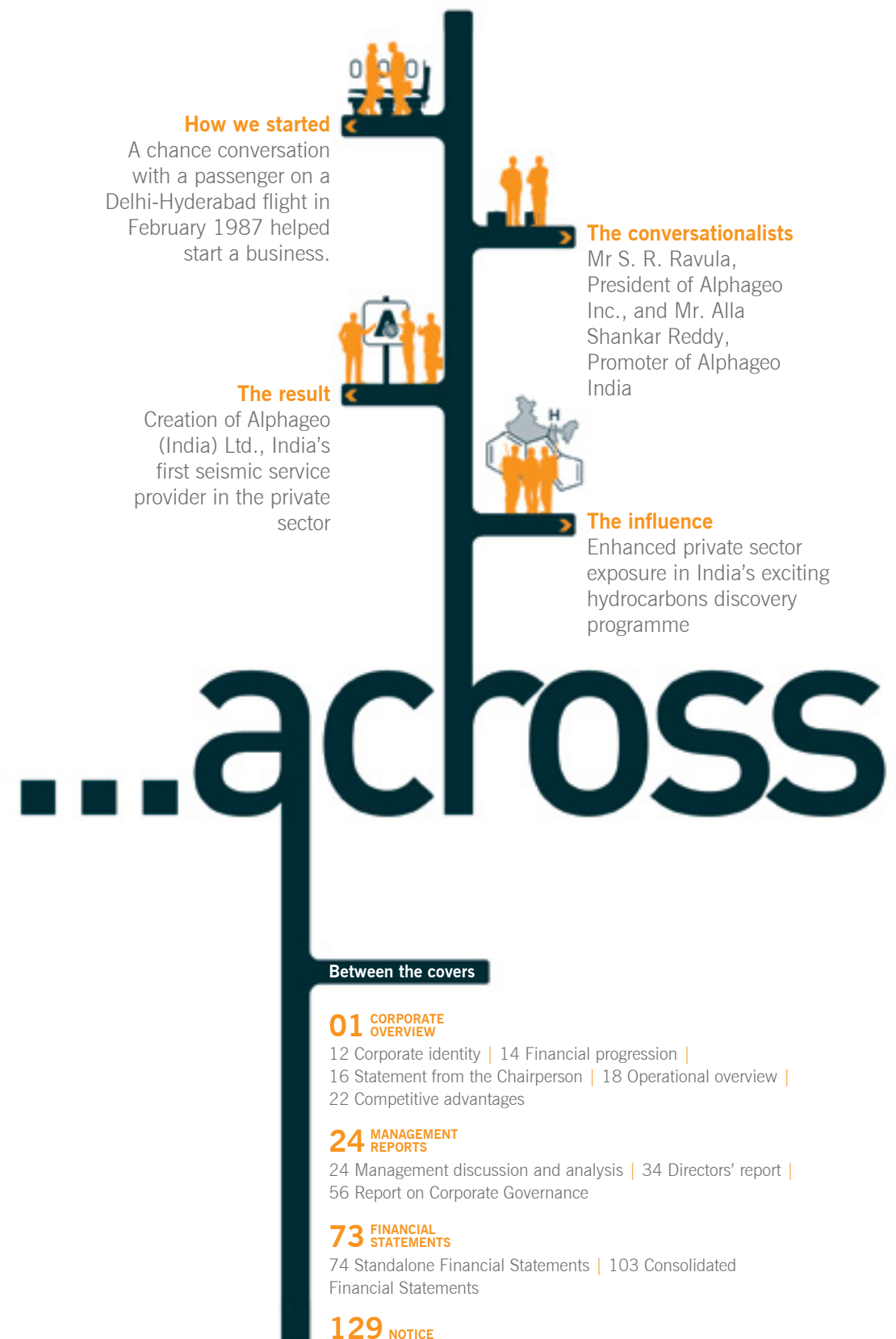


# Creating a blast





# 25 years!

**A**T Alphageo (India) Limited, India's leading seismic survey service provider, we are engaged in the business of creating subterranean sound waves with the objective to map and interpret the sub-surface.

This expertise makes it possible for our customers – large downstream oil exploration companies – to take informed decisions on where to explore for oil.

The efficiency of our customers makes it possible to strengthen India's hydrocarbons industry, reinforce national resource security, strengthen India's forex savings and create a stronger nation.



**Mapped**  
customer assets  
precisely

**Introduced**  
cutting-edge  
technologies

**Embraced**  
projects in  
challenging terrains

**Helped**  
customers arrive  
at informed  
exploration  
decisions



Making a  
**positive**

**3**

countries

**14**

states

**32**

customers

**Made**  
it possible for  
customers to get  
into exploration  
faster

**Made**  
it possible for  
customers to  
optimise their  
spending

**Reinforced**  
India's quest  
for hydrocarbons  
security

**Extended**  
our presence  
from India to  
international  
geographies



**difference**

**15,000**

of 2D projects (in km)

**5,000**

of 3D projects (in sq km)

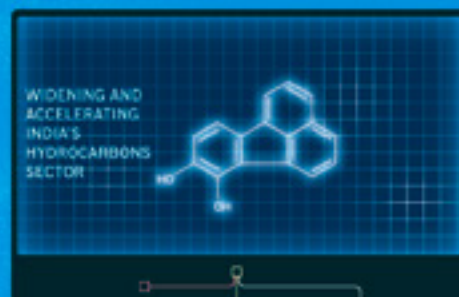
**49**

completed  
projects



# revolutionise

HOW ALPHAGEO HELPED GRADUATE  
INDUSTRY STANDARDS.



IN OUR  
25 YEARS OF  
EXCELLENCE



IN OUR  
25 YEARS OF  
EXCELLENCE

SETTING THE  
INDUSTRY  
STANDARDS FOR...  
**25** YEARS



Alphageo was one of India's first venture-funded companies. Technical Development & Investment Corporation of India acquired a 40% stake in the Company in 1990.

**Alphageo** has been more than just another seismic survey player in India's hydrocarbons sector.

The Company has been a pioneer, introducing a number of practices for the very first time in the country.

The most important national contribution by Alphageo has been in its being the first company in India's private sector to extend into the business of geo-physical mapping, widening and accelerating India's hydrocarbons sector.

Besides, Alphageo was partly instrumental in helping time-bound contracts evolve into delivery-based contracts, strengthening deliverables and accountability. For instance, Alphageo's first operational contract comprised 2D seismic survey of 600 line km across two years with Oil India Limited in 1990. Alphageo completed 1,400 line km within the stipulated time. Even as the renewed contract stipulated 1,200 line km of 2D seismic survey across two years, Alphageo completed 2200 line km, following which time-specific contracts were altered to fixed quantum projects.

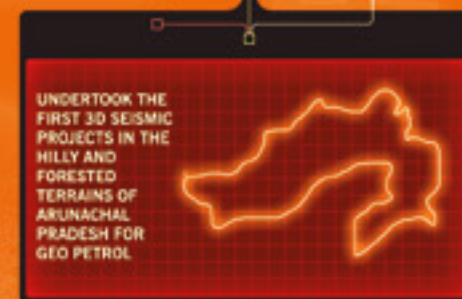
To Alphageo's credit is also the successful completion of the first 3D seismic survey assignment in India by a private sector company in 2005, helping the country graduate to a higher technology.

**The result** is that Alphageo is among the most respected Indian geophysical service companies today.



# challenges

HOW ALPHAGEO RAISED PROJECT BENCHMARKS.



SETTING THE  
INDUSTRY  
STANDARDS FOR...

# 25

YEARS

## Alphageo is respected for being a challenge-embracing company.

The result is that whenever clients have needed to engage in seismic surveys in hilly, remote or inhospitable regions, they have inevitably turned first to Alphageo.

Over the years, Alphageo has distinguished itself through its ability to mobilise adequate crew members possessing the requisite experience. It has leveraged its rich experience in conducting seismic surveys with minimal environment impact. It has demonstrated a capability in working collaboratively with rural citizens, accelerating project progress.

Alphageo was the first company to complete a seismic survey campaign in the hilly and inaccessible Mizoram for Oil and Natural Gas Corporation Limited in 2004-05, a project marked by thick vegetation, remote jungles, uneven roads, steep terrain and water shortage. The Company delivered the project on schedule.

Alphageo conducted two speculative surveys in Ganga and Vindhyan Basins through joint ventures with the Directorate General of Hydrocarbons in potential hydrocarbon-bearing basins – where no prior seismic data was at all available.

Alphageo Undertook the 1st 3D seismic project in hilly and forested terrains of Arunachal Pradesh for

Geo Petrol. The area to be surveyed was on a hill with a river at its base and no vehicular access. Alphageo responded innovatively through the use of elephants, completing the project on schedule.

**The result** is that when clients select to work with Alphageo, they are assured of timely project completion and a consequent peace of mind.



**Alphageo was the first seismic service provider in India to conduct night operations in urban Thiruvavur to minimise public inconvenience.**



**Alphageo** has established a reputation – ‘If it is the best standard, Alphageo will use it for the client’s benefit’ over the last 25 years.

This is a result of the fact that Alphageo works with cutting-edge technologies that enhance project efficiency and safety.

For instance, Alphageo undertook a seismic survey project in the Himalayan foothills in 2001 where the challenging terrain made it impossible to use normal rigs. The Company was the first to deploy small portable drilling rigs ideal for hard earth formations.

Besides, Alphageo was the first in the private Indian geophysical space to introduce 3D acquisition technology in 2005 (following extensive live on-the-job US training for six key members of the Alphageo team).

Alphageo invested in state-of-the-art equipment: 24-bit Delta Sigma technology with cable telemetry ION Scorpion systems and Sercel 428 XL for 3D survey, SM 24 sensors with a full set of auxiliary equipment capable (for distortion-free 2D and 3D seismic acquisition data), data processing centre with widely used software (for data processing and analysis) and advanced interactive workstations and software for 2D/3D seismic data interpretation.

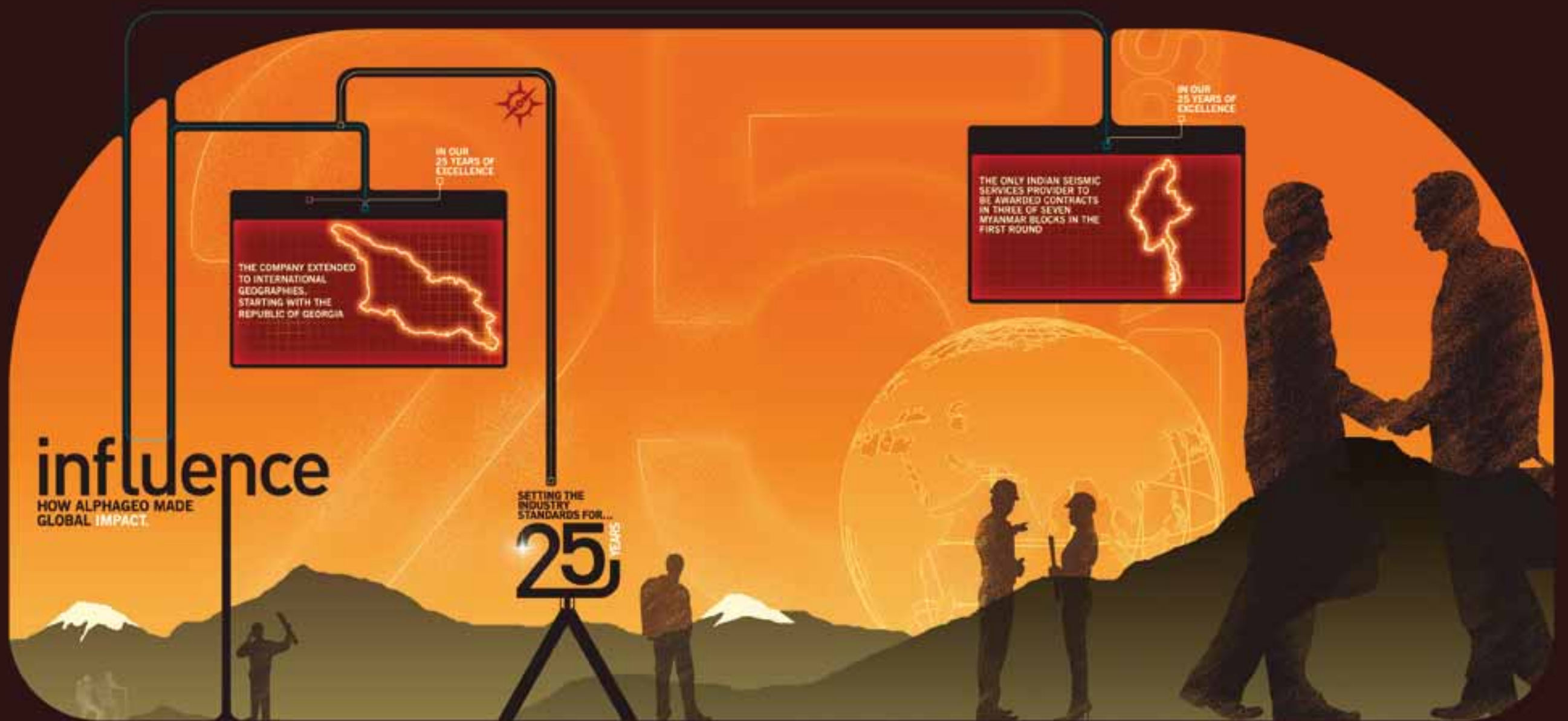
Alphageo was the first seismic survey player to provide the new ‘3D-seis loop’ service in a project for Oil India Limited, marked by enhanced data collection at only a fraction of the usual 3D service cost.

The result is that Alphageo has facilitated access and implementation of some of the best global technologies in India, taking the country’s hydrocarbons exploration agenda ahead.



**Alphageo is the only Indian seismic survey provider present in all three service segments (data acquisition, data processing, data interpretation) of the 2D segment.**





# influence

HOW ALPHAGEO MADE GLOBAL IMPACT.

**Alphageo focused on the growth coming out of India for the major part of its 25-year journey.**

In June 2010, Alphageo made a decisive extension in its business strategy. The Company extended to international geographies, starting with the Republic of Georgia before moving on to Myanmar.

Alphageo was the only Indian seismic service provider to be awarded contracts in three of seven Myanmar blocks in the first round. These contracts were awarded by global brands, namely Petronas and Istech. The Company leveraged its rich experience of having worked in North-East India while embarking on Myanmar projects, which were delivered before schedule.

**The result** is that Alphageo now enjoys a favourable pre-qualification reputation of having worked in a challenging international geography for a large global client, validating what its reputation always stood for – timely and pre-scheduled project delivery.



Alphageo's first international project in the Republic of Georgia was implemented in November 2010 under sub-zero conditions. And yet, the project was delivered on schedule.

#### Vision

Emergence as a leading geophysical services player with global operations to deliver time-critical, quality data at competitive prices.

#### Headquartered in

Hyderabad (India), the Company provides 2D and 3D seismic and related services (seismic data acquisition, processing and interpretation) for exploration companies in the oil and gas sector.

The Company's shares are listed on the Bombay Stock Exchange and National Stock Exchange.

#### Mission

Alphageo's goal is to emerge as the industry's premier provider of cost-effective seismic services and geophysical solutions.

We strive to deliver high-quality services while maintaining a safe, enjoyable and challenging workplace for our employees.

We hold in highest regard the environment and societies in which we work.

We are committed to excellence in all that we do, and through this, create value for all our stakeholders.

India's leading onland integrated private sector seismic services player.

Spanning the sector from pre-liberalisation to post-liberalisation and globalisation.

Enjoying a multi-geographic, multi-terrain and multi-customer experience.



#### What we achieved in 2014-15

##### Financial (standalone financial statement)

**44%**

Revenue grew from ₹4441.35 lakh in 2013-14 to ₹6396.73 lakh in 2014-15

**24%**

EBIDTA grew from ₹1643.51 crore in 2013-14 to ₹2045.65 crore in 2014-15

**32%**

Net profit grew from ₹1125.78 crore in 2013-14 to ₹1489.64 crore in 2014-15

##### Profitability

**37%**

EBIDTA margin in 2014-15 against 32% in 2013-14

**25%**

Net margin in 2014-15 against 23% in 2013-14

**27%**

Return on capital employed in 2014-15 against 23% in 2013-14

##### Business

**Complete Received**

the pending projects worth ₹31.06 crore (as on April 1, 2014)

four orders from leading Indian oil majors, completed within schedule

“Over the last 25 years, Alphageo's unwavering focus on seismic survey and undying passion to take on any challenge has enabled it to survive through sectoral ups and downs better than most others. Besides, a few of their seismic acquisitions have resulted in very good success stories which adds an important feather in their cap. Our recent success stories in Cambay Basin is also the result of the seismic data which was acquired by Alphageo.”

- Dr. Rabi Bastia, President E&P, Oilmax Energy



# Financial progression

Global

## Total income (₹ in lakh)

2011-12	<div><div></div></div>	4602
2012-13	<div><div></div></div>	2381
2013-14	<div><div></div></div>	9558
2014-15	<div><div></div></div>	7342

## EBIDTA (₹ in lakh)

2011-12	<div><div></div></div>	721
2012-13	<div><div></div></div>	(176)
2013-14	<div><div></div></div>	3794
2014-15	<div><div></div></div>	2667

## Post-tax profit/(loss) (₹ in lakh)

2011-12	<div><div></div></div>	(507)
2012-13	<div><div></div></div>	(1070)
2013-14	<div><div></div></div>	2647
2014-15	<div><div></div></div>	1449

## Cash profit/(loss) (₹ in lakh)

2011-12	<div><div></div></div>	667
2012-13	<div><div></div></div>	(221)
2013-14	<div><div></div></div>	3722
2014-15	<div><div></div></div>	2584

## Gross block (₹ in lakh)

2011-12	<div><div></div></div>	12792
2012-13	<div><div></div></div>	13151
2013-14	<div><div></div></div>	16926
2014-15	<div><div></div></div>	16946

## Capital employed (₹ in lakh)

2011-12	<div><div></div></div>	5,191
2012-13	<div><div></div></div>	5,839
2013-14	<div><div></div></div>	9185
2014-15	<div><div></div></div>	8513

## Book value per share (₹)

2011-12	<div><div></div></div>	96
2012-13	<div><div></div></div>	76
2013-14	<div><div></div></div>	123
2014-15	<div><div></div></div>	149

# Financial progression

India

## Total income (₹ in lakh)

2011-12	<div><div></div></div>	2723
2012-13	<div><div></div></div>	990
2013-14	<div><div></div></div>	4597
2014-15	<div><div></div></div>	6498

## EBIDTA (₹ in lakh)

2011-12	<div><div></div></div>	384
2012-13	<div><div></div></div>	(430)
2013-14	<div><div></div></div>	1644
2014-15	<div><div></div></div>	2046

## Cash profit/(loss) (₹ in lakh)

2011-12	<div><div></div></div>	332
2012-13	<div><div></div></div>	(471)
2013-14	<div><div></div></div>	1585
2014-15	<div><div></div></div>	1999

## Capital employed (₹ in lakh)

2011-12	<div><div></div></div>	4835
2012-13	<div><div></div></div>	5169
2013-14	<div><div></div></div>	5855
2014-15	<div><div></div></div>	6279



## Post-tax profit/(loss) (₹ in lakh)

2011-12	<div><div></div></div>	(509)
2012-13	<div><div></div></div>	(995)
2013-14	<div><div></div></div>	1126
2014-15	<div><div></div></div>	1490

## Gross block (₹ in lakh)

2011-12	<div><div></div></div>	10450
2012-13	<div><div></div></div>	8927
2013-14	<div><div></div></div>	10006
2014-15	<div><div></div></div>	9807

## Book value per share (₹)

2011-12	<div><div></div></div>	88
2012-13	<div><div></div></div>	68
2013-14	<div><div></div></div>	85
2014-15	<div><div></div></div>	109

## “Alphageo has cemented its recall as a reliable service provider of quality data in the seismic survey space.”

*Dear friends,*

It is a happy time to be addressing you following the completion of 25 years of field operations.

If there is one thing that we are proud to have achieved in two-and-a-half decades, it is our respect as a reliable provider of quality data in the seismic survey space among large global and Indian oil exploration companies.

It is this recall that has enabled the Company to succeed in a space marked by revenue and project uncertainty.

In 2014-15, we reinforced this confidence by completing five projects, all of which were delivered on or before schedule. Our revenue and net profit grew by 44% and 32% respectively over the previous fiscal. What was relevant is that we strengthened organisational liquidity on the one hand, while reducing the debt on our Balance Sheet on the other, strengthening business sustainability.

### Promise of tomorrow

Oil is one of the most critical energy sources in a developing economy. As economies grow, energy consumption will only increase. This is more pertinent for a country like India, which is not only a net oil importer but expected to possibly emerge as the fastest growing global economy.

A 2014 McKinsey study indicates that India's energy demand could grow from 691 million tonnes of oil equivalent (mtoe) in 2010 to 1,500 mtoe in 2030 based on GDP growth estimates, economy composition and demand growth from industry, buildings and transport sectors in a business-as-usual scenario.

What is of growing relevance is that India imports close to 80% of its oil requirements, significantly linking its economic progress to global oil price movements. Consider this:

**Every** USD10 per barrel fall in oil price can enhance India's GDP growth by around 0.1 percentage points.

**Every** USD10 per barrel fall in crude oil price lowers WPI by around 0.5% and CPI by about 0.2%.

**Every** USD10 per barrel fall in crude oil price improves India's current account balance by around USD 9 billion – 0.5% of GDP.

Evidently, India's oil sector plays a pivotal role in her economic progress.



India's new government announced its decision to strengthen the country's oil self-sufficiency with the objective to moderate the impact of oil price volatility on her economic progress. The Prime Minister set a goal of reducing India's dependence on imports from 77% of its 'energy' requirement by 10% by 2022, and by 50% by 2030. In keeping with this ambitious goal, India's hunt for oil is expected to accelerate.

There are some interesting points to consider. For two decades, no fresh assessment was conducted to gauge the hydrocarbon potential of all 26 Indian

basins. Recently, the Ministry of Hydrocarbons set in motion a large exercise by ONGC and OIL to obtain fresh data of unappraised national areas, estimated at around 50% of India's identified sedimentary basins.

Initiatives have been now taken to cover all onshore areas with a preliminary 2D seismic survey. To cover offshore areas, another policy has been implemented under the 'multi-client non-exclusive' survey, through which global companies can analyse and collect seismic data at their cost, which can then be marketed to potential investors.

### Relevance for Alphageo

What does this mean for Alphageo?

It means large seismic survey business opportunities in India. It means more projects for a vertically-integrated seismic service provider like us. It means a preference for a service provider like us possessing an experience of working across most Indian terrains for more than two decades. It means a headstart for a company like ours with a proven record of delivering projects on/before schedule. It means the start of another phase in the Company's existence.

### International business

Even as Indian prospects appear attractive across the medium-term, Myanmar continues to offer attractive prospects. Myanmar Oil and Gas Enterprise and the Ministry of Energy had offered 18 onshore blocks for bidding at the beginning of 2013 and 16 oil blocks were awarded in 2014.

The Myanmar government is now opening up to international business by signing deals with foreign energy companies. With our Company having successfully completed multiple projects in Myanmar, we hope to carve out a good share of the emerging opportunity.

### Message to shareholders

At Alphageo, we are optimistic of our prospects as domestic seismic survey opportunities are expected to increase over the medium-term. Besides, Myanmar also promises attractive opportunities in 12-24 months.

These realities inspire the optimism of robust business growth over the medium-term, translating into superior value for our shareholders.

With optimism,  
**Z P Marshall**  
Chairperson

# 1,500<sup>mtoe</sup>

India's energy demand estimate in 2030.