

Aban Offshore Limited (Revised)

January 28, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	387.47	CARE D; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category
Long Term Instruments - Cumulative Redeemable Preference Shares	105.00	CARE D; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category
Long Term Instruments - Cumulative Redeemable Preference Shares	156.00	CARE D; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category
Long Term Instruments - Cumulative Redeemable Preference Shares	20.00	CARE D; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has been seeking information from Aban Offshore Ltd. (AOL) to monitor the rating vide e-mail communications dated January 09, 2026, January 13, 2026, January 16, 2026, January 19, 2026 and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE Ratings Limited (CareEdge Ratings) has reviewed the rating on the basis of the best available information which however, in CARE Ratings Limited (CareEdge Ratings)'s opinion is not sufficient to arrive at a fair rating. The ratings on AOL's bank facilities and preference share issues will now be denoted as '**CARE D; ISSUER NOT COOPERATING**'.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings assigned to bank facilities and preference share issues of AOL factor in the instances of delays in debt servicing.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Satisfactory track record of timely servicing of debt obligation on a sustained basis.

Analytical approach: Standalone

Outlook: Not applicable

Detailed description of key rating drivers:

At the time of last rating on February 06, 2025, the following were the rating strengths and weaknesses.

Key weaknesses

Moderate financial performance

The company has faced a continued decline in fleet utilization, resulting in a significant drop in revenue over the past few years. The pandemic in FY21 severely impacted the oil and gas sector, with reduced consumption and lower exploration activities, which in turn led to a steep fall in day rates and decreased revenue for Aban. PBILDT margins also turned negative due to the under-absorption of fixed costs.

However, the situation has now improved with the recovery of exploration activities and rising crude prices. Additionally, the sale of idle assets, including nine rigs over FY22 and FY23, has allowed the company to better optimize fixed costs by eliminating expenses related to maintaining non-operational assets. This operational streamlining has led to better utilization of fixed costs, resulting in an improvement in operating margins, though the scale remains modest at Rs. 55.87 crore in H2FY26.

¹Complete definition of ratings assigned are available at www.careedge.in and other CARE Ratings Limited's publications.

Key strengths

Extensive Experience of Promoters

AOL was promoted in 1986 by late Mr. M.A. Abraham, in collaboration with Chiles Offshore Inc. (COI), USA, an offshore drilling company in the Gulf of Mexico. Company's management team includes Mr. Reji Abraham (Managing Director) and Mr. Narayan Venkat Ramanan, (CFO).

Liquidity: Poor

AOL has been experiencing liquidity issues resulting in delays in debt servicing.

The company is currently undergoing the Corporate Insolvency Resolution Process (CIRP) as per the order issued by the National Company Law Appellate Tribunal (NCLAT), Chennai, dated September 1, 2025. An Interim Resolution Professional (IRP) was appointed on October 10, 2025. To date, three meetings of the Committee of Creditors (CoC) have been conducted, with the recent meeting held on January 19, 2026.

As of November 12, 2025, the total amount admitted for financial creditors stands at ₹1,191 crore, of which ₹1,077 crore pertains to Punjab National Bank, followed by ₹66 crore for State Bank of India and ₹48 crore for IndusInd Bank. In addition, claims admitted include ₹25,037 crore from other secured creditors, ₹693 crore from operational creditors, and ₹6.85 crore towards employee claims.

Applicable criteria

[Information Adequacy Risk and Issuer Non-Cooperation](#)

[Policy on Default Recognition](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Financial Ratios – Non financial Sector](#)

[Services Sector](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Energy	Oil, Gas & Consumable Fuels	Oil	Oil Equipment & Services

Aban Offshore Limited (AOL), the flagship company of Aban group, provides offshore drilling services to companies engaged in exploration and production of oil and gas. The company and its wholly owned subsidiaries had a total of four operational assets by the end of December 2024.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	H1FY26 (UA)
Total operating income	90.20	124.55	55.87
PBILDT*	-186.93	79.73	23.51
Profit after tax (PAT)	-282.98	167.82	-5.92
Overall gearing (x)	-0.58	-0.69	-0.69
Interest coverage (x)	-2.92	1.23	0.71

A: Audited UA: Unaudited; Note: these are latest available financial results

*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan	NA	-	-	Payable on demand	387.47	CARE D; ISSUER NOT COOPERATING*
Preference Shares-Cumulative Redeemable Preference Shares	INE421A04055	03-Aug-2008	10	03-Aug-2016	20.00	CARE D; ISSUER NOT COOPERATING*
Preference Shares-Cumulative Redeemable Preference Shares	INE421A04097	30-Mar-2007	10	30-Mar-2015	156.00	CARE D; ISSUER NOT COOPERATING*
Preference Shares-Cumulative Redeemable Preference Shares	INE421A04071	16-Jun-2005	10	16-Jun-2016	35.00	CARE D; ISSUER NOT COOPERATING*
Preference Shares-Cumulative Redeemable Preference Shares	INE421A04063	16-Jun-2005	10	16-Jun-2016	35.00	CARE D; ISSUER NOT COOPERATING*
Preference Shares-Cumulative Redeemable Preference Shares	INE421A04089	16-Jun-2005	10	16-Jun-2016	35.00	CARE D; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Preference Shares-Cumulative Redeemable Preference Shares	LT	105.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D (06-Feb-25)	1)CARE D (14-Feb-24)	1)CARE D (24-Feb-23) 2)CARE D (15-Apr-22)

2	Preference Shares-Cumulative Redeemable Preference Shares	LT	156.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D (06-Feb- 25)	1)CARE D (14-Feb- 24)	1)CARE D (24-Feb- 23) 2)CARE D (15-Apr- 22)
3	Fund-based - LT-Term Loan	LT	387.47	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D (06-Feb- 25)	1)CARE D (14-Feb- 24)	1)CARE D (24-Feb- 23)
4	Preference Shares-Cumulative Redeemable Preference Shares	LT	20.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D (06-Feb- 25)	1)CARE D (14-Feb- 24)	1)CARE D (24-Feb- 23) 2)CARE D (15-Apr- 22)

*Issuer did not cooperate; based on best available information.

LT: Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Preference Shares-Cumulative Redeemable Preference Shares	Complex

Annexure-5: Lender details

To view lender-wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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