



**Thirteenth  
Annual Report  
1999-2000**

*Spearheading India's Search for Oil*



## BOARD OF DIRECTORS

<b>Sri U.V. Warlu</b>	Chairman
<b>Sri A. Rajesh</b>	Director
<b>Sri S. Ravula Reddy</b>	Director
<b>Sri Z.P. Marshall</b>	Director
<b>Sri V.L. Herman</b>	Director
<b>Sri A. Dinesh</b>	Managing Director

## AUDITORS :

**M/s. P.V.R.K. Nageswara Rao & Co.,**  
Chartered Accountants  
109, Metro Residency, Rajbhavan Road,  
Somajiguda, Hyderabad - 500 482.

## BANKERS :

**State Bank of India**  
Commercial Branch  
Hyderabad - 500 095

**Vijaya Bank**  
Babukhan Estate,  
Basheerbagh,  
Hyderabad - 500 001.

## REGD. OFFICE :

802, Babukhan Estate,  
Basheerbagh,  
Hyderabad - 500 001.

## SHARES DEPARTMENT :

802, Babukhan Estate,  
Basheerbagh,  
Hyderabad - 500 001.

## Names of Stock Exchanges where the Shares of the Company are listed:

Hyderabad, Chennai, Delhi and Mumbai.  
The Annual listing fees has been paid at all the above  
Stock Exchanges.



## NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given to all members of the Company that the Thirteenth Annual General Meeting of ALPHAGEO (INDIA) LIMITED will be held at Sundarayya Vignana Kendram, Baghlingampally, HYDERABAD - 500 044 on Friday the 22nd September, 2000 at 3-30 P.M. to transact the following business :

### AS ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2000 and the Profit and Loss Account for the year ended on that date along with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Sri S. RAVULA REDDY, who retires by rotation, and being eligible offers himself for reappointment.
3. To appoint a Director in place of Sri U.V. WARLU, who retires by rotation, and being eligible offers himself for reappointment.

4. To appoint Auditors for the current year and fix their remuneration and for that purpose to pass the following resolution with or without any modifications as ORDINARY RESOLUTION.

"RESOLVED that M/s. P.V.R.K. Nageswara Rao & Co., Chartered Accountants, Hyderabad be and are hereby reappointed as Auditors of the Company to hold the office from the conclusion of this Annual General Meeting of the Company until the conclusion of the next Annual General Meeting at such remuneration as may be determined by the Board of Directors of the Company".

By Order of the Board

Place : HYDERABAD  
Date : 31-7-2000

A. DINESH  
Managing Director

### NOTES :

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote at the meeting instead of himself and a proxy need not be a member of the company.
2. The instrument appointing a proxy should however be deposited at the registered office of the company not less than 48 hours before commencement of the meeting.
3. The register of members and share transfer books of the company will remain closed from 16-09-2000 to 22-09-2000 both days inclusive.



## DIRECTORS' REPORT

To  
The Members

Your Directors are pleased to present their Thirteenth Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2000.

### FINANCIAL RESULTS :

	1999 - 2000		1998 - 99	
	Rs.	Rs.	Rs.	Rs.
Profit/(Loss) before Finance charges and Depreciation		( 64,33,488 )		56,62,525
Less: Finance Charges	1,35,92,854		1,16,49,947	
Depreciation	1,01,52,467		1,04,61,219	
		<u>2,37,45,321</u>		<u>2,21,11,166</u>
Loss before tax		( 3,01,78,809 )		( 1,64,48,641 )
Less: Income tax adjustments of earlier year		<u>3,176</u>		<u>-----</u>
Loss after tax		( 3,01,75,633 )		( 1,64,48,641 )
Add/Less: Profit/(Loss)brought forward		( 1,31,42,016 )		<u>33,06,625</u>
Balance of Loss carried to Balance Sheet		<u>( 4,33,17,649 )</u>		<u>( 1,31,42,016 )</u>

**OPERATIONS :**

Your Directors wish to inform that your Company has acquired a gross income of Rs. 133.01 lakhs as against Rs. 181.82 lakhs for the previous year. During the year, your Company has incurred a loss of Rs. 64.33 lakhs (before providing for Interest and Depreciation of Rs. 237.45 lakhs) as compared to a profit of Rs. 56.62 lakhs (before providing for Interest and Depreciation of Rs. 221.11 lakhs) during the previous year.

During the year under review, the Company was operating the three Reservoir Parties for ONGC Western Region at Ahmedabad and Mehsana.

**BUSINESS PLAN :**

The Contract with ONGC for conducting Reservoir Data Acquisition in Ahmedabad has been completed in April, 2000. The First Phase of the Reservoir Operations at Mehsana are scheduled to be completed by October, 2000.

Your Company has prepared the data packages for sale for the NELP 2000 round of bidding for exploration blocks. It is making all efforts to market this data to all prospective clients.

The year 2000-01 is expected to see the entry of more Private Companies in the Oil Exploration Sector. Your Company has already started rendering seismic data processing services to a few of them. It is hopeful that it will be able to take up some Onland Seismic Survey works for these Private Companies.

**DIRECTORS :**

Two Directors namely Sri S. RAVULA REDDY and Sri U.V. WARLU will retire by rotation as Directors at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

**AUDITORS REPORT :**

With reference to the comments of Auditors in respect of recoverability of Rs. 152.36 lakhs from Sundry Debtors, your Directors are confident of recovering the amounts and do not foresee any difficulty in collecting the amounts.

**DEPOSITS :**

Your Directors have to report that there were no deposits at the year end which fell due but not paid.

**AUDITORS :**

The Auditors, M/s. P.V.R.K. Nageswara Rao & Co., Chartered Accountants, Hyderabad retire and are eligible for reappointment.

**DISCLOSURE OF PARTICULARS :**

Information as per the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 relating to Conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo are given in Annexure I forming part of this report.

**EMPLOYEES :**

Your Directors wish to inform you that during the year there was no employee who was in receipt of remuneration of more than Rs. 6.00 lakhs per annum if employed through out the year or more than Rs. 50,000/- per month if employed for any part of the year.

**ACKNOWLEDGEMENTS :**

Your Directors place on record their appreciation of the cooperation and support extended by the Industrial Credit and Investment Corporation of India Limited, Industrial Finance Corporation of India Limited, ICICI Venture Funds Management Company Limited and State Bank of India and also place on record their appreciation of the services rendered by all the Executives, Staff and Workmen of the Company through out the year.

For and on behalf of the Board

HYDERABAD  
31-07-2000

U.V. WARLU  
CHAIRMAN



## ANNEXURE - I

### INFORMATION AS REQUIRED BY SECTION 217 (1) (e) OF THE COMPANIES ACT 1956 :

a.	Conservation of Energy	:	Not Applicable
b.	Technology absorption	:	NIL
c.	Research and Development	:	NIL
d.	Foreign Exchange earnings :		
	Seismic Survey and other related charges	:	Rs. 67,62,834/-
e.	Foreign exchange outgo towards :		
	Membership and Subscription	:	Rs. 3,065/-
	Bank Charges	:	Rs 25,730/-

For and on behalf of the Board

HYDERABAD  
31-07-2000

**U.V. WARLU**  
Chairman





## AUDITORS' REPORT

To  
The Shareholders of  
ALPHAGEO (INDIA) LIMITED

We have examined the attached Balance Sheet of **ALPHAGEO (INDIA) LIMITED** as at 31st March 2000 and the attached Profit and Loss Account for the year ended on that date with the books of the Company and report that:

1. As required by the Manufacturing and other Companies (Auditors' Report) Order, 1988 issued by the Company Law Board in terms of Section 227(4-A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in Annexure referred to in paragraph 1 above.
  - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose 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 these books.
  - c. The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
  - d. In our opinion, the profit and Loss Account and the Balance Sheet comply with the Accounting Standards referred to in section 211(3C) of the Companies Act, 1956 to the extent applicable.
  - e. In our opinion and to the best of our information and according to the explanations

furnished to us the accounts read in conjunction with the notes thereon give the information as required by the Companies Act, 1956 in the manner so required and subject to the following:

- i. The company has to recover amounts aggregating to Rs. 152.36 lakhs from a company being sundry debtor (Note 4 of Schedule 17 of Notes to Accounts). Whilst, the company is of the view that no loss would arise in respect of the above item for which provision is necessary, we are unable to express an opinion in the matter.
- ii. The Gain on foreign exchange translation on the disputed amounts receivable from Debtors as mentioned at Item No. 4(ii) of Schedule 17 of Notes to Accounts, for the Current Year amounting to Rs. 129800/- and aggregating upto the year ended 31st March 2000 Rs. 453200/- has not been recognised as income in the books of accounts. Due to this the loss for the year is overstated by Rs. 129800/- and the Balance in Profit and Loss Account and the Sundry Debtors are understated by Rs. 453200/-.

give a true and fair view :

- i) in the case of Balance Sheet of the state of affairs of the Company as at 31st March, 2000; and
- ii) in the case of Profit and Loss Account of the Loss for the year ended on that date.

For **PVRK Nageswara Rao & Co.**  
Chartered Accountants

HYDERABAD  
30-06-2000

**P.V.R.K. Nageswara Rao**  
Partner

## ANNEXURE REFERRED TO IN PARAGRAPH 1 OF AUDITORS' REPORT OF EVEN DATE:

- i) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The assets have been physically verified by the Management according to the phased programme

designed to cover all assets on rotation basis. In respect of assets verified according to this programme, which is considered reasonable, no material discrepancies were noticed on such verification.