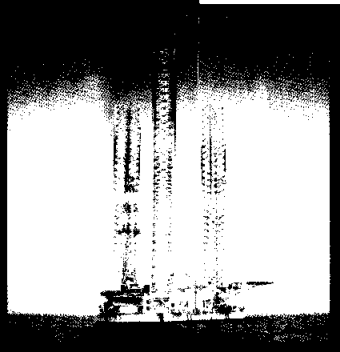


**aban**

# Aban Loyd Chiles Offshore Ltd.



Report Junction.com

**Sixteenth Annual Report 2001 - 2002**

# CORPORATE INFORMATION

**BOARD OF DIRECTORS**

M. A. ABRAHAM - Managing Director  
REJI ABRAHAM - Wholetime Director  
V. S. RAO  
P. MURARI  
S. SRINIVASAN (Nominee of ICICI Bank Limited)  
FRANK A WOJTEK  
RENNY ABRAHAM  
P. VENKATESWARAN - Director (Operations)  
C.P. GOPALKRISHNAN - Director (Finance) & Secretary

**AUDIT COMMITTEE**

V. S. Rao - Chairman  
P. Murari - Member  
Renny Abraham - Member

**SHARE HOLDERS GRIEVANCE COMMITTEE**

Renny Abraham - Chairman  
P. Venkateswaran - Member  
C.P. Gopalkrishnan - Member

**AUDITORS**

FORD, RHODES, PARKS & CO.,  
Chartered Accountants  
Chennai - 600 083.

**BANKERS**

INDIAN OVERSEAS BANK  
STATE BANK OF INDIA  
STATE BANK OF TRAVANCORE  
ICICI BANK LIMITED  
UTI BANK LIMITED

**REGISTERED OFFICE**

Janpriya Crest  
113 Pantheon Road  
Egmore, Chennai 600 008

**REGISTRARS FOR DEMAT SHARES**

Cameo Corporate Services Ltd  
"Subramanian Buildings"  
No. 1 Club House Road, Chennai 600 002



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**ABAN LOYD CHILES OFFSHORE LTD**

Regd. Off: Janpriya Crest, 113 Pantheon Road, Egmore, Chennai - 600 008

**ELECTRONIC CLEARING SERVICE (CREDIT CLEARING)  
MANDATE FORM**

Shareholder's authorization to receive dividends through Electronic Credit Clearing Mechanism

1. Name of the First/Sole Shareholder	
2. Folio No.	
3. Particulars of Bank Account of First/Sole Shareholder	
a) Name of the Bank	
b) Branch	
Address of the Branch	
Telephone No. of the Branch	
c) 9 - digit code number of the Bank and Branch appearing on the MICR cheque issued by the Bank	
d) Account Number (as appearing on the cheque book/pass book)	
e) Account type (S.B. account/current account or cash credit with code)	
f) Ledger No. / Ledger Folio No. (if appearing on the Cheque Book / Pass Book)	

(In lieu of the bank certificate to be obtained as under, please attach a blank cancelled cheque or photocopy of a cheque or the front page of the savings bank pass book issued to you by your bank, for verification of the above particulars).

I hereby declare that the particulars given above are correct and complete. I undertake to inform you promptly any subsequent changes in the above particulars. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, or beyond the control of the Company I will not hold Aban Loyd Chiles Offshore Ltd. responsible. I have read the option invitation letter and I agree to discharge the responsibility expected of me as a participant under the scheme.

Date : .....

Signature of the Shareholder(s)

Place : .....

Certified that the particulars furnished above are correct as per our records

Bank's Stamp

Signature of the Authorised Official

Date : .....

from the Bank

**NOTE:**

- Please fill in the attached Mandate Form and send it to:-
  - The Depository Participant who is maintaining your demat account in case your shares are dematerialized.
  - In case you are holding physical shares, please send it to Secretarial Department, Aban Loyd Chiles Offshore Ltd., Janpriya Crest, 113, Pantheon Road, Egmore, Chennai – 600 008
- Kindly note that the information provided by you should be accurate and complete in all respects and duly certified by your bank. In lieu of the bank certificate, you may attach a blank cancelled cheque or photocopy of a cheque or the front page of the Savings Bank passbook issued to you by your bank, for verification of the above particulars.
- In case of more than one folio, please complete the details on separate sheets.
- The information provided by you will be treated confidential and would be utilised only for the purpose of effecting the payments meant for you. You also have the right to withdraw from this mode of payment by providing the Company with an advance notice of 6 weeks.



## Aban Loyd Chiles Offshore Ltd.

Regd. Off: Janpriya Crest, 113, Pantheon Road, Egmore, Chennai - 600 008

### NOTICE TO MEMBERS

NOTICE is hereby given that the Sixteenth Annual General Meeting of the members of **Aban Loyd Chiles Offshore Ltd.** will be held on Friday the 27th September 2002 at 11.00 A.M. at the Auditorium of Madras School of Social Work, 32 Casa Major Road, Egmore, Chennai 600 008 to transact the following business:

#### ORDINARY BUSINESS

1. To consider and adopt the Balance Sheet as at 31st March 2002 and the Profit and Loss Account for the year ended on that date and the report of the Directors and Auditors' thereon.
2. To declare a Dividend for the year ended 31st March 2002.
3. To appoint a Director in place of Mr. M. A. Abraham who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Renny Abraham who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Mr. Frank A Wojtek who retires by rotation and being eligible offers himself for re-appointment.
6. To appoint Auditors and fix their remuneration

#### SPECIAL BUSINESS

7. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution.

**"RESOLVED THAT** in accordance with the provisions of sections 198, 269, 309, 311 and all other applicable provisions if any of the Companies Act, 1956 the Company hereby approves the appointment of Mr. Reji Abraham as Wholtime Director of the Company for a period of 5 years with effect from 26.09.2002 to 25.09.2007 on the terms and conditions as to remuneration as detailed below

#### Remuneration:

##### a) Salary

In the range of Rs.50,000/- to Rs.1,50,000/- per month

##### b) Perquisites

###### I) Housing

Expenditure by the Company on hiring furnished accommodation shall be subject to a ceiling of 60% of salary.

If the Company does not provide accommodation to the Whole time Director the HRA will be paid to him @ 60% of basic salary.

Gas, Electricity water or reimbursement of expenses in lieu there of shall be in accordance with the schemes and rules of the Company

###### II) Medical Reimbursement:

Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary in a year or three months salary over a period of three years and Medical Insurance premium can be paid up to Rs.50,000/- p.a.

###### III) Leave Travel Concession

Reimbursement of expenditure incurred for the Director and his family once in a year subject to a maximum of one month's salary.

###### IV) Club Fees

Actual fees for a maximum of two clubs No admission and life membership fees will be paid.

###### V) Personal Accident Insurance

The premium shall be paid as per the rules of the Company.

###### VI) a. Company's contribution towards Provident fund as per Rules of the Company but not exceeding 12% of the salary

b. Company's contribution towards Superannuation fund as per the rules of the Company, but it should not together with the Company's contribution to Provident Fund exceed 27% of the salary

Contribution to Provident Fund and Superannuation Fund shall not be included in the computation of ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.

###### VII) Gratuity shall not exceed half a month's salary for each completed year of service

###### VIII) Car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company.

###### IX) Leave :

###### 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 Leave and sick leave as per the Leave Rules of the Company.

##### c) Commission

0.5% of the net profits of the Company subject to the overall ceiling laid down under sections 198 and 309 of the Companies Act, 1956.

The Board or any committee thereof be and is hereby authorised at its absolute discretion and from time to time fix within the range stated above the salary payable to Mr. Reji Abraham.

##### B. Minimum Remuneration

Notwithstanding anything stated herein, where in any financial year during the currency of tenure of the Whole time Director, the Company has no profit or its profits are inadequate, the Company shall pay the remuneration in accordance with the provisions of Part II Section II of Schedule XIII of the Companies Act, 1956 as amended from time to time.

8. 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 Section 31 and all other applicable provisions, if any, of the Companies Act, 1956 the Articles of Association of the Company be and are hereby altered in the manner as set out below:-  
Delete existing Article 4 and substitute New Article 4  
"Power of Company to purchase its own securities"  
4. Company shall be entitled to purchase its own shares or other

**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 such proxy need not be a member of the Company.
2. The instrument appointing proxy, in order to be effective should be lodged at the Registered office of the Company not less than 48 hours before the Meeting. A blank proxy form is attached.
3. The Register of Members and Share Transfer Book will remain closed from 18.09.2002 to 27.09.2002 (both days inclusive)
4. Explanatory Statement pursuant to section 173(2) is annexed.
5. Members are requested to intimate the Company regarding any change in their address immediately at its Registered Office quoting their folio numbers
6. Shareholders are requested to bring their copy of Annual Report to the Meeting
7. Members who hold shares in dematerialised form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the Meeting
8. Members are requested to send the Bank Account details to ensure safe and prompt receipt of dividend warrants and avoid any fraudulent encashment of such warrants
9. Re appointment of Directors
  - a) Mr. M.A. Abraham aged 62 years was appointed as director since the incorporation of the Company and he is one of the Promoters of the Company. Currently he is the Managing Director of the Company.
  - b) Mr. Renny Abraham aged 33 years was appointed as Director since 1994 and he is one of the Promoters of the Company. He is member of the Audit Committee and Chairman of the Shareholders Grievance Committee.
  - c) Mr. Frank A Wojtek aged 47 years was appointed as director since 1988 He represents the collaborator M/s India Offshore Inc.,

Reappointment as Wholetime Director  
Mr. Reji Abraham aged 36 years was appointed as whole time

securities subject to the limits and upon such terms and conditions and subject to such approvals as required under section 77A of the Companies Act, 1956 and other applicable provisions, rules, regulations and bye-laws and any amendments, modifications, re-promulgation's or re-enactment thereof.

Chennai  
22.07.2002

By Order of the Board  
**C. P. Gopalkrishnan**  
Director (Finance) & Secretary

director since 1997 and he is one of the Promoters of the Company.

10. Members & Proxies should bring the attendance slips duly filled in for attending the meeting.
11. The Dividend will be paid on or after 30.09.2002 to members whose names appear in the Register of Members as on 27.09.2002 subject to the provisions of sec 206A of the Companies Act, 1956.
12. In view of the changes made by the Finance Bill 2002 tax will be deducted at source at applicable rates from the dividend paid by the Company exceeding Rs.2500/- per shareholder, Members who are individual and resident in India are requested to submit their Form 15G or or before 20.09.2002 if they expect that their total income during the current financial year will be less than the minimum taxable amount for non deduction of tax at source.
13. Members are requested to inform the Company their Income Tax Permanent Account Number (PAN) General Index Register Number (GIR) if any allotted to them by the Income Tax authorities, to be stated in the Tax deduction Certificate.
14. Members holding shares in the electronic form are advised that their address and bank details as furnished to the Company by the respective Depositories viz., NSDL & CDSL will be printed on the dividend warrants.
15. Members who are holding shares in identical order of names in more than one folio are requested to intimate to the Company folio no(s). of such accounts and to send their share certificates to enable the consolidation of the folios under one account. The share certificates will be returned to the members after making the necessary endorsement.
16. Members who have not encashed their dividend warrant(s) for the financial year ended 31st March 1996, 31st March 1997, 31st March 1998, 31st March 1999, 31st March 2000 & 31st March 2001 are requested to seek issue of duplicate warrant(s) by writing to the Company.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF SPECIAL BUSINESS CONTAINED IN THE NOTICE DATED 22ND JULY 2002**

**ITEM NO:7**

Mr. Reji Abraham is one of the Promoter Directors. He is a Graduate Engineer and with Post Graduate diploma in Business Administration. He has been appointed as Wholetime Director of the Company for five years period from 26.09.1997 to 25.09.2002. During his tenure as wholetime director he had taken great efforts for the growth of the Company

In view of his experience, qualification and in the best interest of the Company it is proposed to reappoint him as Wholetime Director of the Company for a further period of 5 years from 26.09.2002 to 25.09.2007. Hence Item No. 7 is placed before the meeting for approval.

The Director Mr. Reji Abraham and his relatives

Mr. M. A. Abraham and Mr. Renny Abraham are concerned or interested in the item of business.

#### ITEM NO: 8

The Companies Act, 1956 has been amended and a new Section 77A was included, which permits companies to buy back their own shares and other specified securities. It is proposed to alter the Articles of Association of your Company. As per Section 31 of the Companies Act, 1956 the Articles of Association of the Company

can be altered only by a Special Resolution passed at the General Meeting of the Members of the Company. Hence Item No. 8 is placed before the meeting for approval.

None of the Directors of your company is interested in the item of business.

Chennai  
22.07.2002

By Order of the Board  
**C.P. Gopalkrishnan**  
Director (Finance) & Secretary

### Aban Loyd Chiles Offshore Ltd.

Details of the Directors seeking reappointment in Annual General Meeting to be held on 27th September 2002

Name of Director	Mr. M. A. Abraham	Mr. Renny Abraham	Mr. Frank A Wojtek
Date of Birth	26.11.1939	28.02.1969	29.08.1955
Date of Appointment	Since Incorporation	09.02.1994	12.08.1988
Qualification	MBA	MBA	CPA
Experience in specific functional areas	In business for the last 30 years	In business for last 8 years	Company Executive
List of Public Limited Companies in India in which Directorship held	Aban Energies Limited Tyford Tea Limited Asian Techs Limited Frontier Aban Drilling (India) Limited	Aban Energies Limited Perunad Plantations Limited	Nil
Memberships of Committees in the Company	Nil	Audit Committee	Nil
Membership of Committees in other Companies	Nil	Nil	Nil
Chairmanship of Committees	Nil	Shareholders Grievance Committee	Nil
Audit Committee	Nil	Aban Loyd Chiles Offshore Ltd	Nil

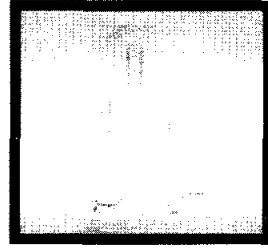
### Aban Loyd Chiles Offshore Ltd.

Details of the Directors seeking reappointment as Wholtime Director in Annual General Meeting to be held on 27th September 2002

Name of Director	Mr. Reji Abraham
Date of Birth	23.06.1966
Date of Appointment as Director	09.02.1994
Date of Appointment as Wholtime Director	26.09.1997
Qualification	B.E., MBA
Experience in specific functional areas	In business for the last 8 years
List of Public Limited Companies in India in which Directorship held	Aban Energies Limited Aban Power Company Limited Asian Techs Limited Ratan Plantations Limited Perunad Plantations Limited Frontier Aban Drilling (India) Limited
Memberships of Committees in the Company	Nil
Membership of Committees in other Companies	Nil
Chairmanship of Committees in other Companies	Nil
Audit Committee	Nil

**Nearly \$ 10 Billion  
(Rs 50,000 cr)  
is likely to be  
invested in India's  
OFFSHORE  
OIL  
EXPLORATION**

**sector over  
the next five years.**

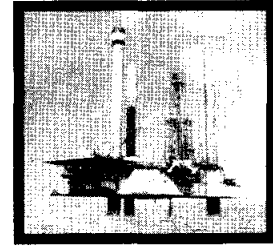


## **INDIA IS THE EIGHTH LARGEST OIL CONSUMER IN THE WORLD.**

While this would suggest that demand in the country would have matured, it is the opposite that is true. This is because India's per capita consumption of petroleum products is only 113 kg compared to the global average of 927 kg. This means that India's growth over the coming years will be faster than the global average as the country not only keeps in step with the evolving standards of the day but moves faster in trying to catch up with its lost years of consumption.

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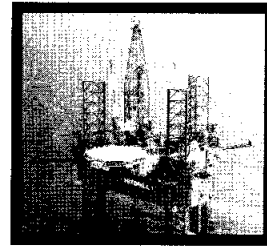


## **'HYDROCARBON VISION 2025' IS A GOVERNMENT AGENDA THAT DRIVES INDIA'S UNDISCOVERED HYDROCARBONS RESOURCE POTENTIAL.**

Under this programme, 25 per cent of India's sedimentary basinal area is expected to be appraised by 2005, 50 per cent by 2010, 75 per cent by 2015 and 100 per cent by 2025.

In response to this urgency, the Government opened up the upstream petroleum sector to private participation. The government's New Exploration and Licensing Policy (NELP) now offers more offshore blocks for exploration and a level playing field to all parties engaged in exploration and production.

Thanks to the NELP, of the 60 blocks awarded to companies for the purpose of exploration, work has already commenced in 48. The private and joint venture companies have already invested \$1.2 billion; exploration has accounted for over \$180 million and another \$250 million has been committed by 2003. In the NELP-II, an investment of \$286 million till 2004 has been forecast. ONGC, Aban's principal customer, has alone proposed to invest \$ 2 billion to revive the Mumbai High oil fields.



## **ABAN LOYD CHILES OFFSHORE LTD. (ABAN) IS THE LARGEST PRIVATE OFFSHORE DRILLING SERVICE PROVIDER IN INDIA.**

The Company was promoted in 1986 by Aban Construction, a partnership firm managed by M.A. Abraham, a first generation entrepreneur. The Company is headquartered in Chennai, India.

Aban purchased two offshore drilling rigs in 1987 (Aban-I and Aban-II). In 1993, the company acquired a third rig (Aban-III). ILE D' Amsterdam from Mahindra & Mahindra Ltd. Thereafter, in 1997-98, the company sold Aban-I at a considerable profit. In 2000-01,

it acquired Hitech Drilling Services India Ltd. from the Tatas and became the largest offshore drilling company in India's private sector. The merger added Hitdrill, a rig, and a Floating Production System (FPS) called Tahara.

Aban's income from operations increased by 137 per cent to Rs 200.48 cr in 2001-02. Its profit after tax increased from Rs 10.57 cr in 2000-01 to Rs 13.05 cr in 2001-02. The company proposed a

dividend of Rs 4/- per fully paid equity share for 2001-02.

The Company's shares are traded in the Madras Stock Exchange, The Stock Exchange, Mumbai and the National Stock Exchange of India Limited and will soon be listed with the Delhi Stock Exchange Association Limited. The market capitalisation of the company as on 31st March, 2002 was Rs 44.30 cr. The promoters held a 56.08 per cent stake in the Company's equity as on 31.03.2002.

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## **AT ABAN, OUR FOCUS IS TO EMERGE AS ONE OF THE MOST RESPECTED OFFSHORE DRILLING SERVICE PROVIDERS IN THE WORLD.**

Thanks to this single-minded focus, the Company has resisted the temptation of parking cash resources in non-synergic businesses and continuously invested in the best people and

equipment in its chosen area of core competence.

As a result, Aban's profit and loss account reflects the lowest operating

cost in the industry. Aban's pre-interest margin of 45.17 per cent in 2001-02 was one of the highest in the business among peer companies in India.