENERATED BY OPERATING ACTIVITIES		0
CASH FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets & Changes in Work in Capital	(6435)	(6435)
CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Issue of Share Capital/Convertible Warrants	100000	100000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		93565
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		0
CASH AND CASH EQUIVALENTS AT THE CLOSE OF THE YEAR		93565

As per our report of even date attached

For & on Behalf of
Dhirubhai Shah & Doshi
Chartered Accountants
F.R.N – 102511W



Kaushik D. Shah
Partner

M.No. - 016502

PLACE: AHMEDABAD

DATE : 2nd May, 2017



For Deep Onshore Drilling Rig Services
Private Limited

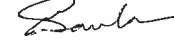


Paras Savla
Director

DIN:00145639

Place : Ahmedabad

DATE : 2nd May, 2017



Rupesh Savla
Director

DIN:00126303

NOTES TO THE FINANCIAL STATEMENTS

Note 1 : Corporate Information

Deep Onshore Drilling Rig Services Private Limited is incorporated to carry on business to provide latest equipments like Air Compressor, Gas Compressor, rigs and other equipments, efficient services like operation and maintenance, man power deployment and execution of turnkey projects related to oil gas sector on charter hire basis, cartegers and haulage contractors, garage proprietors, owners, charterers, and lessors of road vehicles of every vehicles of every description and to act as carriers of goods by road, rail, water, air cartage contractors, forwarding, commission agents, custom agents, wharfingers, cargo superintendents, warehouseman, store-keeper and job-masters and generally to carry on the business of the common carriers in respect of oil & gas services. To carry on the business of conventional and unconventional oil and/or gas and/or CBM and/or shale and/or hydrocarbons comprising of any or all of exploration, production, development, marketing, operations and to carry on business of providing and operating ships, vessels, rigs, structures, equipments and personnel required for on shore and off shore drilling, oil/gas/CBM/hydrocarbons field services such as mud engineering, mud logging, cementing, hydro-fracturing, work-over, testing, wire line logging inspection, repairs and reconditioning of tubular, oil/gas exploration, production, development, storing and handling of oil for oil and natural gas industry in India or in any part of the world individually or as joint venture with Indian or International collaboration both technical and financial.

Note 2 : Significant Accounting Policies:

A. Basis of Preparation of Financial Statements

The financial statements have been prepared in compliance with all material aspects of the mandatory Accounting Standards issued by the ICAI and the relevant provisions of the Companies Act, 2013.

Financial Statements are based on historical cost and are prepared on accrual basis.

B. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting year. Difference between the actual results and estimates are recognized in the year in which the results are known/ materialized.

C. Fixed Assets

Expenditure incurred for projects under implementation is included under "Capital Work in Progress". These expenses are transferred to fixed assets on commencement of respective project.

D. Basis of Accounts

Revenue/Income and costs/expenditures are generally accounted on accrual as they are earned or incurred.

E. Tax on Income

Current Tax is determined on the basis of the amount of tax payable in respect of taxable income for the year.

Deferred tax is calculated at current statutory income tax rate and is recognized on timing



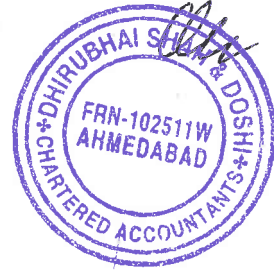
differences; being the difference between taxable income and accounting income that originate in the one year and are capable of reversal in one or more subsequent years. Deferred tax assets subject to the consideration of prudence, are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

F. Contingent Liabilities

Provision is made for all known liabilities and contingent liabilities if any, are disclosed in the account by way of note.

G. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated on the available information.



NOTES TO THE FINANCIAL STATEMENTS

Note - 3 : SHARE CAPITAL

(Amount in Rs.)

Particulars	As at 31st March, 2017
A. AUTHORISED CAPITAL	
10,000 Equity Shares of Rs. 10/- each.	100,000
B. (I) ISSUED, SUBSCRIBED & PAID UP	
10,000 Equity Shares of Rs. 10/- each.	100,000
	100,000
TOTAL RS...	100,000

C. Reconciliation of number of equity shares outstanding at the beginning & at the end of the reporting year

Particulars (Equity Shares)	As at 31 March 2017	
	No of Shares	Value Rs.
-- At the beginning of the year	0	-
-- Movement during the period	10000	100,000
-- Outstanding at the end of the year	10000	100,000

D. Terms / Rights attached to Equity Shares

(i) The Company has only one class of equity shares having a par value of Rs. 10 per share, Each shareholder is eligible for one vote per share. The dividend if any proposed by the Board of Directors is subject to the approval of shareholders, The Equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

E. Details of Equity Shares Held by Holding Company

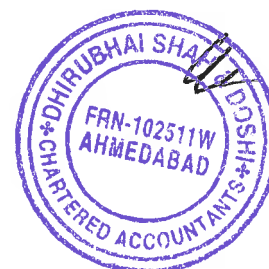
Particulars	As at 31 March 2017	
	No of Shares	Value Rs.
-- At the beginning of the year	0	-
-- Movement during the period	9900	99,000
-- Outstanding at the end of the year	9900	99,000

F. Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholders (Equity Shares of Rs 10/- Each)	As at 31st March, 2017	
	No. of Share held	% of Holding
DEEP INDUSTRIES LIMITED	9900	99.00%

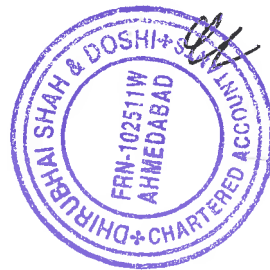
Note - 5 : CASH AND CASH EQUIVALENTS

Sr. No	Particulars	As at 31st March, 2017
A	Cash and Cash Equivalents	
I)	Cash on hand	0
II)	Balances with Banks	
	- In Current Account with schedule Bank	93565
	- Cheques on Hand	
	TOTAL RS...	93565



Note-4 : FIXED ASSETS

NO.	NAME OF THE ASSET	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
		As at 01.04.2016	Additions	Deductions/ Adjustments	As at 31.03.2017	As at 01.04.2016	Additions During the Year	Deduction s/Adjustm ents	As at 31.03.2017	As at 31.3.2017	As at 31.3.2016
A)	Tangible Assets	0	0	0	0	0	0	0	0	0	0
	Total " A "	0	0	0	0	0	0	0	0	0	0
B)	Intangible Assets	0	0	0	0	0	0	0	0	0	0
I)	Computer Software	0	0	0	0	0	0	0	0	0	0
	Total " B "	0	0	0	0	0	0	0	0	0	0
	Total " A + B "										
C)	Capital Work in Progress	0	6435	0	6435	0	0	0	0	6435	0
I)	Capital Work in Progress	0	6435	0	6435	0	0	0	0	6435	0
	Total " C "	0	6435	0	6435	0	0	0	0	6435	0
	Total " A + B + C "	0	6435	0	6435	0	0	0	0	6435	0
	Previous years	0	0	0	0	0	0	0	0	0	0



Note 6 : Additional Information pursuant to Revised Schedule III to the Companies Act 2013 is given as under so far as applicable to the Company.

- (A) There is no import during the period under audit, hence value of imports calculated on C.I.F. basis by the company during the financial year in respect of (i) Raw Materials ; (ii) Components and spare parts ; (iii) Capital Goods is NIL.
- (B) There is no expenditure in foreign currency during the financial year,
- (C) There is no earning in foreign exchange during the year under audit.
- (D) Capital Commitment Expenses and contingent liabilities to the extent not provided for during the year are Rs. NIL.

(E) Segment Reporting

During the year under reference, the Company has no operating income, hence there are no separate reportable segments as per Accounting Standard 17 - "Segment Reporting" issued by the Council of the Institute of Chartered Accountants of India.

(F) As per Accounting Standard - 18, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

- (i) List of related parties where control exists and related parties, with whom transactions have taken place and relationships

Holding Company	Deep Industries Limited
Key Management Personnel	Mr. Rupesh Savla
	Mr. Paras Savla
	Mr. Dharen Savla
Relative of Key Management Personnel (RKMP)	Mrs. Mita Manoj Savla
	Mrs. Priti Paras Savla
	Mrs. Shital Rupesh Savla

- (ii) Transactions during the financial year 2016-17 with the related parties are shown below:

Nature of transaction	KMP	RKMP	Holding Company
Issue of Equity Shares	NIL	NIL	99000



(G) Disclosure of the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016, required as per Notification G.S.R 308 (E) dated 30th March 2017 issued by the Ministry of Corporate Affairs.


During the year under reference, the Company has not made any cash transactions required to be disclosed.

(M) The Company has been incorporated during the year, hence the previous year figures have not been given for comparative purpose.

SIGNATURE TO NOTES '1' TO '6'

FOR AND ON BEHALF OF
DHIRBHAI SHAH & DOSHI
CHARTERED ACCOUNTANTS
F.R.N. 102511W

FOR DEEP ONSHORE DRILLING SERVICES PVT. LTD.



(Paras Savla)
Director
DIN:00145639



(Rupesh Savla)
Director
DIN:00126303

KAUSHIK D. SHAH
PARTNER
(Mem. No. 016502)

PLACE : AHMEDABAD
DATE : 2nd May, 2017

PLACE : AHMEDABAD
DATE : 2nd May, 2017

