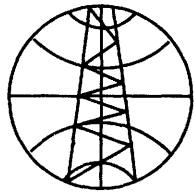


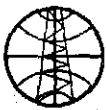
12th Annual Report

2004-2005



**ASIAN OILFIELD
SERVICES LTD.**

Regd. Office : 7th Floor, B-Wing, Manubhai Tower, Sayajigunj, Baroda – 390 005
Gujarat



Board of Directors

Shri Krishnakant Chairman
Shri Avinash Manchanda Managing Director
Shri V.G. Dharwarkar
Shri N.M. Patel
Shri D.E. Ilavia

Dy. Company Secretary

Somesh Shastri

Auditors

K. Parikh & Co.
Chartered Accountants
Baroda

Bankers

Central Bank of India
UTI Bank Ltd.

Registered Office

7th Floor, Manubhai Tower, Sayajigunj, Baroda – 390 005

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**Registrar and Share
Transfer Agent :**

Intime Spectrum Registry Ltd.,
201, Sidcup Towers, Race Course
Baroda – 390 007 Gujarat
Phone No. 0265 - 2332474
E-mail : vadodara@intimespectrum.com



NOTICE

Notice is hereby given that 12th Annual General Meeting of Members of Asian Oilfield Services Ltd. will be held on Monday, 12th September, 2005 at 11.30 a.m. at the Auditorium of Central Gujarat Chamber of Commerce, Race Course, Baroda to transact the following Ordinary business.

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2005 and Profit and Loss Account for the period ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint Director in place of Shri N. M. Patel, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors of the Company and to fix their remuneration.

By Order of the Board,

Date: 30-07-2005
Place: Baroda

Krishnakant
Chairman

Notes

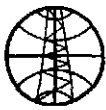
1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. Proxy, in order to be effective, should be lodged duly completed before 48 hours of the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, the 5th September, 2005 to Monday, the 12th September, 2005. (Both the days inclusive)
4. Shareholders are requested to:
 - (a) bring their copy of the Annual Report at the meeting.
 - (b) send all communications relating to their shareholding, quoting Folio No / Client ID No. at Registered Office / at the office of the Registrar & Transfer Agents.
5. MEMBERS DESIROUS OF OBTAINING ANY INFORMATION WITH RESPECT OF THE ACCOUNTS OF THE COMPANY ARE REQUESTED TO SEND THEIR QUERIES IN WRITING TO THE COMPANY AT IT'S REGISTERED OFFICE SO AS TO REACH AT LEAST SEVEN DAYS BEFORE THE DATE OF THE MEETING.

"Annexure - A"

Annexure to the Notice of Annual General Meeting

Information pursuant to Clause 49 of the Listing Agreement regarding reappointment of Directors.

Name of the Director	:	Navinbhai M. Patel
Date of Birth	:	18-04-1938
Date of Appointment	:	27-09-2003
Specialized Expertise	:	General Management
Qualification	:	B.A.
Directorship of other Companies as on 31 st March, 2005	:	-
Chairman/member of Committees of Companies as on 31 st March, 2005	:	Chairman of Remuneration Committee and Member of Audit Committee and Shareholders' Grievance Committee of Asian Oilfield Services Ltd.



DIRECTORS' REPORT

To,
The Shareholders,

Your Directors have great pleasure in presenting 12th Annual Report of the Company.
Following figures summarise the financial results of the Company for the year ended 31st March, 2005.

FINANCIAL HIGHLIGHTS :

(Rs. In lacs)

	31.03.2005	31.03.2004
Gross Income	790.73	974.01
Gross Profit before Depreciation & Interest	101.81	149.76
Depreciation	36.66	53.55
Interest and Financial Charges	14.78	13.16
Profit before Tax	50.37	83.05
Less : Provision for Tax		
Current Tax	13.99	26.16
Deferred Tax	4.49	8.06
Net Profit after Tax & Other adjustments	31.89	48.83
Appropriation :		
Interim Dividend paid	-	42.86
Tax on Interim dividend	-	5.49
Transfer to General Reserves	31.89	0.48
Balance brought forward from previous year (After transfer of Bad debt Rs. 20.81 Lacs)	116.55	116.07
Balance carried to Balance Sheet	148.44	116.55

DIVIDEND :

In view of inadequacy of profit , the Board regret its inability to declare dividend.

OPERATIONS IN RETROSPECT :

During the year under review, your Company fetched Gross Income of Rs. 790.73 lacs against Rs. 974.01 lacs of previous year and the Net Profit reached to Rs. 31.89 lacs against Rs.48.83 lacs of previous year. The reduction in the income and therefore in the profits has been caused due to our having secured contracts on very competitive rates and that too in difficult areas of operations.

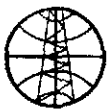
MANAGEMENT DISCUSSION & ANALYSIS :

Introduction :

With the growth of Industry as a whole in the Country, the requirement of Petroleum is on the increase every year and a large portion of our total requirement is imported. Therefore the search of New Oil and Gas fields is going on in the Country and is to be continued for the decades to come. Our Company is engaged in a very intensive manner in helping the exploratory activities in the field of Petroleum in the Country and hence there is a big scope expansion in these activities in the times to come. With the perseverance with which the Company is perusing our activities, it is hoped to achieve a remarkable growth.

Industry Structure and Developments :

Your Company is one of the few in India offering the special type of service in the Petroleum Industry in the Country and its market share is increasing steadily every year as is evident from the Directors' Report.



Our Operations :

The Company is in the business of Geophysical Data Acquisition shot hole drilling & seismic job services for exploration of Petroleum and are regularly trying to improve on the technology applied. Your company is also operating Workover rig operation, segment.

Technology :

The Company is continuously trying to improve the technology and in this effort have made a collaboration with the internationally recognized Company viz. Geophysical Institute of Israel (GII).

Internal Control and its Adequacy :

For effective inter departmental communications and follow up process, high speed computers, requisite software have been installed. The system of internal control provides updated accounting records, the reliability of financial information essential for running business. The Company has clearly defined organization structure and delegated authority. Sufficient control is exercised through monthly, quarterly and annual business review by the management.

Financials :

The detailed financial analysis of the Company's operations for the year is given herein above and therefore the same is not repeated.

Risk and concerns :

There does not seem to be any cause of concern in so far as the growth of activities in the company is concerned, as the search for new reservoirs of hydrocarbons will require high priority for quite some time to come. However as is the dictum that one should not put all the eggs in one basket, the Company is planning to diversify into the areas of manufacturing, trading and investment at appropriate time.

Future Prospects & Strategy :

In addition to the Oil industry, the Company is making serious studies to enter in new areas. Thus with sustained effort, it is hoped to venture into this area where though there is a gestation period, yet once the project is in operation, the returns are for much longer duration.

DIRECTORATE :

Shri Navinbhai M.Patel retires by rotation, being eligible, offers himself for reappointment.

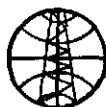
DIRECTORS' RESPONSIBILITY STATEMENT :

In terms of Section 217 (2AA) of the Companies Act, 1956, the Directors would like to state that :-

- i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed.
- ii) The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and other profit of the Company for the year under review.
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The Directors have prepared the Annual Accounts on a going concern basis.

CORPORATE GOVERNANCE :

The Company has been complying with mandatory provisions of the Corporate Governance as prescribed under the Listing Agreement and a separate Report thereon together with the Auditors' declaration thereon, is attached herewith.



DELISTING OF SHARES :

Pursuant to resolution passed by the members, the shares of the Company has already been delisted from the Stock Exchanges at Vadodara, Ahmedabad and the New Delhi.

DEMATERIALISATION OF SHARES :

The Company has been allotted ISIN No. INE276G01015 for the Equity Shares of the Company by National Securities Depository Ltd. (NSDL) and Central Depository Services Ltd. (CDSL). Members are requested to Dematerialise Shares held by them for their better convenience.

AUDIT COMMITTEE :

In compliance of Section 292A of the Companies Act, 1956, an Audit Committee constituted by Shri V.G.Dharwarkar, Shri N.M.Patel and Shri D.E.Illavia , the Independent Directors as its Members, performed inter alia , various functions as required in terms of the said provisions.

STATUTORY DISCLOSURES :

The Company is not engaged in manufacturing activity hence the disclosures as required under Section 217 (1) (e) of the Companies Act, 1956 are not required to be made by the Company. However details of Foreign Exchange inflow and outflow during the period under review are given hereinafter in the report.

Information in accordance with the provision of Section 217 (2-A) of the Companies Act, 1956 read together with the Companies (Particulars of Employees) Rules, 1975 as amended, regarding particulars of Employees, is not furnished, as no employee is covered thereunder.

PUBLIC DEPOSITS :

There is no unpaid and unclaimed deposit as at the end of financial year. The Company has been complying with all applicable provisions and rules of the Companies Act 1956, for acceptance of Public deposits.

INSURANCE :

All the properties of the Company are adequately insured against fire and other risks.

AUDITORS :

The Auditors M/s. K. Parikh & Co. retire at the conclusion of the ensuing Annual General Meeting, but being eligible, offer themselves for reappointment. Members are requested to consider their reappointment as Auditors of the Company and fix remuneration.

APPRECIATIONS :

The Board places on record its deep appreciation for Oil & Natural Gas Corporation Ltd., Premier Oil, Geophysical Institute of Israel and the continued support given by Central Bank of India, other Government Authorities, Employees and Shareholders in furthering the interest of the Company.

By Order of the Board,

Date: 30-07-2005

Place: Baroda

Krishnakant

Chairman



Report on Corporate Governance

In compliance with Clause 49 of the Listing Agreement entered into with Stock Exchanges, the Company submits the report on the matters mentioned in the said Clause and lists the practices followed by the Company.

1. Company's philosophy on Code of Corporate Governance :

Asian Oilfield Services Limited's philosophy on Corporate Governance envisages working towards high levels of transparency, accountability, consistent value systems, delegation, across all facts of its operations leading to sharply focused and operationally efficient growth. The business operations are conducted to benefit its all stakeholders, including shareholders, employees, customers, suppliers and statutory authorities.

2. Board of Directors :

The Board of Directors is consisting of Five persons with a Executive Chairman and Managing Director with three independent Directors as on 31.3.2005. A brief resume of the director being reappointed at the Annual General Meeting, the nature of his expertise in specific functional areas and names of Companies in which he holds directorship and membership of the committees of the Board are furnished as Annexure "A".

The names and categories of the Directors, their attendance at Board Meeting, Annual General Meetings, No of directorships in other Companies and committee meetings etc are given below.

Name of Directors	Category of Directors	No. of Board Meetings attended During 2004-05	Whether attended last A.G.M.	No. of Directorship in domestic public companies	No. of Committee membership	
					Chairman	Member
Shri Krishnakant	Executive Chairman & Promoter	3	Yes	—	—	—
Shri Avinash Manchanda	Managing Director & Promoter	7	Yes	—	—	—
Shri Navinbhai Patel	Independent Non Executive	7	Yes	—	1	3
Shri V.G. Dharwarkar	Independent Non Executive	3	Yes	—	1	3
Shri D. E. Ilavia	Independent Non Executive	7	Yes	—	1	3

Board Meetings :

During the year 2004-05, the Board met 7 times on 28-4-2004, 5-6-2004, 23-7-2004, 18-8-2004, 29-10-2004, 25-1-2005 and 11-2-2005. The longest gap between any two Board Meetings did not exceed 4 months.

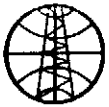
None of the Directors on the Board holds the office of Director in more than 15 Companies nor are they members in Committees of the Board in more than 10 Committees or Chairman of more than 5 Committees.

3. Audit Committee :

The Board of Directors had constituted an Audit Committee, comprising three independent Non Executive Directors viz. Shri V.G. Dharwarkar, Shri. Navinbhai Patel and Shri D.E.Ilavia.

The constitution of Audit Committee also meets with the requirements under Section 292A of the Companies Act, 1956 and Clause 49II(D) of the Listing Agreement and the terms of reference stipulated by the Board for the Audit Committee, covers the matters specified in aforesaid Section and clause of Listing Agreement which are as under.

- i. Overseeing the Company's financial reporting process and disclosure of its financial information.



- ii. Recommending the appointment and removal of the external auditor, fixation of audit fees and approving payments for any other services.
- iii. Reviewing with the management the annual financial statements with primary focus on accounting policies and practices, compliance with accounting standards and guidelines of stock exchange etc.
- iv. Reviewing the adequacy of internal control systems and the internal audit function and reviewing the company's financial and risk management policies.
- v. Reviewing the findings of any internal investigations by the internal investigations by the internal auditors into matters where there is suspected fraud irregularity or a failure of internal control system of a material nature and reporting the matter to the Board.
- vi. Reviewing reports furnished by the internal auditors and ensuring suitable follow up thereon.
- vii. Discussing with external auditors before the audit commences of the nature and scope of audit. Also post-audit discussion to ascertain any area of concern.
- viii. To look into the reasons for substantial defaults in the payments to the depositors, debenture holders, shareholders (in the case of non-payment of declared dividends) and creditors.

During the year 2004-2005, Four Audit Committee meetings were held on 28.4.2004, 18.8.2004, 29.10.2004 and 25.1.2005 details of attendance of members are as under;

Attendance of Members at the Meeting of the Audit Committee held during 2004-2005.

Name of Directors	Number of Meetings	Meeting attended
Shri V.G. Dharwarkar	4	1
Shri N.M. Patel	4	4
Shri D.E. Ilavia	4	4

4. Remuneration Committee :

The Board of Directors has formed a Remuneration Committee to review and recommend the remuneration package of the Whole time Director, based on performance and defined criteria, which consist of Shri Navinbhai Patel as Chairman, Shri V.G.Dharwarkar and Shri D.E.Ilavia as members. The Committee has not met, during the year.

Remuneration Policy is directed towards rewarding performance, based on the review of achievements. The remuneration policy is in consonance with the existing Industry practice.

The remuneration paid to Managing Director is recommended by the Remuneration Committee and approved by the Board of Directors in the Board Meeting, subject to the approval by the Shareholders at the Annual General Meeting and such other authorities as may be required.

Details of remuneration paid during 2004-2005

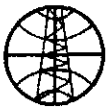
The aggregate value of salary and perquisites including Company's contribution to provident fund, gratuity fund etc., for the year ended 31st March,2005 paid to Shri Krishnakant , the Executive Chairman and to Shri Avinash Manchanda, the Managing Director are as follows.

(in Rupees)

	Executive Chairman	Managing Director
Salary	12,26,667/-	12,30,000/-
Contribution to Provident Fund and other Funds	NIL	46,560/-
Perquisites	NIL	NIL
Total	12,26,667/-	12,76,560/-

Shri Krishnakant, the Executive Chairman and Shri A.C.Manchanda, the Managing Director, are not related to any Director. They have been appointed as the Executive Chairman and Managing Director for a tenure of Five years with effect from 18.6.2003 and 1.2.2003 , respectively under the Agreement which can be terminated by either party by giving three months' notice in writing.

Non Executive Directors do not draw any remuneration. However, sitting fees were paid to such Non Executive Directors @ Rs. 1000/- per Board and Rs. 500/- per Committee Meetings, during the year under review.



Details of sitting fees paid to Non Executive Directors during the year 2004-2005.

Name of Directors	Sitting fees paid
Shri V.G. Dharwarkar	Rs. 5,000/-
Shri N.M. Patel	Rs. 13,000/-
Shri D.E. Ilavia	Rs. 13,000/-

As of now, the Company does not have any employee stock option plan.

5. Shareholders' / Investors' Grievance Committee :

The Board of Directors has constituted a Shareholders'/Investors'/Grievance with three Independent Directors Shri Navinbhai Patel, Shri V.G.Dharwarkar and Shri D.E.Ilavia. The Chairman of the Committee is Shri D.E.Ilavia. The Committee, inter alia, oversees and reviews all matters connected with the securities and looks into shareholders complaints like transfer of shares, non receipt of balance sheet, non receipt of declared dividend, dematerialisation of shares etc. The Committee oversees the performance of the Secretarial Department and the working of M/s. Intime Spectrum Registry Ltd., the Registrar and Transfer Agent and recommends measures for overall improvement in the quality of services to the investors.

During the year 2004-2005 the Shareholders'/Investors' Grievance Committee met on 28-4-2004, 23-7-2004, 29-10-2004 and 25-1-2005.

Attendance of Members at the Meetings of the Shareholders'/Investors Grievance Committee held during 2004-2005.

Name of Directors	Number of Meetings	Meeting attended
Shri N.M. Patel	4	4
Shri V.G. Dharwarkar	4	2
Shri D.E. Ilavia	4	4

The Company has appointed Shri Somesh Shastri, as the Compliance Officer.

No complaints were received and resolved to the satisfaction of shareholders during the year under review. No complaints are outstanding and no requests for transfer and/or requests for dematerialization were pending for approval as on 31.3.2005.

6. General Body Meetings :

Particulars of the last 3 Annual General Meetings held and Special Resolution passed thereat, are as under .

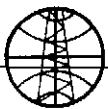
Date	Time	Place	Special Resolution
30.11.2002	11.00 a.m.	Auditorium of Central Gujarat Chamber of Commerce, Race Course, Baroda.	Alteration of Article No. 8 & 24 of the Articles of Association relating to Buy-back of shares and Dematerialisation of Securities.
27.09.2003	11.00 a.m.	Auditorium of Central Gujarat Chamber of Commerce, Race Course, Baroda.	Delisting of Shares at Stock Exchanges at Vadodara, Ahmedabad and Delhi.
21.09.2004	11.30 a.m.	Auditorium of Central Gujarat Chamber of Commerce, Race Course, Baroda.	Appointment of Project Coordinator under Section 314 and other applicable provisions of the Companies Act, 1956.

No postal ballots were used for voting at these meetings as the same was not required. Presently the Company does not have any proposal that requires a postal ballot.

7. Disclosures :

Related Party Transactions, comprising of contracts or arrangements with the Promoters or other Companies/entities in which the Directors are interested, are entered in the Register of Contracts and placed before Board Meeting as per Section 301 of the Companies Act, 1956. None of the transactions with any of the related parties were in conflict with the interest of the Company.

There were no instances of non-compliance and no strictures and penalties have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authorities, on any matters related to capital markets, during the last three years.



8. Means of communication :

The annual and quarterly results are regularly published by the company in news papers as per the Stock Exchange requirements.

In addition, these are also submitted to the Stock Exchanges in accordance with the Listing Agreement. Financial Results are supplied though E-Mail and mail to the Shareholder on demand. The Management Discussion and Analysis (MD&A) is a part of the Annual Report.

9. General Shareholder information :

9.1 Annual General Meeting :

- Date and time : Monday the 12th September, 2005, at 11.30 a.m.
- Venue : At Auditorium of Central Gujarat Chamber of Commerce, Race Course, Baroda

9.2 Financial Calendar :

Period	Board Meeting to approve
Quarterly Financial Results ending,	
September 30th, 2005	By end of October, 2005
December 31st, 2005	By end of January, 2006
March 31st, 2006	By end of April, 2006
June 30th, 2006	By end of July, 2006
Audited Results for the year 2005-2006	By end of August, 2006

9.3 Dividend payment Date: Not applicable

9.4 Details of Book Closures : Monday, 05.09.2005 to Monday, 12.09.2005
(Both the days inclusive)

9.5 Listing of Equity Shares

On Stock Exchange : The Stock Exchange, Mumbai
The Company has delisted its shares from the Stock Exchanges at Vadodara, Ahmedabad and Delhi.

9.6 (Stock Code)

Trading Symbol Bombay: Not allotted
Stock Exchange : 530355
(Demat Segment)
Demat ISIN number in BSE : **ISIN No. INE276G01015**

9.7 Stock Market Data : High/Low of market price of the Company's shares traded on The Stock Exchange, Mumbai during each month in the last financial year ended March 31, 2005 is as under :

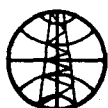
Period	High	Low	Period	High	Low
April, 2004	5.77	4.76	October, 2004	14.08	9.05
May, 2004	6.70	5.77	November, 2004	12.15	8.05
June, 2004	6.30	4.10	December, 2004	10.95	7.87
July, 2004	6.50	5.50	January, 2005	10.00	7.30
August, 2004	7.90	6.00	February, 2005	11.04	6.80
September, 2004	9.79	5.65	March, 2005	16.50	8.80

9.8 Registrar and Share Transfer Agent :

Intime Spectrum Registry Ltd.,
201, Sidcup Towers, Race Course, Baroda – 390 007 Gujarat
Phone No. 0265 - 2332474 E-mail : vadodara@intimespectrum.com

9.9 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 30 days from the date of receipt, subject to the documents being valid and complete in all respects. The Board of Directors of the Company are approving transfer of securities under the supervision and control of the Deputy Company Secretary, subject to placing of a summary statement of transfer / transmission, etc. of securities of the Company at meetings of the said Committee.



All requests for dematerialization of shares are processed and confirmation is given to the respective depositories, i.e. National Securities Depository Ltd. (NSDL) and Central Depository Services Limited (CDSL) within 21 days except few cases.

9.10 Distribution of Shareholding as on 31st March, 2005

No. of Shares	No. of Share holders	Percentage of share holders	Total No. of Shares	Percentage holding
Upto - 500	6466	79.96	1990621	37.16
501 - 1000	1196	14.79	942429	17.59
1001 - 2000	278	3.44	413600	7.72
2001 - 3000	50	0.62	131810	2.46
3001 - 4000	20	0.25	67700	1.26
4001 - 5000	32	0.40	156000	2.91
5001 - 10000	20	0.25	131900	2.46
10001 and above	25	0.31	1523040	28.43
Total	8087	100.00	5357100	100.00

The Company has not issued any GDRs/ADRs/ Warrants or any convertible instrument.

9.11 Dematerialisation of Shares :

About 12,04,400 Equity Shares of the Company have been Dematerialised.

9.12 Plant locations : The Company has not plants.

9.13 Address for Correspondence for Grievances relating to Shares :

Intime spectrum Registry Ltd. 201, Sidcup Towers, Race Course BARODA – 390 007 Phone 0265 – 2332474 E-mail : vadodara@intimespectrum.com	Secretarial Department Asian Oilfield Services Limited 7 th floor, Manubhai Tower, Sayajigunj, Baroda 390005 Phone No. 0265 – 2362071, 2362292 Fax No. (0265) – 2226216
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AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the members of Asian Oilfield Services Limited,

We have examined the compliance of conditions of Corporate Governance by Asian Oilfield Services Limited, for the year ended 31st March, 2005, as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuing compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statement 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 Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

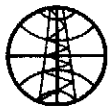
As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that as at 31st March, 2005 there were no investor grievances pending for a period of one month against the Company as per the records maintained by the Shareholders' Grievance Committee.

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 K. Parikh & Co.
Chartered Accountants

Place : Baroda
Date : 30-7-2005

J. O. Parikh
Proprietor
Membership No. : 12404



AUDITORS' REPORT

To,
The Members of
ASIAN OILFIELD SERVICES LTD.,

1. We have audited the attached Balance Sheet of ASIAN OILFIELD SERVICES LTD., as at 31st March, 2005 and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit also includes examining, on a test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section(4A)of section 227of the companies act,1956,we annex hereto a statement on the matter specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph (1) above, we state that :
 - a. We have obtained all the information and explanations, which are 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 appears from our examination of those books.
 - c. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account ;
 - d. In our opinion, the balance sheet, Profit & loss Account and Cash Flow Statement dealt with by this report comply with the Accounting standards referred to in sub - section (3C) of section 211 of company Act, 1956;
 - e. On the basis of the written representations received from the directors, as on 31st March, 2005, and taken on record by the Board of Directors, We report that non of the directors of the company are disqualified as on March 31, 2005 from being appointed as a director, in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956 as amended by Companies Amendment Act 2000.
 - f. In our opinion and to the best of our information and according to the explanation given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India:
 - i) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2005
 - ii) in the case of Profit and Loss Account, of the profit of the Company for the year ended on that date; and
 - iii) in the case the Cash Flow Statement, of the cash flows for the year ended that date.

For K. Parikh & Co.
Chartered Accountants

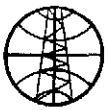
Place : Baroda
Date : 30-7-2005

J. O. Parikh
Proprietor
Membership No. : 12404

Annexure to the Auditors' Report

(referred to in paragraph 3 of our Report of even date on the accounts of ASIAN OILFIELD SERVICES LTD. for the year ended March 31,2005)

- (i) (a) The Company is maintaining proper records to show full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us , the company has programme of physically all its fixed assets over a period of three years which in our opinion is reasonable having regard to the size of the company and the nature of its fixed assets. In accordance with this programme, some of the fixed assets were physically verified by the management during the period . the discrepancies noticed on such verification between the physical balances and the fixed assets records were not material and have been properly belt with in the books of accounts.
- (c) The company ha not disposed off a substantial part of the fixed assets during the year.
- (ii) (a) During the period, the inventories have been physically verified by the management. In our opinion the frequency of the verification is reasonable.

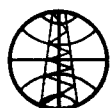


- (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of the records of the inventories, we are of the opinion that, the company is maintaining proper records of inventories the discrepancies noticed on physical verification of inventories has compared to book records were not material and have been properly dealt with in the books of accounts.
- (iii) According to information and explanations given to us, the company has neither taken nor granted any loan secured or unsecured from / to companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, paragraphs 4(iii)(b), (c) and (d) of the Order are not applicable
- (iv) In our opinion and according to the information and explanations give to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase inventory, fixed assets and with regard to sale of goods during the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control.
- (v) In our opinion, and according to the information and explanation given to us, there are no transitions of purchase of goods and materials and sale of goods, materials and services made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs or more in respect of any party.
- (vi) The company has complied with the provisions of the section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of deposits) Rules, 1975 with regard to the deposits accepted from the public.
- (vii) In our opinion, the company has an adequate internal system commensurate with its size and nature of its business.
- (viii) We have been informed that the Central Government has not prescribed maintenance of cost records under section 209(1) (d) of the Companies Act, 1956.
- (ix) According to the information and explanations given to us and on the basis of records produced before us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as of March 31, 2005 for a period of more then six months from the date they became payable.
- (x) The Company has no accumulated losses and have not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xi) In our opinion, and according to the information and explanation given to us the company has not defaulted in repayment to use to a financial institution or bank.
- (xii) The company has not granted any loans or advances on the basis of the security by way of pledge of shares, debentures and other securities.
- (xiii) As the company is not a chip fund/ nidhi / mutual benefit fund / society to which the provisions of special statute relating to chit fund are applicable, paragraph 4 (xiii) of the Order is not applicable.
- (xiv) As the company is not dealing or trading in shares, securities, debentures and other investment, paragraph 4(xiv) of the Order is not applicable.
- (xv) We are informed that during the period, the company is not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) In our opinion, and according to the information and explanation given to us, the terms loan taken by the company has been applied for the purposes for which they were obtained.
- (xvii) according to the information and explanation given to us and on an over all examination of the balance sheet of the company, we report that during the period short term fund have not been use to finance long term investment and vice versa.
- (xviii) The company has not made any preferential allotment of share during the period.
- (xix) The company has not issued debentures during the period.
- (xx) the company has not raise money by way of public issue during the period.
- (xxi) on the basis of our examination and according to the information and explanation given to us no fraud, on or by company, has been noticed or reported during the course of audit.

For K. Parikh & Co.
Chartered Accountants

Place : Baroda.
Date : 30-7-2005

J. O. Parikh
Proprietor
Membership No. : 12404



BALANCE SHEET AS AT 31ST MARCH 2005

Description	Schedule No	As at March 31st 2005		As at March 31st 2004	
		Amount Rs.	Amount Rs.	Amount Rs.	Amount Rs.
I SOURCE OF FUNDS :					
1. SHARE HOLDER'S FUNDS					
a) Share Capital	1		53571000		53571000
b) Reserve & Surplus	2		14844077		11654850
2. LOAN FUNDS					
Secured Loan	3		9048430		5628721
Unsecured Loan	4		1720036		943021
3. Deferred Tax Liability			1905115		1455686
TOTAL			81088658		73253278
II APPLICATION OF FUNDS					
1. FIXED ASSETS					
Gross Block	5		67822386		62090248
Less: Depreciation			32318321		28652708
			35504065		33437540
2. INVESTMENTS					
Equity Shares			1100000		1100000
Fix Deposit With Bank			1500000		
			2600000		1100000
3. CURRENT ASSETS, LOANS AND ADVANCES					
a) Inventories	6		1500219		980310
b) Sundry debtors	7		42893477		30833140
c) Cash & Bank Balance	8		3988300		10981079
d) Loans & Advances	9		8424114		6363937
			56806110		49158466
Less : Current Liabilities & Provisions	10				
Liabilities			10392709		8465801
Provisions			4163672		3414123
Net Current Assets			42249729		37278542
4. MISCELLANEOUS EXPENDITURE					
(To the Extent not written off or adjusted)	11		734864		1437196
TOTAL			81088658		73253278

Notes forming part of the Accounts 13

Schedule 1 to 13 Annexed hereto from part of the Balance Sheet and Profit and Loss Account.

In terms of our Report of even date
For K. Parikh & Co.
Chartered Accountants

J.O.Parikh
Proprietor

PLACE : BARODA
DATE : 30/07/2005

For and on behalf of the Board,

Krishnakant
Chairman

Avinash Manchanda
Managing Director

Somesh Shastri
Dy. Company Secretary



PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2005

Description	Schedule No	For the Period Ended 31st March 2005 Rupees	For the Period Ended 31st March 2004 Rupees
INCOME			
Sales/Services		77919514	95281079
Other Income		492749	1213145
Interest		661052	906665
Increase / Decrease in stock		519908	711064
	Total A	<u>79593223</u>	<u>98111953</u>
EXPENDITURE			
Cost of Sales and services		86663	304427
Operational Expenses		11371267	25227490
Contractual Expenses		50122926	51560289
Staff Cost		4512481	2007251
Administration & Other Expenses	12	3318674	4036806
Finance Cost		1478443	1315891
Depreciation		3665613	5355055
	Total B	<u>74556067</u>	<u>89807209</u>
Profit before tax	(A-B)	5037156	8304744
Less: Provision for Tax			
Current Tax		1398500	2616000
Deferred Tax		449429	805961
Profit before Prior Period adjustment		3189227	4882783
Bad Debt		-	208147
Less: (Transferred from General Reserve)		-	2081474
Profit After Prior Period adjustment		3189227	4882783
Less: Interim Dividend paid		-	4285680
Tax on Dividend		-	549103
Profit Transferred to General Reserve		3189227	48000
Balance Brought forward from Previous year.		11654850	11606850
Balance carried to Balance Sheet		14844077	11654850

Schedule 1 to 13 Annexed hereto from part of the Balance Sheet and Profit and Loss Account.

In terms of our Report of even date
For K. Parikh & Co.
Chartered Accountants

J.O.Parikh
Proprietor

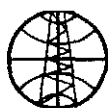
PLACE : BARODA
DATE : 30/07/2005

For and on behalf of the Board,

Krishnakant
Chairman

Avinash Manchanda
Managing Director

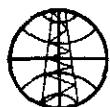
Somesh Shastri
Dy. Company Secretary



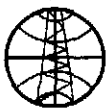
SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH 2005

Particulars	As at 31st March, 2005 Rupees	As at 31st March, 2004 Rupees
SCHEDULE - 1 ⇒ SHARE CAPITAL		
Authorised		
70,00,000 Equity Share of Rs. 10/- each	<u>70000000</u>	<u>70000000</u>
	<u>70000000</u>	<u>70000000</u>
Issued, Subscribed and Paid up		
53,57,100 Equity Shares of Rs.10/ each	<u>53571000</u>	<u>53571000</u>
	<u>53571000</u>	<u>53571000</u>
SCHEDULE - 2 ⇒ RESERVE AND SURPLUS		
General Reserve		
As per last Balance Sheet	<u>11654850</u>	<u>13688324</u>
Less: Bad Debt	—	<u>2081474</u>
	<u>11654850</u>	<u>11606850</u>
Add: Transferred from P & loss Account	<u>3189227</u>	<u>48000</u>
	<u>14844077</u>	<u>11654850</u>
SCHEDULE - 3 ⇒ SECURED LOANS		
Working Capital Loans from Bank	<u>228833</u>	<u>4999084</u>
Term Loan from Bank	<u>8819597</u>	<u>629637</u>
	<u>9048430</u>	<u>5628721</u>
SCHEDULE - 4 ⇒ UNSECURED LOANS		
Deposit from Share holders	<u>1063610</u>	<u>848000</u>
Deposit from Public	<u>605918</u>	<u>95021</u>
CBI Credit Card	<u>50808</u>	<u>—</u>
	<u>1720036</u>	<u>943021</u>
SCHEDULE - 5 ⇒ FIXED ASSETS		

DESCRIPTION	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK	
	As at 1.4.2004 Rs.	Addition Rs.	Sale or Transfer Rs.	As at 31.3.2005 Rs.	As at 1.4.2004 Rs.	Sale or adjust- ment Rs.	For the Year Rs.	As at 31.3.2005 Rs.	As at 31.3.2005 Rs.	As at 31.3.2004 Rs.
Land		538250	0	538250	0	0	0	0	538250	0
Building	1830194	0	0	1830194	291186	0	29629	320815	1509379	1539008
Oilfield Equipment	53785513	4289575	0	58075088	26065019	0	3002469	29067488	29007600	27720494
Furniture & Fixture	1335433	12852	0	1348285	736249	0	82877	819126	529159	599184
Office Equipments	307280	21127	0	328407	142748	0	15731	158479	169928	164532
Vehicles	3771708	824619	0	4596327	943595	0	404484	1348079	3248248	2828113
Computer	1060120	45715	0	1105835	473911	0	130423	604334	501501	586209
TOTAL	62090248	5732138	0	67822386	28652708	0	3665613	32318321	35504065	33437540
Previous Year	54726743	10288374	2924869	62090248	23297653	0	5355055	28652708	33437540	31429090



Particulars	As at 31st March, 2005 Rupees	As at 31st March, 2004 Rupees
SCHEDULE - 6 ⇒ INVENTORIES		
Stores & Spares	1500219	857773
Comp. Peripherals	-	122537
	<u>1500219</u>	<u>980310</u>
SCHEDULE - 7 ⇒ SUNDRY DEBTORS		
Other Debts (Considered Good)	36758178	24931790
Outstanding for over six months	1858167	2673996
Doubtful	4277132	3227354
	<u>42893477</u>	<u>30833140</u>
SCHEDULE - 8 ⇒ CASH & BANK BALANCES		
Cash in hand	174240	215803
Cash at Schedule Banks		
in current Accounts	57376	6231593
In Fixed Deposit (Margin Money)	3756684	4533683
	<u>3988300</u>	<u>10981079</u>
SCHEDULE - 9 ⇒ LOANS & ADVANCES		
(Unsecured considered good)		
Advances recoverable in cash or in kind or for value to be received	4224718	3317011
Deposits	2308990	880212
Tax Paid/Deducted at Source (Net)	1890406	2166714
	<u>8424114</u>	<u>6363937</u>
SCHEDULE - 10 ⇒ CURRENT LIABILITIES & PROVISIONS		
A) Current Liabilities:		
Sundry Creditors	7951455	8364434
Other Liabilities	2441254	101367
	<u>10392709</u>	<u>8465801</u>
B) Provisions :		
Provision for Expenses	2765172	798123
Provision for Taxation	1398500	2616000
	<u>4163672</u>	<u>3414123</u>
SCHEDULE - 11 ⇒ MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
Preliminary & Pre-operative Expenses	-	212308
Public Issue Expenses	734864	1224888
	<u>734864</u>	<u>1437196</u>



Particulars	As at 31st March, 2005 Rupees	As at 31st March, 2004 Rupees
SCHEDULE -12 ⇒ ADMINISTRATION & ESTABLISHMENT EXP.		
Travelling	814211	653460
Printing & Stationery	78981	145330
Advertisement	55023	35979
Postage & Telegram	30702	69886
Vehicle Maintenance	90252	90757
Rent Rate & Taxes	161418	101879
Insurance Premium	127635	271869
Books & Periodicals	6123	8734
Office & Other Misc. Expenses	61680	104781
Power Fuel & Electricity	113096	114048
Auditors Remuneration	45820	51900
Loss on Sale of Assets	-	133227
Legal & Professionals	534646	977398
Misc. Expenses Written Off	702332	711624
Directors Sitting Fees	31000	24000
General Meeting Exp.	66623	75323
Rep. & Maint to Office Equipment	81571	151971
Tele. Fax, E-Mail & Internet Exp.	157642	243268
Tender Fees	5150	59020
Sales Tax	-	1200
Income Tax 2003-04	141669	10152
Donation	13100	1000
	3318674	4036806

SCHEDULE -13 ⇒ NOTES TO THE ACCOUNTS

1. ACCOUNTING CONVENTION

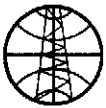
The financial statements are prepared under historical cost convention on approval basis except where otherwise stated and in accordance with applicable accounting standards Published by the institute of Chartered Accountants of India and referred to the section 211 (3C) of the Companies Act, 1956.

I Fixed Assets :

- [1] Expenditure incurred on improvement or replacement, which in the opinion of the management, is likely to substantially increase in the life of the asset and future benefits from it, is capitalized.
- [2] Expenditure on assets, other than plant & machinery and furniture hired out to employees and at camp offices, is charged to revenue.
- [3] Machinery spares that can be used only in connection with an item of fixed Asset and there use is expected to be irregular are capitalised. Replacement of such spares is charged to revenue.

II. Depreciation :

- [1] Depreciation on fixed assets is provided on straight -line method at the rates prescribed in schedule XIV of the Companies Act, 1956.
- [2] Addition/ deletion to fixed assets during the year are being depreciated on Pro rata basis from the beginning of the month in which such assets are capitalised / deleted.



III. Revenue Recognition:

- [1] In case of contract/job on the basis of physical progress as certified and after adjusting the obligation towards guarantees, warranties and penalties etc. Provided/ negotiated in respective contracts.
- [2] The company is doing Business of computer peripherals and pharmaceutical trading Division under the name Global Net and Global Sales respectively the income and expenses of division are incorporated in company's profit and loss Account and Balance Sheet.

IV. Investments (Unquoted):

Investments in shares are shown at cost price and provision for diminution in the value of investment is not made.

V. Inventories:

- 1) Raw Materials, Stock in trade are valued at cost or net realizable value whichever is lower.
- 2) Inventories are as per inventories taken, prepared, valued and certified by the Management.

VI. Taxes on income:

Provision for current tax is made in accordance with the provisions of Income Tax Act, 1961. Deferred tax on account of timing difference between taxable and accounting income is provided considering the tax rates and tax laws enacted or substantively enacted by the Balance sheet date, in accordance with Accounting Standard -22 of the Institute of Chartered Accountant of India.

VII. Loans and Advances :

The company has filed suits for recovery of Rs.2600000 against Rs.2907566 of Business loans and advances to various parties. No provision has been made for Doubtful loans and Advances.

VIII. Contingent Liabilities :

Contingent liabilities not provided for in respect of Bank Guarantee issued by Bank and income tax appeal pending before the Commissioner of Income Tax as on 31st March, 2005 amounting to Rs. 98,80,350/-

2. Managerial Remuneration:

	Current Period	Previous Period
Salary and Allowances	Rs. 24,56,667	Rs. 6,80,000/-
Contribution to Provident fund	Rs. 46,560/-	43,200/-

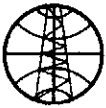
3. Payment to Auditors :

	Current Period	Previous Period
Audit Fees	Rs. 37,500	Rs. 32,400/-
Tax Audit Fees/ Tax Fees	Rs. 4,320	Rs. 7,500/-
Certificate and Other Services	Rs. 4,000	Rs. 12,000/-

4. Related Party Disclosures :

Related party disclosures, as required by AS-18, "Related Party Disclosures", are given below :

- (1) Key management personnel : Shri Krishnakant - Chairman,
Shri Avinash Manchanda - Managing Director
- (2) Relatives of Key Management Personnel : Shri Miten Manchanda (Son of Avinash Manchanda)
- (3) The following transactions were carried out with the related parties in the ordinary course of business.



The disclosures pertaining to related parties and transactions therewith are set out in the table below:

Nature of Transaction	Key Management Personnel		Relatives of Key Management Personnel		Total	
	2004-05	2003-04	2004-05	2003-04	2004-05	2003-04
Remuneration	25,03,227	7,23,200	1,80,000	90,000	25,93,227	8,13,200
Interest paid	19,691	12,514	16,371	4,205	36,062	16,719

5. Taxation :

a) Deferred Tax Liability

Company was providing Income tax liability based on the Income Computed as per Provisions of Income tax Act 1961. However due to mandatory compliance of Accounting Standard 22 (AS-22) issued by The Institute of Chartered Accountants of India, Company has worked out the difference in tax liability as per AS-22 and has been provided as liability, as per working given here below, and the same has been shown separately in Balance Sheet.

Nature of Timing Difference	Deferred Tax Liability) Assets as at 1st April 2004 Year	Debit (Credit) for the year	Deferred Tax (Liability) Assets as at 31st March 2005
Depreciation After considering unabsorbed depreciation as per I.tax)	(19,92,358)	(6,30,461)	(26,22,819)
Preliminary Expenses	5,36,672	1,81,032	7,17,704
TOTAL	(14,55,686)	(4,49,429)	(19,05,115)

b) Current Tax:

The Current tax liability has been worked out as per the provisions of Income tax Act.

6. Cash Credit sanctioned by the Central bank of India, is secured against hypothecation of Plant & Machinery and Office Building. For the said loan two Directors of the Company have given Personal guarantee to the Bank.
7. Figures of the previous year have been regrouped/rearranged wherever necessary in order to conform to this year presentation.
8. Figures have been shown in Rupees only.

In terms of our Report of even date
For K. Parikh & Co.
Chartered Accountants

J.O.Parikh
Proprietor

PLACE : BARODA
DATE : 30/07/2005

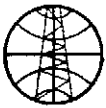
For and on behalf of the Board,

Krishnakant
Chairman

Avinash Manchanda
Managing Director

PLACE : BARODA
DATE : 30/07/2005

Somesh Shastri
Dy. Company Secretary



Statement pursuant to part IV of schedule VI to the Companies Act, 1956

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. REGISTRATION DETAILS

Registration No.	17254
State Code	4
Balance Sheet date	31.03.2005

II. CAPITAL RAISED DURING THE YEAR

Public Issue	NIL
Right issue	NIL
Private Placement	NIL

III POSITION ON MOBILISATION AND DEVELOPMENT OF FUNDS

Total Liabilities	8,10,88,658
Total Assets	8,10,88,658

SOURCES OF FUNDS

Paid-up Capital	5,35,71,000
Reserve and Surplus	1,48,44,077
Securited Loans	90,48,430
Unsecured Loans	17,20,036
Deferred Tax Liability	19,05,115

APPLICATION OF FUNDS

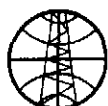
Net Fixed Assets	3,55,04,065
Investment	26,00,000
Net Current Assets	4,22,49,729
Miscellaneous Expenditure	7,34,864

IV. PERFORMANCE OF THE COMPANY

Turnover including other incomes	7,95,93,223
Total Expenditure	7,45,56,067
Profit/Loss before Tax	50,37,156
Earning per share (Rs.)	0.60
Dividend Rate (%)	—

V. GENERIC NAMES OF PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY

Principal Product	OILFIELD SERVICES
Item Code no.	NA



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2005

Particulars	2004-2005 Rupees	2003-2004 Rupees
A. Cash Flow From Operating Activities :		
Net Profit before Tax & Extra Ordinary item	5037156	8304744
Adjustment for :		
Depreciation	3665613	5355055
Miscellaneous Expenditure Written Off	702332	711624
Interest Received	(-) 661052	(-) 906665
Finance Cost	1478443	1315891
Loss on sale of Fixed Asset	-	133227
Operating Profit/Loss before working Capital Changes	10222492	14913876
Adjustment For :		
(Increase) / Decrease in Debtors	(-) 12060337	(-) 1783880
(Increase) / Decrease in Inventories	(-) 519909	(-) 711064
(Increase) / Decrease in Trade Payable	2676457	4279062
(Increase) / Decrease in Advance	(-) 2060177	(-) 627847
Cash Flow Before Direct Tax and Extraordinary Item	(-) 1741474	16070147
Direct Tax	(-) 1398500	(-) 2616000
Bad Debt written off	-	(-) 2081474
Cash flow from Operating Activities	(-) 3139974	11372673
B. Cash Flow from Investing Activities :		
Purchase of Fixed Assets	(-) 5732138	(-) 10192030
Purchase of Investment	(-) 1500000	-
Interest Received	661052	906665
Dividend Received	-	-
Sale of Fixed Assets	-	2791642
Sale of Investments	-	4111231
Net Cash Flow From Investing Activities	(-) 6571086	(-) 2382492
C. Cash Flow from Financial Activities :		
Proceed from Issue of Share Capital	-	-
Proceed from Borrowing (Net)	4196724	4991577
Finance Cost	(-) 1478443	(-) 1315891
Dividend paid	-	(-) 4285680
Tax paid on Dividend	-	(-) 549103
Net Cash Flow from Financial Activities	2718281	(-) 1159097
Net Increase/Decrease in Cash & Cash Equipment (A + B + C)	(-) 6992779	7831084
Cash & Cash Equivalent (Opening)	10981079	3149995
Cash & Cash Equivalent (Closing)	3988300	10981079

Note : The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statements, issued by the Institute of Chartered Accountants of India.

In terms of our Report of even date

For K. Parikh & Co.

Chartered Accountants

J.O.Parikh

Proprietor

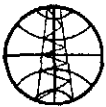
PLACE : BARODA
DATE : 30/07/2005

For and on behalf of the Board,

Krishnakant
Chairman

Avinash Manchanda
Managing Director

Somesh Shastri
Dy. Company Secretary



ASIAN OILFIELD SERVICES LTD.

Registered Office: 7th Floor, "B" Wing, Manubhai Tower, Sayajigunj, Baroda-390 005.

ATTENDANCE SLIP

Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the 12th ANNUAL GENERAL MEETING of the Company at the Auditorium of Central Gujarat Chamber of Commerce, Race Course, Baroda-390 007 on Monday, the 12th September, 2005 at 11-30 a.m.

Full name of the shareholder
(in block capitals)

Signature

Folio No. / Client ID No. _____ / DP ID No. _____

Full name of proxy
(In block capitals)
Signature

TEAR HERE

ASIAN OILFIELD SERVICES LTD.

Registered Office: 7th Floor, "B" Wing, Manubhai Tower, Sayajigunj, Baroda-390 005.

PROXY

I/We _____

Of _____ in the district of _____ being a

Member/Members of the above named Company, hereby appoint _____ of

_____ in the district of _____ or failing him

_____ of _____ in the district of

_____ as my/our proxy to attend and vote for me/us and on my/our behalf at the

12th ANNUAL GENERAL MEETING of the Company, to be held on Monday, 12th September, 2005 and at any adjournment

thereof.

Signed this _____ day of _____ 2005.

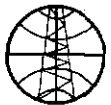
Folio No. / Client ID No. _____ / DP ID No. _____

No. of shares

Affix Re. 1
Revenue
Stamp

Note: The Proxy form 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.

If undelivered please return to :



**ASIAN OILFIELD
SERVICES LTD.**

7th Floor, B-Wing, Manubhai Tower, Sayajigunj, Baroda – 390 005