



from here to
sustainability

COMPANY INFORMATION

| | | |
|---|---|---|
| Board of Directors | <p>Naresh Chandra Sharma</p> <p>Ajit Kapadia</p> <p>Dr. Rabi Narayan Bastia</p> <p>Sumeet Narang</p> <p>Gautam Gode</p> <p>Sanjay Bhargava</p> <p>Avinash Chandra Manchanda</p> <p>Rahul Talwar</p> | <p>Chairman - Non-Executive Independent</p> <p>Non-Executive Independent Director</p> <p>Non-Executive Independent Director</p> <p>Non-Executive Promoter Director</p> <p>Non-Executive Promoter Director</p> <p>Non-Executive Promoter Director</p> <p>Non-Executive Director</p> <p>CEO & Whole Time Director</p> |
| Company Secretary | Kanika Bhutani | |
| Auditors | <p>Deloitte Haskins & Sells</p> <p>Chartered Accountants</p> <p>Vadodara</p> | |
| Bankers | <p>State Bank of India</p> <p>HDFC Bank Limited</p> <p>Ratnakar Bank Limited</p> <p>Yes Bank Limited</p> <p>Axis Bank Limited</p> | |
| Registered Office | <p>29, Payal Complex, Station Road, Sayajigunj, Vadodara-390020, Gujarat, India</p> <p>Phone: +91 (265) 2362292, 91 (265) 2226216, Fax: 91 (265) 2226216,</p> <p>Email: secretarial@asianoilfield.com, Website: www.asianoilfield.com</p> | |
| Corporate Office | <p>703, 7th Floor, Tower-A, IRIS Tech Park, Sector 48, Sohna Road,</p> <p>Gurgaon, Haryana 122 018, India Phone: +91 (124) 4256145,</p> <p>Fax: +91 (124) 6606406, Email: mail@asianoilfield.com</p> | |
| Registrar & Share Transfer Agent | <p>Link Intime India (P) Limited, 102 & 103 Shangrila Complex, 1st Floor, Opp.</p> <p>HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara - 390 020</p> <p>Tel: 0265-2356573 / 2356794, Fax: 0265-2356791</p> <p>Email: vadodara@linkintime.co.in</p> | |

Asian Oilfield Services Limited

is at the cusp of exciting change.

Over the last couple of years, the Company has transformed its business model.

With the objective to generate profitable and sustainable growth.

The result is an attractive global order book expected to translate into growing revenues over the foreseeable future.



Vision

Asian Oilfield Services aims to be recognised and respected for the quality of its products, efficiency of its operations, customer satisfaction and goodwill generated from its services. Our Company and its employees and shareholders shall grow and prosper by gaining the loyalty of customers and market-share.

Legacy

- Incorporated in 1992, Asian Oilfield Services has transformed itself into a multi-disciplinary enterprise, providing reservoir imaging services and offering a comprehensive suite of geophysical services

- The Company's management control was acquired by Samara Capital, an entrepreneurially-run India- focused private equity firm with investments in emerging Indian companies that are poised for rapid transformation, possess entrepreneurial management teams and operate in favourable segmental geographies

- The Company enjoyed a market capitalisation of ₹290 million as on March 31, 2013

Services

- The Company's services include 2D and 3D seismic data acquisition, processing and interpretation, topographic surveys, core drilling for mineral and CBM exploration, wire-line logging and directional core drilling (to target shallow horizons)

- It also provides specialised high-technology services to oil and gas companies for targeted applications

Human capital

Asian Oilfield Services has 211 individuals on its payroll and during project execution periods, it manages a workforce in excess of 1,800 people

Presence

- The Company's corporate office is located in Gurgaon

- It provides services across the Indian subcontinent and Asia.

- The Company's shares are listed and traded on the Bombay Stock Exchange

Core values

Trust: We shall conduct our business with customers, stakeholders and employees with integrity, honesty and transparency

Quality: We shall constantly implement industry best practices while shunning poor ones and keep incorporating the latest technologies to improve the quality of our products and services

Performance: We shall strive to deliver our services efficiently and competitively by employing a highly motivated workforce, assets of the highest standards, state-of-the-art technology and implementing the best processes and systems in the industry

Teamwork: We shall share ideas, resources and talents and help each other in achieving our common aim of maximising stakeholder value and customer satisfaction

Projects

- Asian Oilfield Services has executed projects in most parts of India and has a robust track record of completing projects across a wide range of terrains
- The Company has successfully executed projects in the North Eastern states of India where it has overcome challenges imposed by hostile terrains, social unrest and security-related issues to spearhead exploration efforts of oil and gas companies
- The Company has forayed into overseas markets, bagging two international projects during 2012-13

Performance

- Gross income stood at ₹544 million against ₹458 million in 2011-12
- EBIDTA stood at ₹38 million against a negative ₹17 million in 2011-12
- Reported a loss before tax of ₹94 million against a loss before tax of ₹133 million in 2011-12
- Networth stood at ₹738 million against ₹832 million in 2011-12
- Gross block stood at ₹647 million against ₹663 million in 2011-12

The journey

1992

Incorporated as Asian Oilfield Services Limited

1995

- Launched a public issue in March, 1995
- Commenced rig operations

1997

Commenced shot hole drilling operations

1998

Executed its first seismic survey contract

2003

Executed a 2D seismic contract

2007

Executed a 2D seismic contract in India's North East

2008

Samara Capital invested in the Company

2010

- Successfully executed the first 3D seismic contract
- Commenced mineral drilling operations

2011

Reorganised the Company with a new executive team

2012

- Initiated CBM coring and drilling
- Embarked on a new strategy to globalise the business

2013

Bagged its second international contract in Middle East

- Bagged its first international contract in South East Asia



BUSINESS STRATEGY

From an Indian to a world-class seismic services enterprise.

FOR A SUCCESSFUL AND SUSTAINABLE BUSINESS, A SERVICE PROVIDER NEEDS A ROBUST COMPLEMENT OF PRODUCTS, RESOURCES AND LEADERSHIP.

1 Product – markets

- Asian Oilfield Services is a reservoir imaging company, offering a suite of geophysical services specialising in land and well seismic services
- By virtue of its enormous reserves, India provides significant opportunities for exploration, translating into increased demand for frontline seismic services companies

- Besides, there is a growing focus on oil exploration in the Middle East, Africa and South East Asia as significant investments are being directed towards these geographies
- The Company enjoys a consistent track record of completing projects across a wide range of terrains across the country





2 Resources

The Company possesses a rich resource base (equipment and manpower).

- The Company has strategically invested in cutting-edge technology with the objective of emerging as an industry leader
- It created strategic alliances for plugging product and technology gaps and for accessing specific geographies
- It developed a world-class programme for matching output and technical and behavioural processes across various operational stages
- It focused on creating a comprehensive equipment base, funded from accruals or cost-effective debt
- It possesses a focused and experienced seismic services team, enhancing market competitiveness

3 Leadership

Asian Oilfield Services embarked on a reorganisation initiative in response to a dynamic business environment.

- It created a functional structure with business development and execution as core functions supported by specialised departments
- It embraced business development initiatives to foster an entrepreneurial mindset and reinforce execution capability
- It created a variable remuneration structure linked to performance



From a legacy structure to enterprise-wide re-organisation

FOR YEARS, ASIAN OILFIELD SERVICES FOCUSED ON LOW-END SEISMIC SERVICES. SAMARA CAPITAL ASSUMED MANAGEMENT CONTROL IN FEBRUARY 2010 (36.33% STAKE) WITH THE OBJECTIVE TO TRANSFORM THE COMPANY INTO A DOMINANT REGIONAL PLAYER OFFERING MULTIPLE OILFIELD SERVICES ACROSS DIVERSE GEOGRAPHIES.

Samara Capital is an India-focused private equity fund (established 2007) with the objective to emerge as a co-business owner and not just an active financial investor; to create effective businesses run by like-minded entrepreneurial/managerial teams.

Since 2007, Samara Capital invested around USD 200 million in 13 companies across sectors. Its portfolio companies include Flamingo Liners, TVC Skyshop, Global Coal and Mining Private Limited, Teracom, Sharekhan, Guardian Lifecare, Ratnakar Bank, Thriveni Earthmovers, Thyrocare Technologies, Monte Carlo, Cogencis and Ganga Kaveri.

THE TRANSITION

- The new management embarked on a focused strategy

to embrace challenging assignments with the objective to reinforce the Company's positioning as a specialised solutions provider.

- The new team also embarked on a strategy to reduce costs of asset engagement as the first step towards enhanced competitiveness; the Company also initiated new operating processes under seismic surveys.
- The Company expanded its services and QHSE portfolio through technical tie-ups with global players.
- Through these alliances, the Company established a network of local partners in the Middle East and Far East; it entered into an exclusive tie-up with Wireless Seismic Inc. and commenced bidding for international seismic contracts.

THE RESULT

The Company was able to enter highly competitive international markets for the first time in 2012-13.



From an India focus to international geographies

ASIAN OILFIELD SERVICES HAS EXECUTED SEVERAL PROJECTS ACROSS INDIA WITH A CONSISTENT RECORD IN SUCCESSFULLY COMPLETING ASSIGNMENTS ACROSS A RANGE OF TERRAINS.

THE TRANSITION

The new management restructured the Company, making it ready to capitalise on sectoral Asian opportunities.

- With the new management enjoying an international operational experience, the Company bagged its first contract outside India (Indonesia) in addition to MOUs in Myanmar, Oman, Iraq, Kuwait and Dubai.
- The Company employs over 250 personnel (Indian and expatriate) worldwide; during project execution periods, the workforce increases to more than 2,000 members.
- The Company is reorienting its services portfolio to one with higher value-addition and difficult to replicate.
- The Company intends to offer cutting-edge technologies at competitive costs through alliances with several global technology providers

The seismic services industry potential is immense in India, given the urgency demonstrated by India's energy sector through the NELP programme, leading to the increased entry of new players and enlargement of the corpus of domestic and overseas players. This is expected to catalyse the demand for authentic and high-quality data, speedy and timely execution abilities and integrated data interpretation and analysis services. The upsurge will open international spaces for new players, especially in the Middle East, Africa and South East Asian.

THE RESULT

The Company already developed a network of representatives/ local entities across the Middle East and the Far East, pursuing several contracts in the Middle East and the Far East. As a result, the Company won its first international contract worth USD 4.2 million in Indonesia.

From legacy assets to cutting-edge technology



ASIAN OILFIELD SERVICES HAS SPECIALISED IN THE INTRODUCTION OF NICHE TECHNOLOGIES (WIRELESS SEISMIC SERVICES). BESIDES, THE COMPANY INVESTED IN GLOBALLY-BENCHMARKED HEALTH SAFETY AND ENVIRONMENT PROCESSES WITH A FOCUS ON ACQUIRING A LEADERSHIP POSITION IN INDIA.

The Company offers seismic data acquisition services using the latest conventional seismic instruments for P-wave/ 3C recording under the predefined ambit of the Company's quality, health, safety and environmental management systems.

THE TRANSITION

- The Company plans to venture into the 3D marine seismic services market, currently addressed only by international majors
- The Company is acquiring the latest technologies available from OEMs and creating a strong network of alliances in countries which have demonstrated this technology appetite

- The Company invested ₹224 million in India over the last three financial years in seismic and drilling equipment. During the first half of the 2012-13, it procured seismic equipment (including seismic systems, vibroseis trucks, drilling rigs and other ground electronic equipment) aggregating over ₹722 million for its Indian and overseas operations.
- The Company tied-up with Wireless Seismic Inc. of USA for accessing cutting-edge wireless and real-time recording seismic technology
- The Company differentiated from other players through its real-time wireless system (RT System 2). Its cable-less recording technology and point-receiver seismic hardware and software provide the full range of imaging services, ensuring cost-effective exploration along with the highest possible quality reservoir characterisation; this makes Asian Oilfield services the only seismic company outside the US to deploy the Wireless Seismic RT-2 real time recording system. As a result of this technology, the Company expects to reduce time and labour costs for unreeling and laying cables and also in the execution of seismic exploration in complex terrains.
- The Company acquired the RT System 2 real-time and cable-less seismic data acquisition system from Wireless Seismic Inc., a revolutionary seismic data acquisition system that capitalises on emerging technologies in the seismic, wireless and mesh-network industries. Since the Company works in challenging terrains throughout Asia, the choice of RT System 2 represents a relevant solution in expanding the field equipment inventory with minimal footprint on the one hand and increased efficiency cum safety on the other.

THE RESULT

The Company possesses a consistent track record in on-time project completion in challenging terrains as well as quality management, best-of-class experience and services across other diverse geographies.