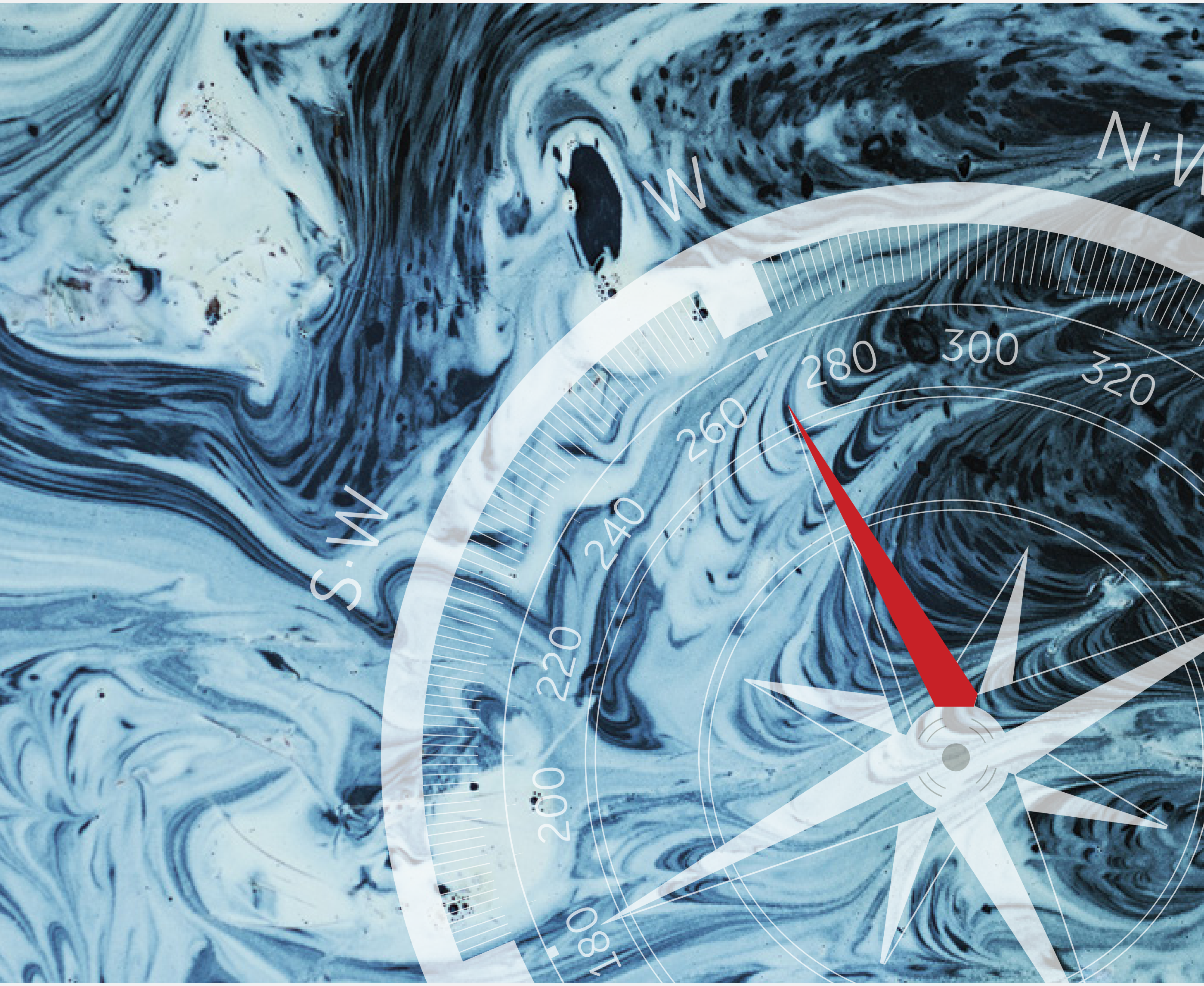
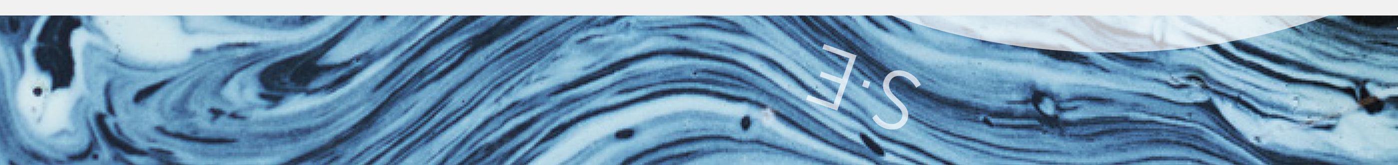
Alphageo (India) Limited
Annual Report 2017-18



SUSTAINABLE GROWTH
on a robust foundation



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About the cover page

The cover design is an abstract representation of soil topography, the primary area of operation for Alphageo's business. It is the excellence is decoding the various topographies that help us in serving our customers, enabling them to address the countries growing fuel demand.

Forward-looking Statement

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

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To view this report online please log on to www.alphageoindia.com

Highlights of 2017-18

Won a contract of
₹**131.16** Cr
(Exclusive of taxes) for 3D Seismic Data Acquisition in Mehsana Carpet Area of Cambay Basin from ONGC, WOB, Vadodara

Net Revenue increased by 44.80% to
₹**42944** lakhs
from ₹29656 lakhs in previous year

EBITDA increased by 26.53% to
₹**12025** lakhs
from ₹9504 lakhs in previous year

Shareholders funds increased by 43.75% to
₹**20587** lakhs
from ₹14319 lakhs as on March 31, 2017

Around
9340 GLK*
of 2D Seismic data acquisition and
323 Sq Km
of 3D Seismic data acquisition

Profit After Tax increased by 17.04% to
₹**5623** lakhs
against ₹4804 lakhs in 2016-17

Market Capitalization as on March 31, 2018
₹**47774** lakhs

*Ground Line Kilometer

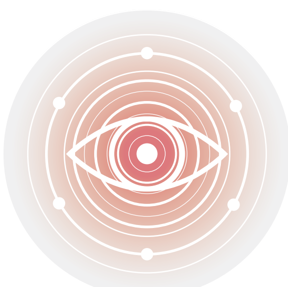
How far you'll go always depends on how strongly you've begun.

Hence at Alphageo setting up a robust foundation was one of our priorities. And it has indeed been a big factor behind our leadership position in the industry today. On the strength of that foundation, we are striding ahead towards our goal, growing and fortifying our presence every single day. And with that, we are creating value for our people, our industry, and our stakeholders – consistently and sustainably.

About Alphageo India

Alphageo (India) Limited is a leading geophysical services company providing a comprehensive range of services including seismic data acquisition, seismic data processing and interpretation services.

Incorporated in 1987, we are India's oldest and largest private sector provider of seismic survey services. Over the years, we have leveraged the power of seismic imaging through knowledge, experience, and advanced technology. We have continuously invested towards state-of-the-art seismic technologies along with key assets and processes. With experience of working in areas of diverse cultures, extreme environmental conditions and areas with industrial variables, we offer our clients with innovative, cost effective and efficient acquisition and processing solutions. We provide a wide range of seismic services to renowned oil and gas exploration companies, in the process enabling our customers identify subterranean deposits with efficiency and effectiveness.



Vision

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

Mission

Our mission is to emerge out as 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 communities in which we work. We are committed to provide excellence in all that we do and through this, create value for all our stakeholders.

1994
Year of listing on the stock exchange

27
Years of experience in seismic data acquisition

44.31%
Promoter's Shareholding as on March 31, 2018

3
Number of countries we are present

₹51876 lakhs
Enterprise Value as on March 31, 2018

227
Team size as on March 31, 2018

Message from the Chairman and Managing Director

As we enter the new growth phase of the Company with promising signs of sustained upturn in the markets, it is reassuring to reflect on some of Alphageo's successes in seismic data acquisition, processing and interpretation over the last year that are testament to the resilient business model of Alphageo.

With the evolution and convergence of different technologies at Alphageo, the year turned out to be another year of commendable performance for the Company as we registered a topline growth of nearly 45% and a bottom-line growth of about 19%. We achieved this amidst a business environment where focus on the renewable energy segment is prioritized across the globe.

Operating within a space that is majorly dominated by the big multinationals, we marked our presence mainly from our relentless focus on delivering superior customer experience, improving our business processes, embracing the latest technologies and managing our costs.

Amidst a challenging business environment, our focus in FY18 was on addressing the concerns of increasing operational costs, improving our agility and sustaining our journey on the growth trajectory. While most other players in the industry across the globe grappled with stability in the crude prices as it resulted in a dip in the exploration activity and increased cost. But the pricing impact was very minimal in India owing to the fact that majority of oil required is being imported.

Today, oil and natural gas are increasingly subjected to geopolitical situations as sustained availability of these natural resources is an area of concern. The global issue of long-term supply of energy is far from being solved and with the increasing aspirations of the growing population in the world, energy continues to be in demand in the coming years. Oil and natural gas still play important roles across majority of the emerging and developing economies of the world as it is a valuable energy source to meet a wide variety of energy needs that powers today's modern and connected economies.

As India continues its surge to be among the fastest growing economies in the world, the demand for energy is also on the rise. Projected energy consumption to grow at the fastest rate among all major economies is a major positive for the seismic services industry. Further with the government's focus on the reduction in the oil imports coupled with the favorable policies like Open Acreage Licensing (OAL) regime and NS programs along with increased investment in the last couple of years, it is expected that we will achieve the required impetus of the upstream industries like ours.

As India strengthens its position to grow the fastest among all major economies, oil and natural gas consumption is also expected to accelerate at quick rate amongst all the emerging economies. For a country whose import dependence for crude is nearly 83%, companies like Alphageo, who are in the business of seismic survey services, are expected to play a crucial role as they act as a catalyst in the government drive towards transforming India into an self-sufficient energy nation.

With this optimism in the horizon one can expect new avenues to open up in the short-term over the next 3 to 5 years. One can expect to see higher seismic activity in the near future with Open Acreage Licensing (OAL) regime becoming fully operational. In addition to new territories opening up as a result of changes in regulations and permitting, we have also seen interest in large-scale surveys in difficult operating environments like the Himalayas. Although there are a number of challenges in these terrains but it opens up a new area to explore. India's sedimentary basins still lies under- or unexplored but now with the OAL policy finally becoming operational, this promises to be an inflection point in India's search for critical fossil fuel, promising sizeable opportunities for the upstream service companies like Alphageo.

As one of the leading company in this industry in India with over two and a half decades of enriching experience, at Alphageo we are quite confident of successfully exploring and executing the given opportunities because of the initiatives taken during the year. Firstly we focused on streamlining our process during the year, so that they become more flexible and are adaptive as per the requirement. The group invested around ₹170 cr in last five years on acquiring assets, which are expected to pave the way for more sustainable and quality service offerings for our customers. These investments are expected to support both our current and future technology platforms, help build a strong pipeline of services across markets and make it possible for us to improve our efficiency and earnings.

We also strengthened our senior management bandwidth, hiring professionals with expertise and experience, across multiple positions during the year. All the initiatives has helped us sustain our market leadership position in FY18 and is expected to do so in the days ahead. We also focused on covering large sections of the unapprised areas in FY18, thus enabling the Company to tap the opportunities with the government opening up additional areas under the OALP in their planned way.

For Alphageo, this indicates greater prospects on account of a rich experience of working across most Indian terrains for more than two decades. This means a big window of opportunity to be explored banking on an established record of delivering projects on-time every time, and more projects on account of vertically integrated seismic services. All of these should ensure another growth phase in our existence.

As we move forward, we would like repeat that our commitment to disciplined long-term investments will remain unperturbed as we continue to address challenges and explore opportunities in an ever evolving industry space. We would continue to be proactive and would focus on exploring new opportunities in the new market. As a part of this effort, we look to differentiate our product offering through technological customization, operational experience, crew size and by maintaining quality standards. With the collective effort of all stakeholders, we are hopeful of creating profits as well as value for all.

The core focus for FY19 will be on further rightsizing our operations and streamlining costs as much as possible. Over the years, we emerged as one of the largest player in the Indian private geophysical services sector. With over 25 years of existence in the industry we have successfully demonstrated our capability on how to sustain in the challenging times and flourish in the good times. As we continued to build a strong foothold in India and internationally among the many strategies, expanding our presence in other form of geophysical services is expected to drive the next level of growth for the Company.

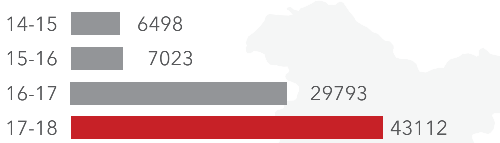
Regards

Mr Dinesh Alla, Chairman and Managing Director

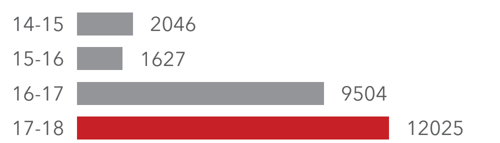
Financial Snapshot

Indian Operations

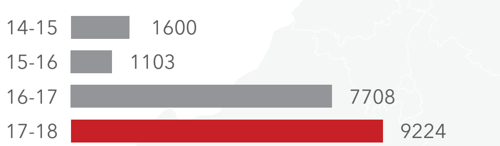
Total Income
(₹ in lakhs)



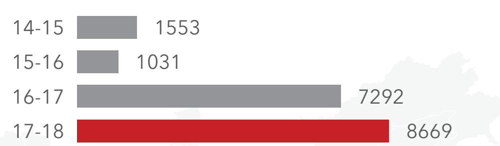
EBITDA
(₹ in lakhs)



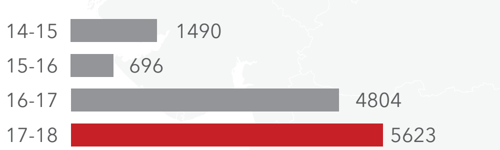
EBIT
(₹ in lakhs)



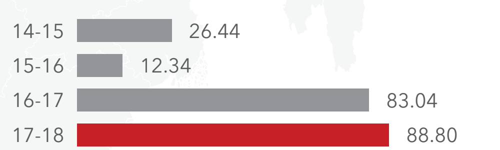
PBT
(₹ in lakhs)



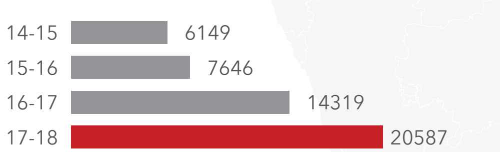
PAT
(₹ in lakhs)



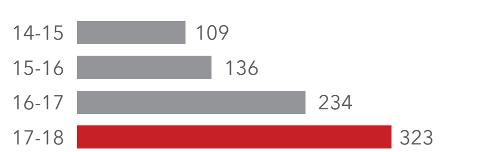
EPS
(₹)



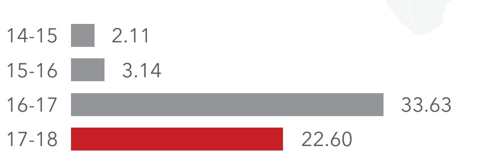
Net worth
(₹ in lakhs)



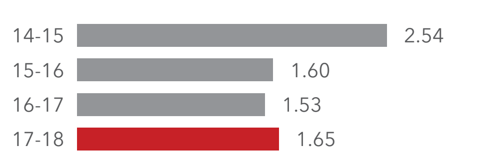
Book Value
(₹)



Gearing
(% of debt to Networth)



Current Ratio
(in times)



Global Operations

Total Income
(₹ in lakhs)

14-15	7342
15-16	9045
16-17	30809
17-18	43138

EBITDA
(₹ in lakhs)

14-15	2667
15-16	2866
16-17	10373
17-18	12474

EBIT
(₹ in lakhs)

14-15	1596
15-16	1636
16-17	8001
17-18	9082

PBT
(₹ in lakhs)

14-15	1513
15-16	1564
16-17	7587
17-18	8526

PAT
(₹ in lakhs)

14-15	1450
15-16	1163
16-17	5054
17-18	5448

EPS
(₹)

14-15	25.72
15-16	20.65
16-17	87.34
17-18	86.05

Net worth
(₹ in lakhs)

14-15	8383
15-16	10577
16-17	17391
17-18	23335

Book Value
(₹)

14-15	149
15-16	188
16-17	284
17-18	367

Gearing
(% of debt to Networth)

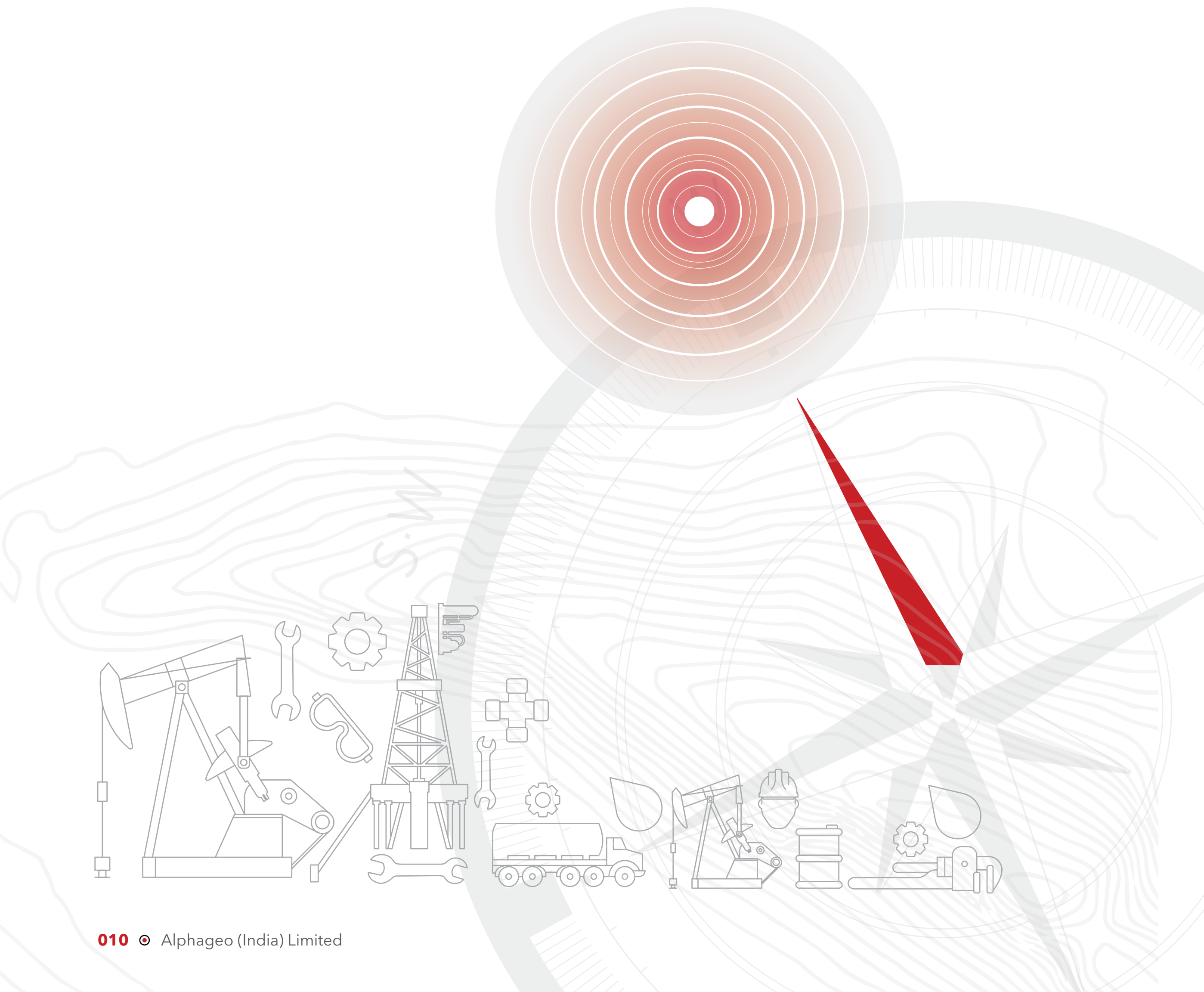
14-15	1.55
15-16	2.27
16-17	27.69
17-18	19.94

Current Ratio
(in times)

14-15	3.56
15-16	1.91
16-17	1.70
17-18	1.81

Winning in Any Environment

At Alphageo, we are committed towards strengthening our business with strategies that help generate free cash flow and improve stakeholder returns.



What we have

39020 GLK*	6807 Sq Km	₹27988 Lakhs	27	16
Experience of the Company for 2D seismic data (in quantity terms)	Experience of the Company for 3D seismic data (in quantity terms)	Consolidated Capital Employed as on March 31, 2018	Years of experience in the industry	Number of sedimentary basins of experience

What we do

Continuous improvement in our operational efficiencies	Invest towards strengthening our processes	Increase our order book size	Grow our cash and cash equivalents	Provide with training and development activities to our employees

What our stakeholders get

₹86.05	32.34%	₹827 Cr	52	17
Consolidated EPS in 2017-18	Consolidated ROCE in 2017-18	Order book as on March 31, 2018 (Net of Taxes)	Number of completed projects till date	Sites at which Projects were undertaken concurrently

*Ground Line Kilometer

Our Journey

1987

The Company was incorporated

1990

Alphageo (India) Limited emerged as the first player to commence with seismic operations in India

1991

We became the first Indian Company to offer onsite processing, leading to enhanced quality control

1994

We acquired two state-of-the-art 24-bit telemetry system ION System Two units

1997

We became the only Indian geophysical company to provide with comprehensive services comprising seismic data acquisition, processing and interpretation

2006

We acquired two state-of-the-art Delta Sigma technology ION System Four units for undertaking 3D seismic surveys

2007

We acquired state-of-the-art ION Scorpion system for undertaking 3D seismic surveys

2008

We acquired our second state-of-the-art ION Scorpion system and increase of channel count from 7500 to 10000

2009

Our channel count increased to 12500

2010

We acquired AHV IV 62,000 lbs Vibrators

We received our first International contract in Republic of Georgia using Vibes & Explosives

2012

We received a contract in Myanmar with Petronas

2013

We acquired two Sercel 428 XL systems with 7000 channels

2015

We were awarded with a High Value Order for 2010 Sq Km of 3D Seismic in carpet area of KG Basin

2016

We were awarded with High value and Large volume contracts under NSP Programme from ONGC and OIL India Ltd

We were successful in having 17 Crews in operation concurrently

2017

We were successful in completing 3D Seismic in carpet area of KG Basin

We were awarded with a 345 sq km 3D Seismic in carpet area of Cambay Basin

2018

We reached at a point of highest revenue from operations (**₹42944 lakhs**)

Our Services

Service flow chart

- Area reconnaissance, terrain assessment, labour availability, campaign grounds and weathers
- Camp Establishment
- Topographical survey
- Drilling
- Laying Cables and sensors
- Connecting the sensors to recording instruments
- Creating impulses
- Data acquisition and recording of data on magnetic tape in digital form
- Processing of data
- Interpretation of data

Seismic Data Acquisition

- Designing and preplanning of 2D/3D/3C surveys

  We design our surveys based on parameters and objectives defined in 2D, 3D, 4D and 3C surveys. Our results are designed in such a way that it helps to meet the objectives at an optimum cost. We also ensure that the direction and layout of the lines are in line with these objectives. We preplan our activities based on exclusion zones, inaccessible zones, and methodology used to cover the area below exclusion and inaccessible zone is laid down. The quality control criteria to achieve the objective is prescribed. We also define the accuracy and tolerance limit of topographic survey and other aspects of seismic survey.

- Seismic data acquisition in 2D/3D/3C

Seismic Data Processing

We provide seismic data processing service for 2D/3D data. We also provide with reprocessing and special processing services including prestack imaging and AVO inversion. We are the first company in India to use 3D geophysical mapping technology. This helps us to create 3D image of the layers and the location of these structures while processing the data.

Seismic Data Interpretation

- Structural and stratigraphic interpretation
- Generation, evaluation and ranking of prospects
- Evaluation of blocks for exploration

Over the years, petroleum industry has witnessed an increase in demand of oil exploration across the globe. We have a wide range of expertise in this direction along with capability to evaluate all the geological, geophysical, wire line, reservoir and drilling data available and give appropriate recommendation about bidding for the block. Our recommendations include identification of data gaps and drawing out of a strategy to acquire the required data and exploration strategy. Our seismic data interpretation services includes structural and stratigraphic interpretation, generation, evaluation and ranking of prospects and evaluation of blocks for exploration.

Other services we can provide:

- Consultancy on 3D/4D/3C surveys
- EM and GM services of API
- Reservoir data acquisition
- Reservoir analysis
- Third party quality check for acquisition and procession
- Topographic surveys with GPS and RTK

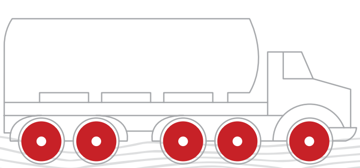
Our Technology

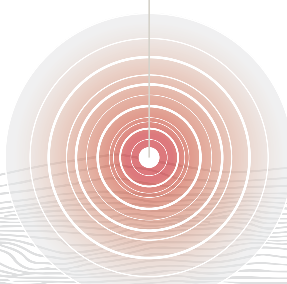
In seismic industry technology is one of the most important factors required to retain existing clients and attract new clients. This is because we have the responsibility to provide our clients with accurate data before they commence with the process of drilling. The technology along with the process which is used helps us to succeed. Our knowledge, expertise and state-of-the-art technology has always provided us with a competitive edge in the industry. The technology that we use allows us to transmit controlled acoustic energy into the Earth and reflect from geological boundaries within the subsurface. This further helps us to produce 2-dimensional / 3-dimensional image of Earth's subsurface geological structure.

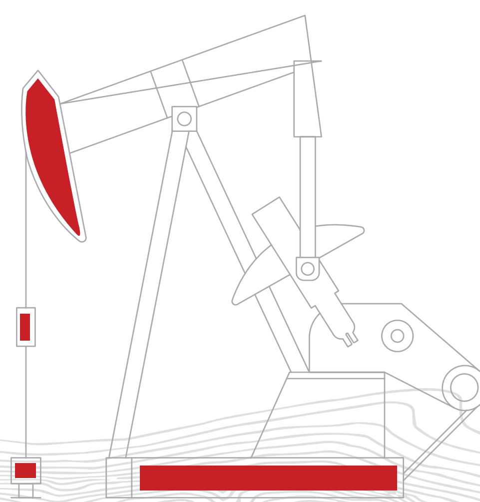
We have successfully provided our clients with 2D and 3D data seismic services. Our structured and quality procedures, regular training of employees which are in accordance with industry standards, efficient quality management systems, and a team of some of the best people in the industry have helped us to improve our efficiency and effectiveness.

₹ 17000 lakhs

Amount invested by the group in state-of-the-art equipment in past five years







Our People

At Alphageo Limited, we believe that our success depends on talent, skills and expertise of our people and our ability to function as an integrated team. Over the years, we have built a team of diversified and competent individuals. Our workforce comprises of professionals who are experts in the field of geology and geophysics and have unprecedented experience in reservoir and survey.

Within our organization we have developed a culture that not only motivates our employees to perform to the best of their capabilities but also helps them to learn and grow.

Opportunities we provide to our employees includes:

- Constant skill development and learning through training and development activities
- Performance based rewards and recognition
- Continuous improvement and caring for on site people
- Unbiased system of 360 - degree performance appraisal

₹2289 lakhs

Employee Benefit Expense in 2017-18

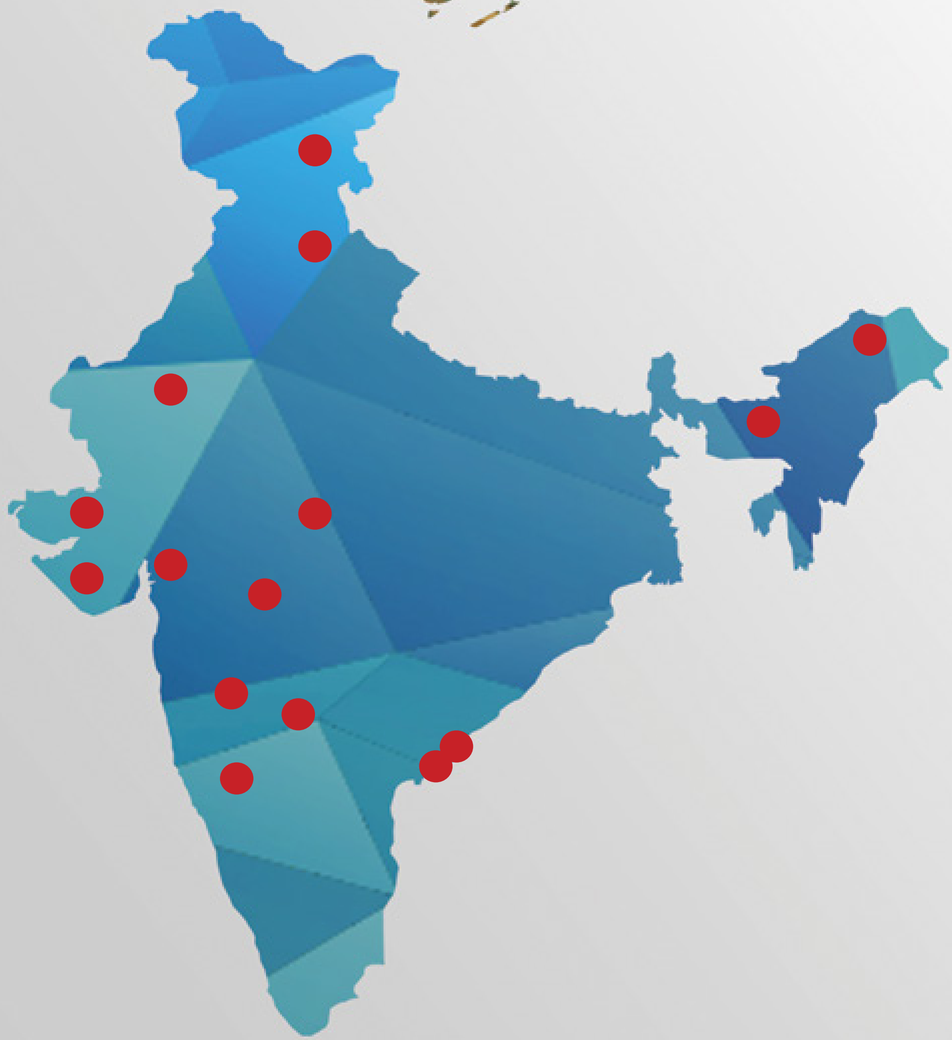
1491

Person years of experience in multi-basinal and challenging terrains

Our Presence

Presence across globe

Republic of Georgia
Myanmar



Basins we are present across India

Assam
Arunachal Pradesh
Bhima
Cambay
Deccan Syneclise North
Deccan Syneclise South
Himalayan Foreland
Kaldgi
KG Basin
Kutch
Mehsana 3D
Rajasthan
Saurashtra
Spiti-Zanskar
Vindhyan

Our Partners for Community Care

At Alphageo, we conduct our community care activities by partnering with few of the leading not for profit institutions across the country. We have partnered with organizations who work in the areas of education, skill development and women empowerment.

Youth4Jobs

Youth4Jobs is one of the largest organization of India, focusing on providing disabled youths with skill development and jobs.

Inclusive Workforce | Motivate | Train | Place

Nanhi Kali

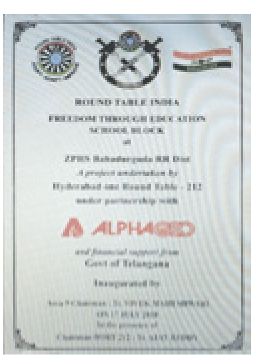
Nanhi Kali Project is a joint programme of K C Mahindra Education Trust (KCMET), Mumbai and Naandhi Foundation. The project was initiated in 1996 with the aim to provide primary education to unprivileged girl child of the country.

Save the Children

Save the Children (Bal Raksha Bharat) is located in Bangalore with a belief that every child deserves the best chance for a bright future with focus on quality education, proper healthcare facilities and protection from ill-activities such as abuse.

Round Table India Foundation

Round Table India Trust was formed in April 1980 with an aim to extend its support to projects undertaken by Ladies Circle India.



Advocates of Babies in Crisis Society

Advocates for Babies in Crisis was started in 2013 in Hyderabad. It has established a strong relationship with the orphans and continue to work with them in improving the living and medical conditions.

₹23.6 lakhs

Contribution to various partners for community care in 2017-18

Board of Directors

Mr. Dinesh Alla
Chairman and Managing Director

Mr. Dinesh Alla, is a Promoter Director and the Chairman and Managing Director of the Company. He is a post graduate from BITS, Pilani. He has very rich experience and a deep knowledge about the seismic survey industry and has immensely contributed to the growth of the Company by his incisive and broad based knowledge. Under his able guidance, the Company has successfully executed many seismic survey contracts in various terrains. He is the chief architect in building/growing the Company to be one of the biggest and most preferred vendors by major Oil Companies. He is also Chairman of Securities Issue Committee and Corporate Social Responsibility Committee of Board of Directors of the Company.

Mrs. Savita Alla
Joint Managing Director

Mrs. Savita Alla is Joint Managing Director of the Company. She is a post graduate in Management studies from BITS, Pilani. She has served in various Managerial positions in the corporate sector and has multifaceted experience in quality management systems, customer relationship management and entrepreneurial skills. She is a Member of Corporate Social Responsibility Committee and Stakeholders Relationship Committee of the Board of Directors of the Company.

Mr. Rajesh Alla
Director

Mr. Rajesh Alla is a Director of the Company. He is a post graduate engineer from Carnegie Mellon University, Pittsburgh, USA - a premier institute for Artificial Intelligence Research. After his graduation he worked in the Robotics Institute, Carnegie-Mellon University. He specialised in Image Processing, Computer Vision and Robotics. He is Member of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Securities Issue Committee of Board of Directors of the Company.

Mr. Ashwinder Bhel
Independent Director

Mr. Ashwinder Bhel is an Independent Director of the Company. He is a Master in Business Administration from Case Western Reserve University, Cleveland, Ohio USA, with over two decades of rich and varied experience in the Oil Industry. He is member of Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee of Board of Directors of the Company.

Mr. Mohan Krishna Reddy Aryabumi
Independent Director

Mr. Mohan Krishna Reddy Aryabumi is an Independent Director on Board of the Company. He has a Master's Degree in Financial Management from Jamnalal Bajaj Institute of Management, University of Bombay and a First Class Degree in Economics from University of Madras. He was Chief Financial Officer of Applabs and Infotech Enterprises and Senior Vice President of JM Morgan Stanley and held various positions with ANZ Grindlays Bank, Unit Trust of India and Indian Bank. He is Chairman of Nomination and Remuneration Committee of the Board and Member of Audit Committee, Securities Issue Committee of Board of Directors of the Company.

Mr. Raju Mandapalli
Independent Director

Mr. Raju Mandapalli is a graduate in Science in Botany, Geology & Chemistry and Masters in Geology from Andhra University, Waltair. He has an employment record of 37 years in Geological Survey of India in various positions from Engineer (Geology div.) to Director General, HOD and retired on superannuation. He specialised in the fields of Mineral Investigation, Engineering Geology, Landslide Hazard Projects, etc. He has authored many technical reports, articles in journals and publications, etc. He is also Member of the Audit Committee of Board of Directors of the Company.

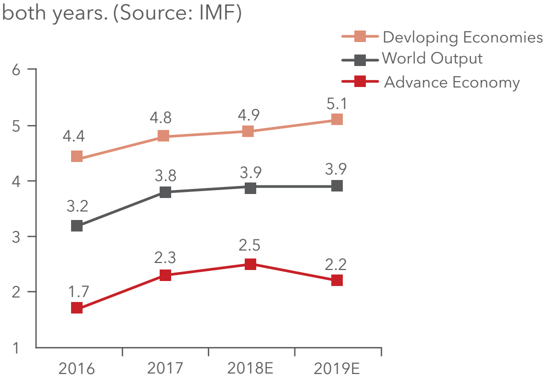
Management Discussion and Analysis

Global Economy

Global economy strengthened from 3.2% in 2016 to 3.8% in 2017 mainly due to a notable upside in Europe and Asia. This was a broad-based growth where two-thirds of the countries which accounts for three-fourths of the global output, experienced faster growth during the year than 2016. World trade has experienced robust growth, backed by a rise in investment, especially amongst advanced economies, followed by strong growth in Asia.

Two common policies were noticed in advanced economies and emerging market and developing economies. First, the need to increase potential output growth through structured reforms that helps to improve productivity and accelerate labour force participation rate, ensuring that gain is distributed equally across the economy. Second, improve financial resilience through measures to repair balance sheet position in advanced economies and monitoring of foreign currency debt in emerging economies.

An improvement in global growth is anticipated despite of disrupting events in the United States, an extension of OPEC agreement to limit oil production and geopolitical tensions in the Middle East which have supported crude oil prices. Inflation is expected to decline over time. The stronger growth momentum that was experienced in 2017 is expected to continue in 2018 and 2019, with global growth expected to reach an average of 3.9% for both years. (Source: IMF)



(Source: IMF)

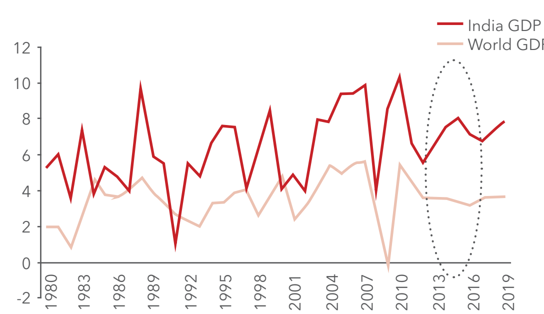
Indian Economy

India continues to be the fastest growing economy of the world with a GDP of over $2.6 trillion in 2018. In the fiscal year 2017-18, Indian economy grew at a rate of 6.7% which is lower than the previous fiscal year. The Gross Value Added (GVA) was seen declining by 50 bps to 6.1% in 2017-18 from 6.6% in 2016-17 due to slow down in the agricultural and industrial sector with a growth rate of 2.1% and 4.4% respectively. The growth in India's eight core sectors also declined to 4.2% in FY 2018 as compared to that of 4.8% in FY 2017. However, the service sector is expected to grow at around 60 bps more at 8.3% in 2017-18 as compared to 7.7% in 2016-17. India's exports accelerated by 9.8% during the year under review, the highest growth rate in six years, while the imports went up by nearly 20% as the commodity prices led to an increase in shipment in and out of the country along with a rise in global trade. (Source: Economic Times, Economic Survey)

During the year, Goods and Service tax (GST) was introduced in the country with an aim of taking the country towards one nation, one tax. GST along with lingering effects of demonetisation affected growth of the Indian economy. However, the country experienced a fast recovery from 5.3% in Q1 of FY 2018 to 7.7% in Q4 of FY 2018 from the short term challenges posed by these reforms.

India is anticipated to grow at a rate of 7.4% in 2018-19 and further increase at 7.8% during 2019-20. The economy will be driven by an increase in investment, improvement in consumption, and further revival in the first half of FY 2019. Inflation pressure is likely to reduce with an improvement of the monetary policy framework. (Source: Economic Times, IMF)

India - World Decoupling (GDP in %)



(Source: IMF)

Global Oil Industry

In 2017, the global oil demand increased by 1.7 million barrels per day, growing at a rate of 1.8%. More than 60% of oil demand came from Asia, especially from China and India driven by growth in transport and petrochemical sector, followed by US. The average oil price increased from $43.7 per barrel in 2016 to $54.19 per barrel in 2017.

A rise in the price of oil during the year disrupted the growth of consumer led fuels such as gasoline. On the other hand, there was an increase in the demand for diesel supported by demand in industrial activities.

On the production side, oil produced increased by 0.6 million barrel per day in 2017, remaining at par with 2016. There was an increase in output of oil for US and Libya while output declined in countries like Venezuela and Saudi Arabia. (Source: BP Outlook 2018)

In 2018, it is estimated that US oil production will reach at 10 million barrels per day, which will reduce the impact of decline in production of OPEC and Non-OPEC allies. However, crude oil prices are still expected to rise further in 2018 with emerging global supply-demand scenario.

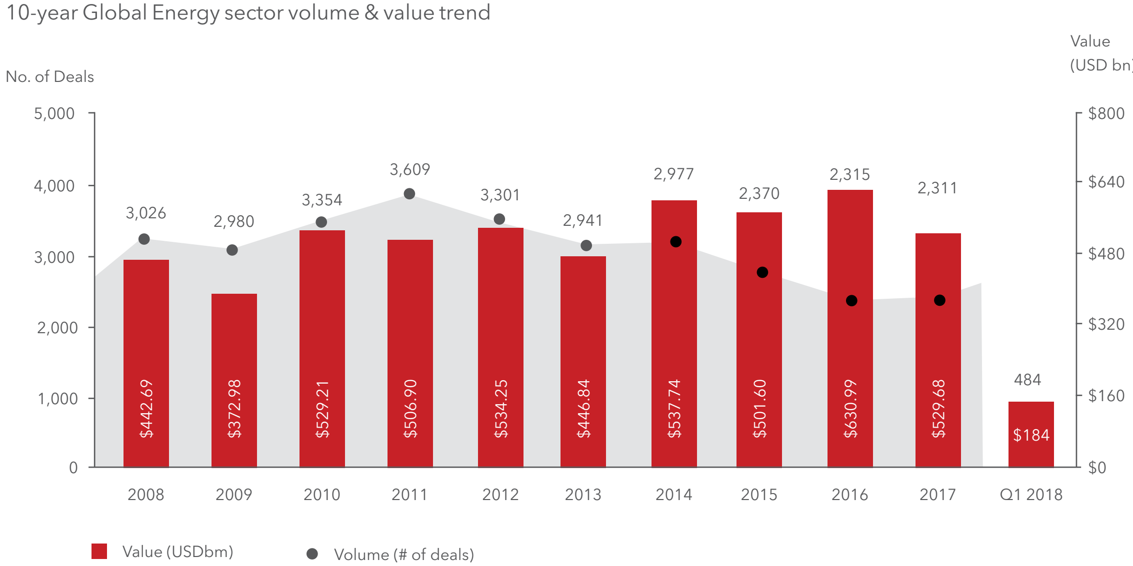
The oil price is forecasted to be between $55-65 per barrel in 2018. Investments in upstream projects by OPEC are likely to be at the same pace as they were in 2017. (Source: Economic Times)

Global Energy Market

Global energy consumption remained slow during 2017. The decrease in growth implies that the economies are expanding at a conservative pace. In medium to long run term, energy consumption will increase, especially in emerging economies. Asian regions including India, China and Association of Southeast Asian Nation (ASEAN) are expected to experience an increase in energy consumption. On the other hand, United States and European Union will continue face a reduction in demand for energy.

By 2050, energy consumption is expected to experience a growth of 1.5 times, while the global economy will expand by 2.5 times. This indicates that there will be progress in energy efficiency. There will be an increase in energy consumption with growth in economy which will not be a small amount. Non-OECD energy consumption is expected to increase to 71% by 2050. (Source: IEEJ Report 2018)

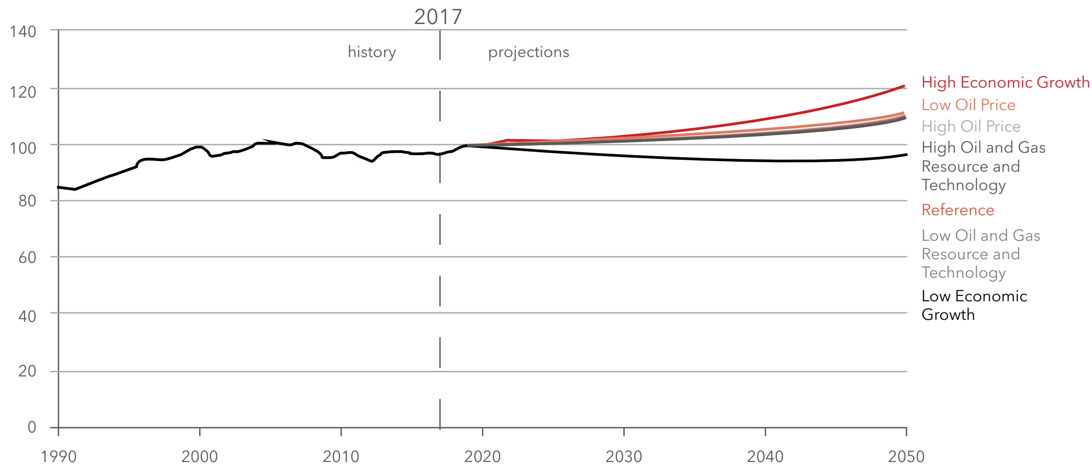
10-year Global Energy sector volume & value trend



(Source: Dealogic, KPMG analysis)

Total energy consumption

quadrillion British thermal units



(Source: EIA)

Global Crude Oil Industry

Price: In 2017, the average annual price of crude oil was US $ 53 per barrel which accelerated from US $ 41 per barrel in 2016. The rise in price of oil was supported by strong demand, greater than expected compliance of OPEC agreement and rising geopolitical tension between Iran and Saudi Arabia. Crude oil price are anticipated to average US $ 65 per barrel in 2018 and 2019 on account of robust demand and continuous production restraint by OPEC and Non-OPEC producers. (Source: World Bank)

Demand: Demand for global crude oil grew by 1.7% from 96.2 million barrels per day in 2016 to 97.8 million barrels per day in 2017, driven by non-OPEC countries. Consumption of crude oil by OPEC grew by 95 bps to 566.281 million barrel per day, whereas the consumption by non-OPEC grew by 2.25% to 615.467 million barrel per day in FY 2018. The consumption was mainly driven by industrial and automobile industry.

Supply: Crude oil production by the (OPEC) declined by 0.2 MMbpd to 32.5 MMbpd in 2017 as compared to 2016. The main reason of decline was OPEC agreement which aimed to limit the production of crude oil by OPEC regions. However, production cut of crude oil was balanced by increase in production by the US. The crude oil production by the US increased by 5% to 9.3 million barrels per day, led by production in Texas.

Total global crude oil production is estimated to be higher than global consumption, with crude oil production from the United States to increase more than that in any other country. U.S. crude oil production is forecast to average at 10.3 MMbpd in 2018. OPEC agreement to restrict oil production will continue in 2018. The production of crude oil by OPEC is anticipated to increase by 0.2 MMbpd in 2018 and further by 0.3 MMbpd in 2019 as it slowly returns to pre-agreement level. (Source: EIA)

Global Natural Gas Industry

In 2017, both consumption and production of natural gas was seen increasing at their fastest rate. There was an increase of 3% in consumption and that of 4% in production. Consumption growth was mainly driven by Asia, especially China having a growth rate of 15.1% followed by Middle East with a 6.8% growth in Iran and Europe. The supply side growth of natural gas was driven by increase in production of 8.2% in Russia, 10.5% in Iran, 18% in Australia and 8.5% China. (Source: BP Statistical Review Report)

Moving ahead, the growth in natural gas will be driven by power generation sector due to technology progress, economic efficiency and environmental sustainability. It will be further driven by growth in industrial sector, which accounts for maximum demand of natural gas, and chemical industry for industrial heat and power. It is anticipated that gas will grow from 22% to over 24% of the global energy mix by 2035.

Indian Oil and Gas Industry

India is one of the fastest growing economies of the world and the third largest consumer of petroleum products after US and China and second largest refiner in Asia. Oil and Gas sector is among the six core industries in India so it plays a critical role in driving the growth of the economy. The country has always been an import dependent nation in Oil and Natural Gas ("O&NG") sector. Lately, the industry is experiencing cyclical growth in consumption with growing economy and population growth. (Source: Oil and Gas financial journal, Make in India)

Production and Consumption:

Total crude oil production during the year stood at 35684.34 TMT, which was 0.9% lower than 2016-17. Whereas, the natural gas production increased by 2.36% to 32649.30 MMSCM during 2017-18. The demand for oil was seen slowing down in the year under review, which was only 0.6 barrel per day due to increase in consumption of natural gas as the country in moving towards gas based economy. (Source: Ministry of petroleum & Natural Gas)

With the rise in fuel products, overall demand for fuel grew at a robust rate of 5.3% to approximately 205 MT for FY 2018 from 195 MT in FY 2017. The country's petrol consumption for FY 2018 grew by 10.14% to 26.17 MT, while the growth in diesel consumption was 6.63% to 81 MT as compared to previous year. (Source: Economic Times)

Imports: To meet the oil demand, India relies 80% on imports. The import bill of crude oil is anticipated to increase by 25% to $ 88 billion in 2017-18 from $ 70 billion in 2016-17. In terms of volume, during the period April 2017 to March 2018, the country imported 219.15 MT of crude oil as compared to 213.93 MT of crude oil in the corresponding period in the previous year. The rise in the import bill was on account of volatility in crude oil prices. The Indian basket of crude averaged to $ 55.71 per barrel between April 2017 and February 2018 as compared to $ 47.56 per barrel in FY 2017. (Source: Economic Times)

Outlook:

Demand for oil in India is expected to increase at a CAGR of 3.6% to 458 MTOE by 2040. The government has target to reduce import of oil and gas by 10% by 2020. The demand for energy is expected to be more than double by 2040 with the growth in economy, which is anticipated to be five times than its current position. The demand for petroleum products and natural gas is expected to reach 244,960 MT and 606 MMSCMD respectively by 2021-2022. (Source: IBEF)

Natural Gas Industry

Natural gas industry of India is gaining share in energy mix and replacing conventional fuels for household use as well as industrial utilities. India plans to move towards sustainable gas based economy by boosting domestic gas production and importing large volumes of LNG. Currently, natural gas is more available, affordable and competitive than liquid fuels making it ideal for efficient power generation. The government has been revising guidelines on "Gas Allocation Policy" to prioritize natural gas supply to end-user segments including City Gas Distribution for households, the transport and fertilizers sectors, power plants and industrial sector will play an important role in growing the economy's gas industry.

Production and Consumption:

In 2017-18, India recorded its highest ever natural gas production from onshore blocks. Total onshore gas production in India grew at 8% from 9858 MMSCM in FY 2017 to 10639 MMSCM in FY 2018. On the other hand, India's offshore production fell by less than a percent to 22011 MMSCM in 2017-18 as compared to 22038 in 2016-17. There was a hike in India's natural gas demand by 5% to 58,159 MMSCM in FY 2018 while natural gas import dependence increased to 45.4% from 44.5% in 2016-17.

The growth in natural gas production in India mainly due to several new discoveries by ONGC and increase in demand from fertilizers and steel Industry for generating power and manufacturing products. Going ahead, it is anticipated that production will increase by 20 MMSCMD over the next 5 years with discovery of new oil fields and increase in production capacity. (Source: Economic Times)

Government Initiative:

In FY 2018, the Government executed many transformative initiatives to improve availability, accessibility, and affordability of clean fuel. Pradhan Mantri Ujjwala Yojana (PMUY) scheme which was implemented in May 2016 and it escalated in 2017. During April 2017 to November 2017, 46.2 lakhs double bottle connections and 206.9 lakhs new connections were taken out of which 115.8 lakhs were under PMUY scheme.

The government is infusing natural gas to change the existing fuel mix and build natural gas network across the country. They have set a target to reach 10 million households and add thousands of industrial and commercial customers across the country by 2019. In 2018, GOI has planned to push on increasing consumption of green, affordable, and environment-people friendly fuel in the rural parts of India and aims to achieve around 100% penetration of clean cooking fuel in the country. (Source: Economic Times)

Growth drivers

- New and improved government initiatives
- Robust growth in domestic market is expected in coming years.
- Surge in demand of natural gas led by industrial and commercial as well as households.
- Increase in demand of downstream products.
- Better utilization of abundant resource in India.
- Various government initiative and 100% FDI in E& P companies.
- Discovery of new fields and increasing production capacity of the players.
- Increasing Investment in oil and gas industry.
- Availably of skilled labours at competitive rate in compared to other countries.

Company Overview

Alphageo (India) Limited is India's first private company to commence seismic operations in India. Alphageo is engaged in the business of providing geophysical data acquisition, processing and interpretation services to help in the search of hydrocarbons with the aim to map and interpret potential reservoirs under the sub-surface. Alphageo has more than twenty seven years of rich experience of diverse terrains, extreme environmental and sensitive areas with personnel having experience of different basins around the country and outside the country. This expertise makes it possible for the customers, large downstream oil exploration companies, to take informed decisions on where to explore for hydrocarbons.

SWOT Analysis

Strengths

- Having latest technology and state of art equipment to conduct 2D and 3D survey.
- Client base consisting of all leading oil and gas companies.
- Strong financial with low debt-equity ratio.
- Professional project management across different regions.
- Timely and cost effective project delivery.
- Rich experience in the understanding of diverse topographies.

Opportunities

- Many contracts in pipeline
- Growth in energy requirement in India
- Very few competitors in India.
- More oil exploration service required due to demand- supply gap in India.

Weaknesses

- Limited international presence
- Slow market share growth as it is dependent on government policies.

Threats

- Development in alternative energy source.
- Economic instability and fluctuations in India's policies.

Financial Overview

It has been a tremendous year for the company in terms of growth in revenue and profit, expansion of business and acquiring capital including fixed and human capital.

Indian Performance

Statement of Profit and Loss Account

Revenue from operations

Alphageo's revenue from operation increased by 44.80% on YoY basis from ₹29,656.23 lakhs in 2016-17 to ₹42,943.69 lakhs in 2017-18. Full scale of operations and unhindered execution of the projects undertaken during the year resulted in commendable growth in revenue from operations.

Other Income

During the year, other income of the company consists interest earned of ₹106.42 lakhs, net gain on foreign currency transactions and translations of ₹1.12 lakhs and another income of ₹60.80 lakhs.

Survey and survey related expenses

The company's survey and survey related expenses increased to ₹27,808.97 lakhs in 2017-18 against ₹17912.49 lakhs, accounting for 64.76% of the total revenue from operations. The survey expenses of the company increased due to increase in number of crews in phased manner and increased operational expenses of projects at high altitude and difficult terrains.

Employee benefit expense

The employee benefit expense increased from ₹1,701.61 in 2016-17 lakhs to ₹2,288.55 lakhs in 2017-18, due to an increase in number of employees and recruiting new technical persons leading to expansion of team, hike in salary of existing employees, additional incentives and profit linked managerial remunerations.

Finance costs

Finance cost of the company increased to ₹555.18 lakhs in FY 2018 from ₹414.67 lakhs in FY 2017 due to fulfilment of additional working capital requirements and periodical costs associated with providing performance guarantees.

EBITDA

EBITDA of the company increased by 26.60% YoY basis to ₹11,858 lakhs in 2017-18 from ₹9,366 lakhs in 2016-17 with a strong margin of 27.61%.

Balance Sheet

Share Capital

Equity share capital of the company increase by ₹24.5 lakhs owing to issue of 2,45,000 shares of ₹10 each at a premium of ₹503.62 per share. As at March 31, 2018, share capital of the company stood at ₹637.84 lakhs as compared to ₹613.34 lakhs as at March 31, 2017.

Shareholders' Funds and Book Value per Share

Total shareholders fund of the company increased by 43.77% to ₹20,587.24 lakhs as of March 31, 2018 from ₹14,319.24 lakhs as of March 31, 2017. The book value per share of the company increased from ₹233.55 per share in 2016-17 to ₹322.89 per share in 2017-18.

Capital employed

The total Equity and Liabilities of the business increased to ₹34,633.70 lakhs as on March 31, 2018 from ₹32,375.72 lakhs as on March 31, 2017. The growth was primarily due to additional capital and growth in reserves and surplus.

Debt-Equity Ratio

The Debt-Equity ratio of the company as on March 31, 2018 was 0.68:1 as compared to 1.26:1 in the previous year, owing to enhanced equity and reduction in long term debt

Borrowings

The long term and short borrowings of the company decreased by 3.42%, as of March 31, 2018 borrowings stood at ₹4,652.66 lakhs as compared to ₹4,817.18 lakhs as of March 31, 2017 due to scheduled repayment of term borrowings.

Current liabilities

During the year 2017-18, the company was able to reduce its current liability, which as at March 31, 2017 stood at ₹16594.82 lakhs to ₹13,913.96 lakhs as at March 3, 2018. With the enhanced profitability and infusion in capital, the capital creditors stood at ₹4200 lakhs as at March 31, 2017 are reduced to ₹98 lakhs as at March 31, 2018.

Tangible assets

During the year under review, Property, Plant and Equipment (PPE) valuing ₹1,155.19 lakhs was acquired in support of continuing and expanded operations. Accumulated Depreciation increased from ₹10162.30 lakhs as on March 31, 2017 to ₹12775.39 lakhs as on March 31, 2018.

Intangible assets

As at March 31, 2018, Intangible assets amounted to ₹561.14 lakhs and accumulated amortization amounted to ₹233.03 lakhs.

Non-current Investments

During 2017-18, non-current investment of the company increased by ₹7.40 lakhs owing to investment made in 'Alphageo Marine Services Private Limited'. Total Investment as on March 31, 2018 was ₹1,322.14 lakhs.

Deferred Tax Asset

Deferred Tax Asset as of March 31, 2017 of ₹459.05 lakhs increased to ₹687.31 lakhs as of March 31, 2018.

Current assets

Current Assets increased from ₹18,968.47 lakhs as on March 31, 2017 to ₹22,752.38 lakhs as on March 31, 2018 consequent of an increase in operational scale. The major part of the Current Assets consists of receivables of ₹19,596.63 lakhs, cash and cash equivalent of ₹2240.30 lakhs and balance of ₹864.55 lakhs accounted to other current assets.

Global Performance

Statement of Profit and Loss Account

Revenue from operations

The revenue from operation increased by 40.39% on YoY basis from ₹30,589.34 lakhs in 2016-17 to ₹42,943.69 lakhs in 2017-18, on account of enhanced performance of Indian operations.

Other Income

During the year, other income of the company consists interest earned of ₹127.45 lakhs, net gain on foreign currency transactions and translations of ₹1.12 lakhs, Gain on sale of Property, Plant & Equipment of ₹3.58 lakhs and other income of ₹62.56 lakhs.

Survey and survey related expenses

The company's survey and survey related expenses increased to ₹27,283.73 lakhs in 2017-18 which was 63.53% of the total revenue. With increase in revenue and execution of new projects, the company increased its survey and survey related expenses to maintain its efficiency level.

Employee benefit expense

The employee benefit expense increased from ₹1,715.35 in 2016-17 lakhs to ₹2,305.72 lakhs in 2017-18, due to an increase in number of employees and recruiting new technical persons leading to expansion of team, hike in salary of existing employees, additional incentives announced, and profit linked managerial remuneration.

Finance costs

Finance cost of the company increased to ₹555.18 lakhs in FY 2018 from ₹414.67 lakhs in FY 2017 due to fulfilment of additional working capital requirements and periodical costs associated with providing performance guarantees

EBITDA

EBITDA of the company increased by 20.96% YoY basis to ₹12,280 lakhs in 2017-18 from ₹10,152 lakhs in 2016-17 with a strong margin of 28.59%.

Balance Sheet

Share Capital

Equity share capital of the company increased by ₹24.5 lakhs owing to issue of 2,45,000 shares of ₹10 each at a premium of ₹503.62 per share. As at March 31, 2018, share capital of the company stood at ₹637.84 lakhs as compared to ₹613.34 lakhs as at March 31, 2017.

Shareholders' Funds and Book Value per Share

Total shareholders fund of the company increased by 34.17% to ₹23,333.02 lakhs as of March 31, 2018 from ₹17,390.83 lakhs as of March 31, 2017. The book value per share of the company increased from ₹283.65 per share in 2016-17 to ₹365.94 per share in 2017-18.

Capital employed

The total Equity and Liabilities of the business increased to ₹37,397.44 lakhs as on March 31, 2018 from

₹35,037.12 lakhs as on March 31, 2017. The growth was primarily due to additional capital and growth in reserves and surplus.

Borrowings

The long term and short borrowings of the company decreased by 3.08%, as of March 31, 2018 borrowings stood at ₹4,652.66 lakhs as compared to ₹4817.18 lakhs as of March 31, 2017 due to scheduled repayment of term borrowings.

Current liabilities

During the year 2017-18, the company was able to reduce its current liability, which as at March 31, 2018 stood at ₹13,930.11 lakhs. Current liability of the company included financial liability of ₹12,958.07 lakhs and other current liability of ₹972.04 lakhs.

Tangible assets

During the year under review, PPE valuing ₹18.07 lakhs was acquired for expansion purpose whereas PPE valuing ₹17.46 lakhs were disposed off. Accumulated Depreciation increased from ₹14,933.54 lakhs as on March 31, 2017 to ₹18,269.48 lakhs as on March 31, 2018.

Intangible assets

As at March 31, 2018, Intangible assets amounted to ₹666.82 lakhs and accumulated amortization amounted to ₹291.38 lakhs.

Deferred Tax Asset

Deferred Tax Asset as of March 31, 2017 of ₹459.05 lakhs increased to ₹687.31 lakhs as of March 31, 2018.

Current assets

Current Assets increased from ₹20,292.96 lakhs as on March 31, 2017 to ₹24,979.59 lakhs as on March 31, 2018 consequent of an increase in operational scale. The major part of the Current Assets consists of receivables of ₹19,596.63 lakhs, cash and cash equivalent of ₹3,886.13 lakhs and balance of ₹1,496.83 lakhs accounted to other current assets.

Risk Management

As a Company involved in providing geophysical services in search of hydrocarbons, Alphageo realizes that risk is inherent in all its business activities. The Company has a well-established risk management framework that helps it to be resilient while performing its business activities despite various challenges from its external environment. The Company believes that extreme risks along with their mitigation is critical in the ever-changing environment in which it operates.

Layered Approach to Risk Management

Risk Management is performed in three different layers given as below.

Strategic
Promote partnership and set strategic direction

Tactical
Embed the strategy, manage service performance issues and expectations

Operational
Render and manage day to day service delivery queries

Operational Risk

- Volatility in oil price- This is the risk of volatility in oil price led by an increase in use of renewable fuels which might replace oil. Alphageo has a well-established presence in India which has lots of untapped resources that might attract large companies to set up oil exploration activities in India. Moreover, the demand for oil in India is expected to rise supported by an increase in disposable income in the country.

- Knowledge deficiency risk- It is the risk arising out of inadequate knowledge about project implementation, process and seismic analysis that could affect the quality of our service. The Company have successfully strengthened its team by taking various actions towards employee retention, training and development of employees and hiring of best employees.

- Low global presence risk- India is the main area of operations for the Company. This could lead to challenges in relation to various sectoral and political problems faced by the country. Over the years, Alphageo has expanded itself within the country and started its operations in few other countries as well. Indian seismic industry is expected to grow in the coming years which will allow the Company, being one of the leading players to capitalize upon the opportunities.

Strategic Risk

- Financial Risk- This is the risk of not being able to maintain a strong balance sheet, improve performance and reduce costs. In other words, it is the risk of having a weak financial performance as well as financial position. Alphageo has taken various measures in this regard to improve its gearing ratio, reduce various costs such as overhead costs and improve profitability.

- Technological obsolescence risk- With introduction of a new technology for seismic mapping, it requires the Company to update its technology. This might affect the investments made by it for 2D and 3D investments. The Company has always upgraded its technologies making it one of the best Company's across the country. With evolution in the industry, it has always invested towards technological developments.

- New competition- An increase in number of seismic service providers might affect the contract realisations of the industry. The Company believes that seismic industry market is greater than the capacity of seismic service providers. Thus, increase in number of seismic service providers will not affect its business in the near term.

Human Resource

With a team size of above 227 employees, Alphageo (India) Limited provides its employees with constant learning and skill development opportunities. The Company has established an unbiased objective based performance review, reward and recognition system. This motivates the employees to work hard while improving continuously. The Company gives its employees opportunity to work with some of the best technologies along with providing them with good exposure to Project Life Cycle. The culture developed at Alphageo motivates and helps all their employees to perform to the best of their capabilities without the fear of failure.

Internal Control

The Company's internal audit system has been continuously monitored and updated to ensure that assets are safeguarded, established regulations are complied with and pending issues are addressed promptly. The Audit Committee reviews reports presented by the internal auditors on regular basis. The Committee makes note of the audit observations and takes corrective actions, if necessary. It maintains constant dialogue with statutory and internal auditors to ensure that internal control systems are operating effectively.

Directors' Report

To
The Members,

Your Directors are pleased to present 31st Annual Report along with the Audited Financial Statements, both standalone and consolidated and the report on Company's business and operations for the financial year ended March 31, 2018.

Financial Results – An Overview

The Company's financial performance for the year ended March 31, 2018 is summarized below:

(₹ in lakhs)

Particulars	Company		Group	
	2017-18	2016-17	2017-18	2016-17
Revenue from Operations	42943.69	29656.23	42943.69	30589.34
Other Income	168.34	136.41	194.73	219.60
Total Revenue	43112.03	29792.64	43138.42	30808.94
Profit Before Finance costs and Depreciation	**12025.90**	**9502.55**	**12474.39**	**10371.72**
Finance Cost	555.18	414.67	555.67	414.67
Depreciation and Amortisation	2801.62	1796.04	3392.81	2372.01
Profit Before Tax	**8669.10**	**7291.84**	**8525.91**	**7585.04**
Tax Expenses	3045.61	2487.66	3077.79	2530.73
Profit After Tax	**5623.49**	**4804.18**	**5448.12**	**5054.31**
Earnings Per Share of ₹10/- each				
Basic (₹)	88.80	83.02	86.05	87.34
Diluted (₹)	88.80	81.50	86.05	85.74

Indian Accounting Standards

Ministry of Corporate Affairs (MCA) has vide its notification dated February 16, 2015 notified the applicability of Indian Accounting Standards ("Ind AS") for listed companies and certain class of companies, for the accounting periods beginning on or after April 1, 2016 / April 1, 2017 whichever is applicable, with the comparatives of the previous accounting year.

The Company has adopted Indian Accounting Standards with effect from April 1, 2017 with transition date of April 1, 2016 and accordingly the financial statements for the year ended March 31, 2018 along with the comparatives have been prepared in accordance with the recognition and measurement principles stated in respective applicable Indian Accounting Standards, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder.

Operational and Financial Performance

The year 2017-18 was another successful and eventful year, both operationally and financially for the Company.

Indian Operations

During the year, the Company has successfully executed the 3D Seismic Data Acquisition contract of ONGC in the carpet area of KG Basin well within the contractual time frame. The expertise and experiences gained over 27 years of operations has made it possible for the company to simultaneously work with 15 crews at different parts of the country under the National Seismic Programme of Government of India for conducting 2D seismic data acquisition.

The efforts in conducting operations seamlessly, has resulted in earning revenue from operations of

₹42944 lakhs for the current year against ₹29656 lakhs for 2016-17, higher by 44.80% year on year. The Profit before tax for the current year is ₹8669 lakhs against ₹7292 lakhs for 2016-17, higher by 18.88%. The Profit After Tax for 2017-18 is ₹5623 lakhs against ₹4804 lakhs for 2016-17, higher by 17.05%. The Shareholders funds as on March 31, 2018 have increased to ₹20587 lakhs from ₹14319 lakhs as on March 31, 2017.

The company, has been awarded a contract for 3 D Seismic Data acquisition in carpet area of Cambay Basin from Oil and Natural Gas Corporation Ltd valued at ₹131.00 crores (net of taxes). At the end of the financial year 2017-18, the executable orders on hand is estimated at, net of taxes, of ₹827 Crores. Your directors are of the opinion, having sizable executable orders on hand, that the Company will continue to achieve similar operational and financial performances in the forthcoming year.

Global Operations

On a consolidated basis, the operational income for 2017-18 is ₹42944 lakhs against ₹30589 lakhs in the previous year registering a growth of 40.39% over the previous year. The Profit before tax for 2017-18 is 8526 lakhs against ₹7585 lakhs in the previous year. The Profit after tax for the current year stood at ₹5448 lakhs against ₹5054 lakhs in the previous year. The shareholders' funds as on March 31, 2017 of ₹17392 lakhs have enhanced to ₹23355 lakhs as on March 31, 2018. The subsidiaries of the group are making its best efforts for obtaining viable contracts for providing geophysical services.

Your directors believe that the continuing endeavours of the Company to diversity its services besides hydrocarbon exploration into spectrum of other forms of geophysical services may result favourably in the forthcoming financial year.

Share Capital

During the year, the Company has issued and allotted 2,45,000 Equity Shares of ₹10/- each at a premium of ₹503.62/- on conversion of equivalent number of warrants on exercising the option for conversion by the warrant holders. The Company does not have outstanding warrants or any convertible instruments as on March 31, 2018.

The proceeds received at the time of conversion during the year 2017-18 have been utilized for the objects of the issue and there is no amount unutilized with the Company.

Transfer to Reserves

The Company has not transferred/ appropriated any amount to the General Reserve retaining the entire surplus for the year ended March 31, 2018 as Balance in Profit and Loss Account.

Material changes and commitment, if any, affecting financial position of the Company from the end of the financial year till the date of this Report

There has been no material change and commitment, affecting the financial performance of the Company which occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

Dividend

The Board of Directors are pleased to recommend a dividend at the rate of ₹8/- per Equity share of ₹10/- each for the financial year 2017-18, for the approval of the Members at 31st Annual General Meeting of the Company. The Dividend, if approved will be paid to those shareholders whose names appear on the register of the members of the Company as on 04th September 2018.

Unclaimed Dividend of the previous years

Section 124 of the Companies Act 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016 ('the Rules') mandates the Companies to transfer dividend that has remained unpaid/unclaimed for a period of seven years in the unpaid dividend account to the Investor Education and Protection Fund (IEPF).

The details of the unpaid/ unclaimed dividend lying with the Company are available on the website of the Company at the web link: http://alphageoindia.com/Unclaimed%20 Dividends.htm

Transfer to Investor Education and Protection Fund ("IEPF"):

a) **Transfer of Unclaimed Dividend to IEPF**

Pursuant to the provisions of Section 124 of Companies Act, 2013, read with IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, dividends which remain unpaid or unclaimed for a period of seven years are being transferred by the company to the Account of Investor Education and Protection Fund ("IEPF") Authority established by the Government of India.

Accordingly, the unclaimed dividend pertaining to the financial year 2009-10 has been transferred to the Investor Education and Protection Fund.

b) Transfer of Shares to IEPF

Section 124(6) of Companies Act, 2013, read with IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016, mandates transfer of underlying shares in respect of which dividend has not been paid or claimed for seven consecutive years or more in the name of Investor Education and Protection Fund.

Pursuant to the above rule, the Company identified 72,894 equity shares that were liable to be transferred to the Account of the IEPF Authority and transferred those equity shares to IEPF Account during the year under review after completing the procedures and corporate actions required to transfer such shares to IEPF Authority. The details of shares transferred to IEPF are displayed on the website of the Company. The shareholders whose shares are transferred to the IEPF Authority can claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority http://iepf.gov.in/IEPFA/refund.html.

Management Discussion and Analysis Report

Management Discussion and Analysis Report for the year under review as stipulated in Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented as a separate section forming part of the Annual Report.

Subsidiaries

Foreign Subsidiaries:

The Company has one 100% owned foreign Subsidiary, Alphageo International Limited, incorporated in Jebel Ali Free Zone Area in Dubai and one 100% owned First Level Step Down Subsidiary Alphageo DMCC incorporated under Dubai Multi Commodities Center (DMCC) Regulations.

Indian Subsidiaries:

An Indian subsidiary named "Alphageo Marine Services Private Ltd" has been incorporated on October 25, 2017 primarily for providing marine survey services including shallow water, ocean bottom, transition zone in the field of hydrocarbons; processing and interpretation of such survey data and also for providing aerial geophysical services in the field of hydrocarbons. The Company is yet to start effective business operations.

A Statement containing salient feature of the Financial and Operational information of the Subsidiaries is provided in Form AOC-1 as Annexure-I to this report. The Consolidated Financial Statements presented by the Company include the financial results of these Subsidiary Companies.

Pursuant to Section 136 of the Companies Act, 2013, the Financial Statements of the Subsidiaries are available on the website of the Company and also will be made available upon the request by any member of the Company. The policy for determining "Material Subsidiary" framed by the company in terms of Regulation 16(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is available on the Company's website at the following link: http://www.alphageoindia.com/Policies.htm

Post March 31, 2018 another Indian Subsidiary named "Alphageo Offshore Services Private Ltd" has been incorporated on April 26, 2018 for undertaking commercial activities relating to providing geophysical services for offshore and transition zones, and general offshore related services for mining and hydrography, which is yet to start its operations.

Change in the nature of business

During the year, there was no change in the nature of business of the Company or any of its subsidiaries.

Cost Records

The Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 for the services rendered by the Company.

Consolidated Financial Statements

The Consolidated Financial Statements of the Company and its Subsidiaries for the financial year ended March 31, 2018 have been prepared in compliance with the Indian Accounting Standards notified under Section 133 the Companies Act, 2013 ("Act"), Section 129(3) of Companies Act, 2013 on consolidated financial statements and SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015 and the same together with Auditors' Report thereon form part of this Report.

Statutory Auditors

In pursuance of the provisions of section 139 and other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and the terms of appointment approved at 30th Annual General Meeting of the Company, M/s Majeti & Co. Chartered Accountants, Hyderabad, have been appointed as Statutory Auditors of the Company for a term of 5 (five) consecutive years from the conclusion of 30th Annual General meeting till the conclusion of 35th Annual General Meeting of the Company.

In accordance with the Amendment to the provisions of Section 139 by the Companies Amendment Act 2017, notified on May 7, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

Audit Report on Financial Statements

The Audit Report issued by the Statutory Auditors on financial statements, standalone and consolidated, for the year ended March 31, 2018 does not contain any qualifications, reservations or adverse remarks, which call for any further explanation.

Secretarial Auditors

M/s. D. Hanumanta Raju & Co., Practicing Company Secretaries, Hyderabad were appointed to conduct the Secretarial Audit of the Company for the year 2017-18 as required under the provisions of Section 204 of the Companies Act, 2013 and rules thereunder. The Secretarial Audit Report issued by them form part of the Annual Report as Annexure-II to the Board's Report. The Secretarial Audit Report does not contain any reservation, qualification or adverse remark.

Directors and Key Managerial Personnel

Appointments and Re-appointments of Directors:

During the year, Mr. Raju Mandapalli was appointed as an Additional Director of the Company under Independent category with the approval of the Board effective from December 4, 2017. His appointment as Independent Director will be placed in the 31st Annual General Meeting of the Company for the approval of members of the Company.

Retirement by Rotation:

Mr. Rajesh Alla retired by rotation has been re-appointed as Director of the Company at the 30th Annual General Meeting held on 29th September, 2017.

Further, in accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Rajesh Alla is retiring by rotation at the ensuing Annual General Meeting and being eligible, seek re-appointment. The Board recommends the re-appointment of Mr. Rajesh Alla for the approval of the Members at the ensuing Annual General Meeting of the Company.

Change of Designation:

Mr. Dinesh Alla, Managing Director of the Company has been appointed as Chairman of the Company in place of Mr. Z.P. Marshall with effect from December 4, 2017.

Other changes, if any, occurred after the closure of financial year

1. Mr. Z.P. Marshall, an Independent Director of the Company has resigned from the Board of Directors effective from May 18, 2018. He was associated with the company since 20 years and benefitted the company from his guidance, valuable suggestions and insights of the industry during his tenure.

   The Board places on record its deep appreciation and gratitude to Mr. Z.P. Marshall for his many years of strong and thoughtful leadership.

2. Mrs. Savita Alla has been reappointed as Joint Managing Director of the Company by the Board of Directors in its meeting held on May 18, 2018 for a period of three years with effect from May 25, 2018.

Particulars of Remuneration to Directors and Key Managerial Personnel:

Particulars of Remuneration to Directors and Key Managerial Personnel as required under section 197(12) of the Act read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended are given in Annexure-III and forms part of this Report.

Changes in Key Managerial Personnel:

During the year, Ms. Deepa Dutta, Associate Member of the Institute of Company Secretaries of India, has been appointed as Company Secretary and Compliance Officer of the Company with effect from December 4, 2017 with approval of the Board in place of Ms. Meenakshi Naag, erstwhile Company Secretary who tendered her resignation effective from November 4, 2017.

Number of Meetings of the Board of Directors:

During the year ended March 31, 2018, the Board of Directors has met four times viz. May 29, 2017, August 4, 2017, December 4, 2017 and February 7, 2018. The details of Meetings of the Board and various Committees of the Board are set out in the Corporate Governance Report which forms part of this report.

Audit Committee

The Audit Committee of the Board, currently headed by an Independent Director as Chairperson meets regularly to discharge its terms of reference effectively and efficiently. During the year, there were no instances where the recommendations of the Audit Committee were not accepted by the Board. The composition, role and functions of the Audit Committee of the Board of Directors of the Company are disclosed in the Report on Corporate Governance, which forms part of this report.

Directors Responsibility Statements as required under Section 134 of the Companies Act, 2013

Pursuant to the requirement under Section 134 of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

i. In the preparation of the Annual Accounts of the Company for the year ended March 31, 2018, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act 2013, have been followed and that there are no material departures from the same.

ii. the Directors have selected such accounting policies and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit for the year ended on that date;

iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. the Annual Accounts for the year ended March 31, 2018 have been prepared on a going concern basis;

v. internal financial controls have been laid down and such controls are adequate and operating effectively;

vi. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating efficiently; and

vii. there are no instances of frauds involving the officers or employees of the Company reported by the Auditor under section 143(12) of the Act during the year ended March 31, 2018.

Particulars of Remuneration to Employees

The details of remuneration to Employees, as required under Rule 5(2) read with Rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended are given in Annexure-IV and form part of this Report.

Board Performance Evaluation

The Companies Act and Listing Regulations relating to Corporate Governance contain provisions on evaluation of the performance of the Board and its Committees as a whole and Directors including Independent Directors, Non-Independent Directors and Chairperson individually. In pursuant thereof, Annual Evaluation of performance of the Board, working of its Committees, contribution and impact of individual directors has been carried out through a questionnaire for peer evaluation on various parameters. The manner in which the evaluation was carried out is explained in the Report on Corporate Governance, which forms part of this report.

Declaration by Independent Directors

Pursuant to the provisions of the Companies Act and Listing Regulations, all the Independent Directors of the company have given their respective declarations stating that they meet the criteria prescribed for independence under section 149(6) of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in the opinion of the Board, all the Independent Directors meet the said criteria.

Remuneration Policy

In accordance with the provisions of Section 178 of the Companies Act, 2013 and Part D of Schedule II of SEBI (LODR) Regulations, 2015, a comprehensive policy on Nomination and Remuneration of Directors, Key Managerial Personnel and other employees of the Company has been formulated and the said Policy is available on the website of the company at: http://alphageoindia.com/Policies.htm

It is affirmed that the appointment and remuneration of Directors, Key Managerial Personnel and all other employees during the year ended March 31, 2018 is in accordance with the Remuneration Policy of the Company.

Particulars of Loans, Guarantees or Investments

During the year under review, the Company has made an Investment of ₹7,40,000/- in Equity Share Capital of the Subsidiary "Alphageo Marine Services Private Ltd". The details of loans extended to the Subsidiary are given at Note No. 33 to Financial Statements for the year ended March 31, 2018.

Post March 31, 2018, the Company also has made Investment of ₹1,00,000/- in Equity Share Capital of its 100% Subsidiary "Alphageo Offshore Services Private Ltd".

The Company has not extended any loans, guarantees or investments to any other person or body corporate during the year under review.

Particulars of Contracts or Arrangements with Related Parties

In terms of section 188 of the Companies Act, 2013 and the rules framed thereunder and Regulation 23 of SEBI (LODR) Regulations, 2015, a Policy for dealing with the transactions with Related Parties has been formulated and the same is available on the Company's website at: http://alphageoindia.com/Policies.htm.

All contracts and transactions entered during the financial year with related parties were in the ordinary course of business and were with the approval of the audit committee and in compliances with applicable provisions of the Act and the SEB (LODR) Regulations 2015. The particulars of such transactions with related parties have been disclosed in the financial statements as required under Ind AS 24 - Related Party Disclosures and as specified under section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 are given at Note 38 of Notes on Financial Statements annexed to this Report.

There are no materially significant related party transactions made by the company with the Promoters, Directors and Key Managerial Personnel and other designated persons which may have a potential conflict with the interests of the Company during the financial year.

During the year, there were no contracts or arrangements, or transactions entered into with the related parties other than at arm's length price and there were no material and significant transactions at arm's length price with the related parties. Accordingly, there were no transactions during the year ended March 31, 2018 required to be reported in Form AOC-2 of the Companies (Accounts) Rules, 2014.

Corporate Social Responsibility (CSR) Activities

In line with the provisions of Section 135 of the Companies Act 2013, the Company has constituted a committee to formulate, implement and monitor the CSR Policy of the Company. The composition of the CSR Committee is disclosed in the Report of Corporate Governance, forming part of this Report.

The detailed report on CSR initiatives undertaken during the financial year 2017-18 together with the report on CSR activities as required by the Companies (Corporate Social Responsibility Policy) Rules, 2014, are set out in Annexure-V to this Report.

Reasons for not spending the amount earmarked for CSR Activities:

The Company allocated an amount of ₹66.00 Lakhs to be spent on corporate social responsibility (CSR) activities during the year 2017-18. Out of this, the Company spent ₹23.60 Lakhs during the year under review. The unspent amount of ₹42.40 Lakhs has been carried forward for spending in forthcoming years. The Company believes, as a part of CSR Activities, in spending on such activities which really benefit the targeted beneficiaries. The Company is extending its efforts in identifying and supporting more beneficial projects and confident of spending the unspent amount of 2017-18 alongwith the obligated amount for 2018-19 during the financial year 2018-19.

Corporate Governance and Shareholders' Information

Pursuant to Regulation 34 of the SEBI Regulations, the Report on Corporate Governance for the financial year 2017-18 along with a Certificate issued by a Practising Company Secretaries confirming compliance with the mandatory requirements relating to Corporate Governance as stipulated under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented as a separate section forming part of the Annual Report, forms an integral part of this report.

Risk Management

The Company continuously identifies, evaluates, monitors and addresses potential business and operational, financial, industrial risks which affects the business activities, functioning and growth of the Company. The risk management framework of the company aimed at effectively mitigating the various risks associated with the company.

The details of the risk management framework and issues related thereto have been explained in the Management Discussion and Analysis Report, which is provided as an annexure to this report.

Internal Financial Controls

The Company has in place adequate internal financial controls with reference to preparation of financial statements and the same are operating efficiently and no deficiencies have been observed during the year under review.

Whistle Blower/Vigil Mechanism

In pursuance of the provisions of Section 177(9) of the Companies Act, 2013, rules made thereunder and Regulation 4 of the SEBI (LODR) Regulations, 2015, your Company has formulated a vigil mechanism which also includes a whistle blower policy to deal with instances of unethical behaviour, actual or suspected, fraud or violation of Company's Code of Conduct or Ethics Policy.

The Audit Committee of the Board periodically reviews the Whistle Blower Policy. It is hereby affirmed that no personnel of the company has been denied access to the Chairman of the Audit Committee of the Board and that the Policy contains adequate provisions protecting Whistle Blowers from unfair termination and other unfair prejudicial employment practices.

The Whistle Blower Policy is available on the company's website at: http://www.alphageoindia.com/Policies.htm

Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Work place

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder, your Company has framed a Policy on prevention, prohibition and redressal of sexual harassment at workplace and constituted Internal Complaints Committee having designated members to redress complaints regarding sexual harassment. During the year under review, no complaint of sexual harassment has been reported.

The Policy is available on the Company's website at: http://www.alphageoindia.com/ Policies.htm

Extract of Annual Return

Pursuant to the provisions of Section 36 of the Companies (Amendment) Act, 2017 notified effective from July 31, 2018 read with Section 92(3) of the Companies Act 2013, the prescribed return is placed on the Company's website at: http://www.alphageoindia.com/Other_Information.htm.

Deposits

The Company has not accepted any deposits covered under Chapter V of Companies Act, 2013 and also any other deposit which is not in compliance with the requirements of Chapter V of the Companies Act, 2013.

Employees Stock Option Scheme

Stock option to Employees is being administered under the scheme titled "Alphageo ESOS 2008". Under this scheme, 235067 stock options are available for granting to Employees and there are no enforceable stock options outstanding as on March 31, 2018.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are:

a.	Conservation of Energy:	Not Applicable	
b.	Technology Absorption:	Nil	
c.	Foreign Exchange Earnings and Outgo:		

	2017-18 ₹ in lakhs	**2016-17 ₹ in Lakhs**
Foreign Exchange Earnings	Nil	29,656
Foreign Exchange Outgo:		
CIF Value of Imports	573	6,063
Expenditure in Foreign Currency	1,355	916

Significant and Material Orders passed by the Courts / Regulators

During the year, no significant and material orders were passed by the regulators or courts or tribunals on the Company impacting the going concern status of the Company and Company's operations in future.

Acknowledgment

Your Directors place on record their sincere appreciation for the significant contribution made and services rendered by employees of the Company with dedication and commitment at all levels which has been critical for the Company's success and for placing the Company preferred service provider in on-land seismic services industry.

Your Directors take this opportunity to thank Clients Bankers, Vendors, Shareholders and Investors at large for their valuable co-operation and continued support.

For and on behalf of the Board

Hyderabad
06.08.2018

Dinesh Alla
Chairman and Managing Director

ANNEXURE-I TO DIRECTORS' REPORT

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the Financial Statement of Subsidiaries for the year ended March 31, 2018

(Amount in Rupees)

S. No	Particulars	Alphageo International Limited, Dubai	Alphageo DMCC, Dubai	Alphageo Marine Services Private Ltd., India
1	The Date since when Subsidiary was acquired	June 10, 2010	January 30, 2011	October 25, 2017
2	Reporting currency	USD	USD	INR
3	Exchange rate as on 31.03.2018	65.0441	65.0441	1
4	Share Capital	18,52,48,654	35,27,342	10,00,000
5	Reserves & surplus	89,110	21,93,59,926	-4,03,473
6	Total assets	18,55,62,297	22,40,81,217	51,56,694
7	Total liabilities	2,24,532	11,93,949	45,60,167
8	Investments (Excluding Investment in Subsidiary)	NIL	NIL	NIL
9	Turnover	NIL	7,73,18,182	NIL
10	Profit before taxation	-13,73,081	-2,26,70,471	-4,03,473
11	Provision for taxation	NIL	-32,49,213	NIL
12	Profit after taxation	-13,73,081	-2,59,19,684	-4,03,473
13	Proposed dividend	NIL	NIL	NIL
14	% of Shareholding by Holding Company	100	100	74

Notes:

1. Alphageo DMCC, Dubai is 100% owned Subsidiary of Alphageo International Limited and First Level Step down Subsidiary of Alphageo (India) Limited.
2. Alphageo Marine Services Private Limited is an Indian subsidiary incorporated on October 25, 2017.

For and on behalf of the Board

Hyderabad
06.08.2018

Dinesh Alla
Chairman and Managing Director

ANNEXURE-II TO DIRECTORS' REPORT

Form No. MR-3

Secretarial Audit Report

For the Financial Year Ended March 31, 2018

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
ALPHAGEO (INDIA) LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ALPHAGEO (INDIA) LIMITED (hereinafter called the 'Company'). Secretarial Audit was conducted in accordance with the guidance note issued by the Institute of Company Secretaries of India and in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 – (Not applicable to the Company during the period of audit);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - (Not applicable to the Company during the period of audit).

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - (Not applicable to the Company during the period of audit); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - (Not applicable to the Company during the period of audit)

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(vi) As per the representations and explanations given by the Management and Officers of the Company, there are no industry specific laws applicable to the Company as the Company falls under service sector.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified under Companies Act, 2013 with effect from July 1, 2015.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited (NSE).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except that a delay of one day in conducting a Board Meeting and Audit Committee Meeting.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings are carried out unanimously as recorded in the Minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For **D.HANUMANTA RAJU & CO**
COMPANY SECRETARIES

CS MOHIT KUMAR GOYAL
PARTNER
ACS: 32655, CP NO: 12751

Place: Hyderabad
Date: 23.06.2018

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To
The Members,
ALPHAGEO (INDIA) LIMITED

Our report of even Date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness and with which the management has conducted the affairs of the company.

For **D.HANUMANTA RAJU & CO**
COMPANY SECRETARIES

CS MOHIT KUMAR GOYAL
PARTNER
ACS: 32655, CP NO: 12751

Place: Hyderabad
Date: 23.06.2018

ANNEXURE-III TO DIRECTORS' REPORT

Information pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year

Name of the Executive Director	Ratio to Median	% of increase in remuneration (Not Annualised)
Mr. Dinesh Alla	161.52	18.91% (Refer Note-1)
Mrs. Savita Alla	161.52	18.91% (Refer Note-2)

Note-1: The remuneration for the year 2016-17 and 2017-18 is as approved by the Members at 29th Annual General Meeting of the Company and within the overall remuneration prescribed under Companies Act, 2013.

Note-2: The remuneration for the year 2016-17 and 2017-18 is as approved by the Members at 28th Annual General Meetings of the Company and within the overall remuneration prescribed under Companies Act, 2013.

2 Percentage increase in remuneration of Non-Executive Director and Key Managerial Personal:

	Ratio to Median	% of Increase (Not Annualised)
Non-Executive Directors:	Non-executive Directors and Independent Directors were paid only Sitting Fees for attending meetings of the Board and Committees of the Board. Hence, Ratio to Median is not applicable	Not Applicable
Mr. Rajesh Alla, Non-executive Director		
Mr. Ashwinder Bhel, Independent Director		
Mr. Mohan Krishna Reddy, Independent Director		
Mr. Z.P. Marshall, Independent Director		
Mr. Raju Mandapalli, Independent Director		
Key Managerial Personnel:		
Mr. Venkatesa Perumallu Pasumarthy, Chief Financial Officer	Not Applicable	16.36%
Ms. Meenakshi Naag, Company Secretary (up to November 3, 2017)	Not Applicable	Nil
Ms. Deepa Dutta, Company Secretary (w.e.f. December 4, 2017)	Not Applicable	Nil

3 The percentage increase in median remuneration of employees in the financial year 2017-18: 41.60%

4 No. of Permanent Employees on the rolls of the Company during 2017-18:227 Nos.

5 Average percentile increase already made in the Salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there any exceptional circumstances for increase in the managerial remuneration:

The percentage increase in the total salaries of all employees other than managerial personnel in financial year 2017-18 was 64.07%. The corresponding increase in managerial remuneration for 2017-18was 18.91%. The managerial remuneration being paid to Managing Director and Joint Managing Director is as per the provisions of Companies Act, 2013 and within overall limit prescribed in the Act which is based on the profits for the year 2017-18. As there is an exceptional growth in the operations of the Company during 2017-18 recording increase in operational income by 44.80% and Profit before tax by 18.88% year on year basis, there is an increase in the amount of remuneration to managerial personnel for the year 2017-18.

6 Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is hereby affirmed that the remuneration to Directors and Key Managerial Personnel for the year 2017-18 was as per the terms of the appointment and remuneration policy of the Company.

For and on behalf of the Board

Hyderabad
06.08.2018

Dinesh Alla
Chairman and Managing Director

ANNEXURE-IV TO DIRECTORS' REPORT

Information pursuant to Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name	Age (Yr)	Qualification	Designation	Date of Commencement of Employment	Experience (yrs)	Gross Remuneration (Crores)	Last Employment
Employed throughout the year:							
Mr. Dinesh Alla	53	M. Sc. (Hons) Mathematics, Masters in Management Studies	Chairman &Managing Director	21/08/1991	27	4.82	-------------
Mrs. Savita Alla	50	Masters in Management Studies	Joint Managing Director	26/09/2014	19	4.82	IIC Technologies Pvt Ltd
Mr. Thomas Ajewole Olanrewaju	49	B. Sc .(Hon) Applied Geophysics	Chief Seismologist	08/08/2016	22	0.63	Petronas Carigali SDN. BHD.
Mr. Anthony Raymond Cheshire	65	BE. (Hons) Electrical & Electronic Engineering	VP - Technical Services	30/09/2016	43	0.56	Seismic Consultants Group Pty. Ltd
Mr. Venkatesa Perumallu Pasumarthy	57	B.Com, FCA	Chief Financial Officer	01/02/2012	31	0.51	Practicing Chartered Accountant
Mr. Balaji Sundararajan	54	B.E. (Hons) Mechanical, M. Sc. (Hons) Mathematics	Senior Vice President -Operations	01/08/2000	30	0.46	Hindustan Dorr Oliver Ltd
Mr. Sachindra Singh	46	M. Tech (Geophysics)	Chief Seismologist	01/06/1997	21	0.34	-----------
Mr. Kodanda Rami Reddy Bathula	53	LECE, Grad. IETE, PGDCP	Party Chief	19/05/2007	31	0.32	Shivani Oil & Gas Exploration Services Ltd
Mr. Rahul Chawla	43	M Tech. Applied Geophysics	Party Chief	16/07/2013	18	0.28	Asian Oilfield Services Ltd
Mr. Ravi Kumar Bhogadhi	41	B. Sc. Electronics	Chief Observer	13/03/2006	15	0.24	Sify Broadband

Notes:

1. Gross Remuneration includes salary, allowances, company contribution to provident fund, commission and other benefits.
2. Mr. Dinesh Alla, Chairman and Managing Director and Mrs. Savita Alla, Joint Managing Director are related to each other.
3. No other employee mentioned above is related to any Director of the Company.
4. Mr. Anthony Raymond Cheshire and Mr. Thomas Ajewole Olanrewaju appointments are contractual.

For and on behalf of the Board

Hyderabad
06.08.2018

Dinesh Alla
Chairman and Managing Director

ANNEXURE - VI TO DIRECTORS REPORT

Annual Report on Corporate Social Responsibility (CSR) Activities for the year 2017-18

S. No.	Particulars	Remarks
1.	A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes	The Company has adopted its CSR Policy to ensure that the Company operates its business in an economically, socially & environmentally sustainable manner by enhancing the quality and economic wellbeing of the society in fulfillment of its role as a Socially Responsible Corporate. The Policy is available at http://www.alphageoindia.com/Policies.htm
2.	The composition of the CSR committee:	During the year, the CSR Committee was reconstituted by the Board of Directors at its meeting held on December 4, 2017. It comprises of:- 1. Mr. Dinesh Alla - Chairman 2. Mr. Z. P. Marshall - Member 3. Mr. Ashwinder Bhel - Member 4. Mrs. Savita Alla - Member
3.	Average net profit of the company for last three financial years for the purpose of computation of CSR:	₹3292.46 Lakhs
4.	Prescribed CSR Expenditure (2% of the amount as in item 3 above):	₹66.00 Lakhs
5.	Details of CSR spent during the financial year:	
a	Total amount spent for the financial year:	₹23.60 Lakhs
b	Amount unspent (if any)	₹42.40 Lakhs
c	Manner in which the amount spent during the year	The details of the amount spent and the manner the same has been spent are given in Annexure attached to this Report.
6	In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.	The reason for not spending the earmarked amount of CSR is provided in the Board's Report.
7	A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.	The implementation and monitoring of CSR Policy is in compliance with the CSR objectives and Policy of the Company.

For and on behalf of the Board

Hyderabad
06.08.2018

Dinesh Alla
Chairman and Managing Director

Annexure to Annual Report on Corporate Social Responsibility Activities for the year 2017-18

Manner in which amount spent during the financial year is detailed below:

A	B	C	D	E	F		G	H
S. No.	**CSR Project or Activities Identified**	**Sector in which the Project is Covered**	**Projects or Programs (1) Local area or other (2) Specify the State & Districts where Projects or Programs were undertaken**	**Amount Outlay (Budget) Project or Program wise for the FY 2017-18 (₹)**	**Amount Spent on the Projects or Programs**		**Cumulative Expenditure up to the Reporting Period (₹)**	**Amount Spent: Direct or through Implementing Agency**
					Direct Expenditure on Projects (₹)	**Overheads (₹)**		
1.	Promoting education, employment enhancing skills among differently abled people	Activity covered under (ii) as per Schedule VII of the Companies Act, 2013 i.e. Livelihood programs for youth & people with disability	Hyderabad	2,00,000/-	2,00,000/-	-	3,50,000/-	Youth 4 Jobs Foundation, Hyderabad
2.	Supporting Girl Child for Education through Nanhi Kali Program	Activity covered under (ii) as per Schedule VII of the Companies Act-2013 i.e. Promoting Education	State of Andhra Pradesh and Telangana	3,60,000/-	3,60,000/-	-	5,28,000/-	Nanhi Kali Project – a Joint programme of K C Mahindra Education Trust, Mumbai and Naandhi Foundation
3.	Support to child-Education, Protection & Survival etc.	Activity covered under (i)&(ii) as per Schedule VII of Companies Act, 2013 i.e. Promoting Education and Health Care	State of Andhra Pradesh and Telangana	3,00,000/-	3,00,000/-	-	5,00,000/-	Save the Children (Bal Raksha Bharat), Bangalore
4.	Construction of Class Room Buildings	Activity covered under (ii) as per Schedule VII of the Companies Act-2013 i.e. Promoting Education	State of Andhra Pradesh and Telangana	14,00,000/	14,00,000/-	-	14,00,000/-	Round Table India Trust, Chennai
5.	Extending medical care/support to infants/ babies in orphanages	Activity covered under (i) as per Schedule VII of the Companies Act-2013 i.e. Promoting health care	Hyderabad	1,00,000/-	1,00,000/-	-	1,00,000/-	Advocates for Babies in Crisis, Hyderabad
			TOTAL	**23,60,000/-**	**23,60,000/-**	**-**	**28,78,000/-**	

For and on behalf of the Board

Hyderabad
06.08.2018

Dinesh Alla
Chairman CSR Committee

Report on Corporate Governance for the year 2017-18

1. Company's Philosophy on Corporate Governance

The Company's principles of Corporate Governance are based on transparency, accountability, values and ethics which forms an integral part of the management's initiative in its ongoing pursuit towards achieving sustainable growth and success over the long-term. The Company having strong systems and processes in place, ensures full and timely compliance with all applicable legal and regulatory requirements.

The Company has a defined policy framework for ethical conduct of businesses that ensures transparency in all dealings and in the functioning of the management and the Board. The Corporate Governance philosophy of the Company has been further strengthened through the various codes, policies and processes adopted by the company to carry out its duties in an ethical and well governed manner.

The Company, being a value driven organisation, aims at building trust and creating a culture of openness in relationships between itself and its stakeholders. It has set up a system which enables all its employees to voice their concerns openly and without any fear or inhibition.

The Company is in compliance with the requirements of Corporate Governance stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "Listing Regulations").

2. The Board of Directors

The Board of Directors along with its Committees provides leadership and guidance to the Management and directs and supervises the performance of the Company. The Board has the ultimate responsibility for the management, general affairs, performance and long-term success of business as a whole. The Company has a well informed Board with qualifications and experience in diverse areas which enables the Board to discharge its responsibilities and provide effective leadership to the business. The composition of the Board is in conformity with Section 149 of the Companies Act, 2013 (the "Act") and Regulation 17 of Listing Regulations.

None of the Directors is debarred/ restrained from holding the office of director pursuant to any SEBI Order.

Mr. Dinesh Alla, Chairman and Managing Director, Mrs. Savita Alla, Joint Managing Director and Mr. Rajesh Alla, Director are related to each other. Except these directors, all other directors of the company are unrelated to each other.

Composition of the Board

The Board of Directors of Alphageo has a good mix of Executive and Non-executive Directors with more than half of the Board of the Company comprising Independent Directors. During the year 2017-18, the Board consists of seven directors comprising two Executive directors, one Non-executive director and four Independent directors.

Changes in the composition of Board

During the year: Mr. Raju Mandapalli has been appointed as an Additional Director on Board of the company under Independent category with effect from December 4, 2017, subject to the approval of shareholders in the ensuing annual general meeting. Mr. Raju Mandapalli has specialization in the fields of Mineral Investigation, Engineering Geology, Landslide Hazard Projects, etc.

Post closure of financial year: Mr. Z. P. Marshall, Independent director had been the Chairman of the Board who has been succeeded by Mr. Dinesh Alla, the promoter executive director of the company with effect from December 4, 2017. Mr. Z. P. Marshall resigned from the Board of Directors of the Company on May 18, 2018 due to his advancing age. The Board places on record its appreciation for the valuable contribution made by Mr. Z. P. Marshall during his association with the company.

Category of Directors and Directorships and Committee Memberships:

The details of Directorships and Committee Memberships of the Directors as on March 31, 2018 are given below. None of the Directors is a member of committee of more than ten committees of the

Board of the Company and other companies and are acting as a Chairperson of more than five committees across of all the companies including the company, in which they are directors.

Name of the Director	Category	Number of other Directorships	Committee Positions	
			As Member of the Committee	As Chairperson of the Committee
Mr. Dinesh Alla Chairman and Managing Director	Promoter Executive	2	-	2
Mr. Z. P. Marshall Director *(Resigned w.e.f. 18.05.2018)*	Non-Executive and Independent	-	4	-
Mrs. Savita Alla Joint Managing Director	Executive	3	3	-
Mr. Rajesh Alla Director	Non-Executive	5	3	1
Mr. Ashwinder Bhel Director	Non-Executive and Independent	6	3	-
Mr. Mohan Krishna Reddy Director	Non-Executive and Independent	9	6	2
Mr. Raju Mandapalli Director *(Appointed w.e.f. 04.12.2017)*	Non-Executive and Independent	-	1	-

Every Director intimate the Company of his shareholding in the Company as well as directorships in other Companies in the prescribed forms on an annual basis and also on subsequent changes, if any.

Board Meetings and Attendance of Directors

The Board meets at regular intervals to discuss and decide on Company's/business policies and strategy and other regular business matters. During the financial year 2017-18, the Board has met for 4 (Four) times on May 29, 2017, August 4, 2017, December 4, 2017 and February 7, 2018. The necessary quorum was present in all the meetings. The information as required under Part A of Schedule II of Regulation 17(7) of the Listing Regulations has been made available to the Board.

The tentative date of the meetings, agenda and related information including detailed notes on items to be discussed at the meeting is circulated well in advance to ensure meaningful participation of the directors and to enable the directors to take an informed decision. However, in case of a special and urgent business needs, the Board's approval is taken by passing resolution by circulation, for the matters permitted by law, which will be noted and confirmed in the subsequent meeting. The Board meetings are generally held at Hyderabad.

The Board also reviews the declarations made by the Chairman and Managing Director, the Chief Financial Officer and the Company Secretary regarding compliance with all applicable laws, rules and regulations on a quarterly basis in accordance with the Listing Regulations.

The intimation and outcome of every Board Meeting of the Company are given to both the stock exchanges (NSE and BSE) where the shares of the Company are listed.

The details of attendance of the Directors at the Board Meetings and at the 30th Annual General Meeting held on 29th September 2017 is as given here under:

Name of the Director	No. of Board Meetings		Whether attended last AGM
	Held	Attended	
Mr. Dinesh Alla	4	4	Yes
Mr. Z. P. Marshall	4	4	No
Mrs. Savita Alla	4	4	Yes
Mr. Rajesh Alla	4	1	No
Mr. Ashwinder Bhel	4	2	No
Mr. Mohan Krishna Reddy Aryabumi	4	3	No
Mr. Raju Mandapalli*	2	1	-

*Mr. Raju Mandapalli is appointed as Additional Director w.e.f. December 4, 2017.

3. Independent Directors

The Independent Directors of the Company have been appointed in terms of the requirements of the Act and Listing Regulations. The maximum tenure of independent directors is in compliance with the Act.

During the year, the Company has four (4) Independent directors on the Board and they are well qualified in the fields of finance, business administration and other technical aspects pertaining to seismic surveys and oil and gas industry. Mr. Z.P. Marshall, an independent director tendered his resignation effective from May 18, 2018.

Declaration by Independent Directors

In terms of Section 149(6) of the Companies Act, 2013, the Company has received necessary declarations from each Independent Directors that they meet the criteria of being Independent Directors as laid down under the Act read with Schedule IV and Rules made thereunder, as well as Regulation 16(1)(b) of SEBI(LODR)Regulations, 2015. The Board considered the independence of each of the Independent Directors in terms of above provisions and is of the view that they fulfill the criteria of independence.

Separate Meeting of Independent Directors

In terms of the provisions of Schedule IV of the Act read with Regulation25 of SEBI (LODR) Regulations, 2015, the Independent Directors without the presence of Non-Independent Directors have met on December 3, 2017,inter alia, to get familiarise with the updates to statutory provisions of Companies Act, 2013 and Listing Regulations and discussed:

- the performance of Non-Independent Directors and the Board as a whole;
- the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and
- the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The meeting was attended by all independent directors.

Familiarisation Programme for Independent Directors

All Independent Directors are taken through a detailed induction and familiarisation programme of their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business operations, etc. when they join the Board of the Company.

The familiarization programme for Independent Directors is disclosed on the Company's website at the web link: http://www.alphageoindia.com/Others.htm

The Independent Directors expressed their satisfaction to the desired level on the governance of the Board.

4. Performance Evaluation

A formal evaluation of the performance of the Board as a whole, its Committees and individual directors has been carried out by all the directors of the company in terms of the requirement of the Act and Listing Regulations.

The evaluation was done through a questionnaire encompassing upon various areas that provide an insight and feedback into the functioning of the Board, its Committees, individual Directors and areas of development. The company has received the report submitted by the directors evaluating and assessing the performance of all individual directors.

The Nomination and Remuneration Committee reviewed the performance of the individual directors. In a separate meeting of independent directors held on December 3, 2017, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated.

The peer rating on certain parameters, positive attributes and improvement areas for each Board member was also provided to them in a confidential manner. The feedback obtained from the interventions was discussed in detail and, where required, independent and collective action points for improvement were put in place.

5. Committees of the Board

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/ activities as mandated by applicable regulation which need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by Members of the Board, as a part of good governance practice. The committees are constituted also keeping in view the statutory requirement of the composition of directors in the committees.

During the year, the following statutory and non-statutory Committees are in existence:

(a) Audit Committee;

(b) Stakeholders Relationship Committee;

(c) Nomination and Remuneration Committee;

(d) Corporate Social Responsibility Committee; and

(e) Securities Issue Committee.

The Company's guidelines relating to Board meetings are also applicable to Committees' meetings. The tentative date of the Board and Committee meetings was circulated to directors well in advance to facilitate them to plan their schedule. The Committees can request special invitees to join the meeting as appropriate. During the year under review, the meetings of the committees are duly convened with the requisite quorum present in all the meetings.

The Chairman of the respective Committees informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meetings of all Committees are placed before the Board for review.

The brief description of terms of reference, composition, meetings and attendance of the Committees during the financial year 2017-18 are provided below:

Audit Committee

The Audit Committee was constituted under the provisions of the Companies Act and Listing Regulations. The Committee assists the Board in analysis of financial statements of the company along with fulfilling its overall responsibilities. All the Members of the Audit Committee are financially literate and have related management expertise by virtue of their experience and background and have the requisite qualification for appointment on the Committee. The Chief Financial Officer and Other Officers make periodic presentations to the Audit Committee. Representatives of Statutory Auditors also participate in the Audit Committee Meetings. The Company Secretary of the Company acts as Secretary to the Audit Committee.

The Chairman of the Audit Committee could not attend the last Annual General Meeting of the Company due to his health reasons. With the authorisation from the Chairman, the Managing Director and Chief Financial Officer of the Company had addressed the queries on the financial statements raised by shareholders at 30th Annual General Meeting of the Company.

Composition, Meetings and Attendance

The Audit Committee comprises of a Non Executive Director and three Independent Directors as members of the Committee and headed by an independent Director as a Chairperson.

During the year, the Audit Committee met four times on May 29, 2017, August 4, 2017, December 4, 2017and February 7, 2018. The composition of the Audit Committee and the details of the meetings attended by its members during the financial year ended March 31, 2018 are as under:

S. No.	Name of the members	Category	Designation	No. of meetings	
				Held	Attended
1	Mr. Mohan Krishna Reddy*	Independent director	Chairman	4	3
2	Mr. Z. P. Marshall	Independent director	Member	4	4
3	Mr. Ashwinder Bhel	Independent director	Member	4	2
4	Mr. Raju Mandapalli**	Independent director	Member	1	-
5	Mr. Rajesh Alla	Non-executive director	Member	4	1

*Appointed as Chairman of the Audit Committee w.e.f. December 4, 2017 in place of Mr. Z.P. Marshall.
** Appointed as member of Audit Committee w.e.f. December 4, 2017.

The Audit Committee has the powers inter alia in line with the Listing Regulations, to investigate any activity within its terms of reference, to seek information from any employee, to obtain outside legal or other professional advice and to secure attendance of outsiders with relevant expertise, if it considers necessary.

The terms of reference of the Audit Committee covers all the areas mentioned under Section 177(4) of the Act and Regulation 18 read with Part C of Schedule II to the Listing Regulations. The terms of reference of the Audit Committee, inter-alia is as follows:

1. Overseeing of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

   - Matters required to be included in the directors' responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
   - Changes, if any, in accounting policies and practices and reasons for the same;
   - Major accounting entries involving estimates based on the exercise of judgment by management;
   - Significant adjustments made in the financial statements arising out of audit findings;
   - Compliance with listing and other legal requirements relating to financial statements;
   - Disclosure of any related party transactions;
   - Qualification in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

8. Approval or any subsequent modification of transactions of the listed entity with related parties;

9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;

11. Evaluation of internal financial controls and risk management systems;

12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the whistle blower mechanism;

19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

The Audit Committee shall also mandatorily review:

1. Management discussion and analysis of financial condition and results of operations;

2. Statement of significant related party transactions submitted by the management;

3. Letters of internal control weakness issued by the statutory auditors;

4. Internal audit reports pertaining to internal control weakness;

5. The appointment, removal and terms of remuneration of the chief internal auditor; and

6. Statement of deviations:

   - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of Listing Regulations;

   - annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of Listing Regulations.

Nomination and Remuneration Committee

The Company's Nomination and Remuneration Committee was constituted under the provisions of Section 178(1) of the Companies Act, 2013 and Regulation 19 of Listing Regulations. The Committee recommends to the Board on various matters with respect to appointment/ reappointment or remuneration of the directors/ key managerial personnel/ senior management. The Committee also evaluates the performance of Executive Directors, Non-Executive Directors and Independent Directors on yearly basis and submits its report to the Board through its Chairman. The Company Secretary acts as the secretary to the Nominations and Remuneration Committee.

Composition, meetings and attendance

The Committee comprises of three Independent Directors and a Non-executive Director and headed by an Independent director.

During the year under review, the Committee met three times on May 19, 2017, December 4, 2017and February 7, 2018.The composition of the Nominations and Remuneration Committee and the details of the meetings attended by its members during the financial year ended March 31, 2018 are as under:

S. No.	Name of the members	Category	Designation	No. of meetings	
				Held	Attended
1	Mr. Mohan Krishna Reddy	Independent director	Chairman	3	3
2	Mr. Ashwinder Bhel	Independent director	Member	3	1
3	Mr. Z.P. Marshall	Independent director	Member	3	2
4	Mr. Rajesh Alla	Non-executive director	Member	3	1

The terms of reference of the Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013 and Listing Regulations are as follows:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

2. Formulation of criteria for evaluation of performance of independent directors and the board of directors;

3. Devising a policy on diversity of board of directors;

4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;

5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

6. To formulate remuneration policy ensuring that (i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmark; and(iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals;

7. To administer, monitor and formulate the plan, terms and conditions of Employee Stock Option Scheme titled "Alphageo ESOS 2008", allotment of shares pursuant to exercise of options granted in terms of the Scheme to employees of the Company and also the employees of subsidiary companies.

Remuneration Policy:

To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons, the Board of Directors have formulated and adopted the Nomination and Remuneration Policy which, inter alia, discloses the criteria for appointment and remuneration to Directors, Key Managerial Personnel and Senior Management Personnel of the Company.

The Nomination and Remuneration Policy of the Company provides a framework based on which our Human Resources Management aligns their recruitment plans for the strategic growth of the Company. The Policy is disclosed on the website of the Company at the web link: http://www.alphageoindia.com/Policies.htm

Policy relating to remuneration for Non-executive Directors:

Independent Directors and Non-Independent Non-Executive Directors are paid sitting fees for attending the Meetings of the Board and of Audit Committee within regulatory limits, as approved by the Board.

Policy relating to remuneration for Executive Directors:

The Executive directors/Whole-time directors of the Company are paid the remuneration as recommended by the Nomination and Remuneration Committee, and further approved by the Board of Directors and Shareholders. The remuneration paid consists of fixed salary and allowances on monthly basis and commission based on profits of the Company calculated in terms of Section 197 of the Act.

The details of remuneration paid to the Directors along with their shareholding in the company during the year 2017-18:

i) **Non-executive Director(s):**

Name	Sitting Fees (₹)	No. of shares held as on 31.03.2018
Mr. Z. P. Marshall	1,80,000	500
Mr. Ashwinder Bhel	90,000	Nil
Mr. Mohan Krishna Reddy	1,35,000	Nil
Mr. Raju Mandapalli	30,000	Nil
Mr. Rajesh Alla	45,000	1,26,567

ii) **Executive Director(s):**

(in ₹)

Name	Salary	Perquisites	Commissions	Contribution to P.F.	Total
Mr. Dinesh Alla	121,18,917	-	3,47,73,415	12,96,000	4,81,88,332
Mr. Savita Alla	42,00,000	-	4,35,56,332	4,32,000	4,81,88,332

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted under the provisions of Section 135(1) of the Companies Act, 2013. The major role of the Committee involves:

(a) Formulating and recommending to the Board, a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the Company, in compliance with Schedule VII to the Companies Act, 2013;

(b) Recommending the amount of expenditure to be incurred;

(c) Monitoring the implementation of CSR Policy in the Company; and

(d) Such other activities as the Board of Directors determine as they may deem fit in line with the CSR Policy.

The Board has adopted the CSR Policy as formulated and recommended by the Committee.

The Company's Policy on Corporate Social Responsibility is available on the Company's website on the web link: http://www.alphageoindia.com/Policies.htm.

The CSR activities undertaken during the year under review are detailed in the Annual Report on CSR activities annexed to the Directors' Report. The focus areas for Company's CSR activities during 2017-18 were Promoting Education and Health Care of children; extending medical support to orphaned babies; livelihood programs for youth & people with disability; and promoting education among girl children.

Composition, meetings and attendance

The Committee comprises of two Executive directors and two Independent directors headed by an Executive director. The Company Secretary of the Company acts as the Secretary to the CSR Committee.

During the year, the Committee has met two times during the year 2017-18 on May 29, 2017 and December 4, 2017. The composition of the CSR Committee and the details of the meetings attended by its members during the financial year ended March 31, 2018 are as under:

S. No.	Name of the members	Category	Designation	No. of meetings	
				Held	Attended
1	Mr. Dinesh Alla*	Executive director	Chairman	2	1
2	Mrs. Savita Alla	Executive director	Member	2	2
3	Mr. Z.P. Marshall**	Independent director	Member	2	2
4	Mr. Ashwinder Bhel	Independent director	Member	2	1

*Appointed as member of the CSR Committee w.e.f. May 29, 2017 and as Chairman of the Committee w.e.f. December 4, 2017.

**Ceased to be Chairman of the CSR Committee w.e.f. December 4, 2017.

Stakeholders Relationship Committee

The Company's Stakeholders Relationship Committee was constituted under the provisions of the Companies Act and Listing Regulations. The Stakeholders' Relationship Committee oversees, inter-alia, redressal of shareholders and investors' grievances, transfer/transmission of shares of the Company, including complaints relating to transfer and transmission of securities, dematerialization/ re-materialization of securities, non-receipt of dividends, compliance under Companies Act and Listing Regulations and such other grievances as may be raised by the shareholders from time to time. In addition to above, the Committee also oversees the performance of the Registrar and Share Transfer Agents and recommends measures for overall quality improvement of investor services.

Composition, meetings and attendance

The Stakeholders Relationship Committee comprises of a Non-executive director, an Independent director and two Executive directors and headed by a Non-executive director. The Board has designated the Company Secretary as Compliance Officer. She also acts as the Secretary to the Stakeholders Relationship Committee.

During the year, the Committee has met four times on May 29, 2017, August 4, 2017, December 4, 2017 and February 7, 2018. The composition of the Stakeholders Relationship Committee and the details of the meetings attended by its members during the financial year ended March 31, 2018 are as under:

S. No.	Name of the members	Category	Designation	No. of meetings	
				Held	Attended
1	Mr. Rajesh Alla*	Non-executive director	Chairman	4	0
2	Mr. Z. P. Marshall	Independent director	Member	4	4
3	Mrs. Savita Alla	Executive director	Member	4	4

*Appointed as Chairman of the Committee w.e.f. December 4, 2017 in place of Mr. Z.P. Marshall.

Investors' Grievances/ complaints received during 2017-18:

No. of complaints received	54
No. of complaints resolved to the satisfaction of shareholder	54
No. of complaints not resolved to the satisfaction of shareholder	Nil
No. of pending complaints as on March 31, 2018	Nil

*Appointed as Chairman of the Committee w.e.f. December 4, 2017 in place of Mr. Z.P. Marshall.

Securities Issue Committee

With the objective to deal with issue of securities of the Company from time to time to strengthen the Company's Financial Position and Net Worth by augmenting the long term resources and to enhance the competitiveness and financial ability to meet financial needs of the company at the respective times, the Board of Directors of the Company constituted the Securities Issue Committee on October 13, 2016 under the Chairmanship of Mr. Dinesh Alla, Chairman and Managing Director of the Company and approved the terms of reference of the Committee.

The main terms of reference of the Committee include the following and incidental thereto:

a. to issue Securities of the Company of such nature and in the manner in compliance with applicable provisions of the Companies Act, SEBI (ICDR) Regulations 2009, Foreign Exchange Management Act and other applicable provisions, rules and regulations from time to time;

b. to authorise or appoint any of the Members of the Committee or Officers of the Company to do any of the relevant act for this purpose;

c. to determine the utilisation of the funds raised through issue of Securities from time to time;

d. to appoint any professional, attorney or advocate, a consultant at such remuneration as the Committee think fit from time to time;

e. to do all other relevant acts in implementing the term of reference, until these terms are modified or amended by the Board.

Composition, meetings and attendance

The Securities Issue Committee comprises of two Executive directors, a Non-executive director and an Independent director and is headed by an Executive director. The Company Secretary of the Company acts as Secretary of the Committee.

During the year, the Committee met once on August 3, 2017. The composition of the Securities

Issue Committee and the details of the meeting attended by its members during the financial year ended March 31, 2018 are as under:

S. No.	Name of the members	Category	Designation	No. of meetings	
				Held	Attended
1	Mr. Dinesh Alla	Executive director	Chairman	1	1
2	Mrs. Savita Alla	Executive director	Member	1	1
3	Mr. Rajesh Alla	Non-executive director	Member	1	1
4	Mr. Mohan Krishna Reddy	Independent director	Member	1	-

6. Unclaimed Dividend of the previous years

Section 124 of the Companies Act 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016 ('the Rules') mandates the Companies to transfer dividend that has remained unpaid/unclaimed for a period of seven years in the unpaid dividend account to the Investor Education and Protection Fund (IEPF). Accordingly, the dividend for the years mentioned below will be transferred to IEPF on the respective dates, if the dividend remains unclaimed for seven years.

Financial Year	Date of Declaration of Dividend	Last Date of Claiming the Dividend	Unclaimed amount as on 31.03.2018 (₹)	Due date for transfer to Investor Education and Protection Fund (IEPF)
2010-11	23.09.2011	22.09.2018	1,62,970	21.10.2018
2013-14	26.09.2014	25.09.2021	2,92,424	24.10.2021
2014-15	28.09.2015	27.09.2022	3,02,100	26.10.2022
2015-16	29.09.2016	28.09.2023	2,93,948	27.10.2023
2016-17	29.09.2017	28.09.2024	5,82,112	27.10.2024

Note: For the financial years 2011-12 and 2012-13 no dividend has been declared.

The details of the unpaid/ unclaimed dividend lying with the Company are available on the website of the Company at the web link, http://alphageoindia.com/Unclaimed% 20Dividends.htm

7. Shares in Demat suspense/ Unclaimed suspense accounts

There are no shares lying in the demat suspense account or unclaimed suspense account.

8. Disclosures

a) Related Party transactions:

All transactions entered into by the Company with related parties as defined under the Act and the Listing Regulations, during the financial year 2018-19 were in the ordinary course of business and on arm's length pricing basis. There were no materially significant transactions with the related parties during the financial year which were in conflict with the interest of Company. The Register of Contracts containing transactions in which Directors are interested is placed before the Audit Committee and Board regularly. Necessary disclosures as required under the Accounting Standards have been made at Note 38 of Notes on Financial Statements. The Board has approved a policy to determine the materiality of related party transactions and the same is disclosed on the website of the Company at the web link: http://www.alphageoindia.com/Policies.htm

b) **Compliance with the requirements of SEBI/ Stock Exchanges and Statutory Authorities:**

The Company has complied with the requirements of the Stock Exchanges, SEBI and other Statutory Authorities on all matters related to Capital Markets, as applicable, and there are no instances of any non-compliance during the last three years. No penalty was imposed on the Company by any of these authorities.

c) **Whistle Blower Policy and Vigil Mechanism:**

The Company has adopted a Whistle Blower Policy and has established necessary Vigil Mechanism as defined under Regulation 22 of the Listing Regulations for Directors and employees to report concerns about any unethical behavior, actual or suspected fraud or violation of company's code of conduct or ethics policy. The Policy provides adequate safeguards against the victimization of employees who avail of this mechanism and allows the Whistle Blower direct access to the Chairperson of the Audit Committee. No person has been denied access to the Chairman of the Audit Committee so far. The Whistle Blower Policy is disclosed on the website of the Company at the web link http://www.alphageoindia.com/Policies.htm. The Audit Committee periodically reviews the functioning of whistle blower mechanism.

d) **Insider Trading Regulations:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading (Insider Trading Code) in accordance with the SEBI (Prohibition of Insider Trading) Regulations. This Code of Conduct is applicable to all directors and such designated employees of the Company and other connected persons who are expected to have access to unpublished price sensitive information relating to the Company. It lays down guidelines and procedures to be followed and disclosures to be made while dealing in the securities of the Company. Reports on matters related to insider trading code are reported to the Chairman of Audit Committee on a quarterly basis. The Company Secretary of the Company is designated as the Compliance Officer for the purpose of this regulation. The Company's Code of Conduct is available on the website of the Company at the web link http://www.alphageoindia.com/corporate_governance.htm.

e) **Subsidiary Companies:**

The Company does not have any unlisted material subsidiary in terms of Regulation 24 of Listing Regulations during the financial year. However, in line with the requirements of the Listing Regulations, the Company has devised a policy to determine material subsidiaries and the same is disclosed on the Company's website at the web link http://www.alphageoindia.com/Policies.htm.

The Company has a foreign subsidiary named Alphageo International Limited in Dubai of United Arab Emirates and an Indian subsidiary named Alphageo Marine Services Private Ltd (Non-material subsidiaries) during the year ended on March 31, 2018. Even though the said companies are non-material subsidiary, the Company has nominated its Director on the Board of the Subsidiaries and monitors regularly the performance of the Subsidiaries.

f) **Disclosure of Accounting Treatment:**

The financial statements are prepared in compliance with all material aspects of the Indian Accounting Standards ("Ind AS") notified by the Institute of Chartered Accountants of India, as amended from time to time, with the transition date as April 1, 2016.

g) **Risk Management:**

The Company ensures the sound risk management practices in place to address various risks impacting the company. The risks identified are systematically addressed by the Company through mitigating actions on continuing basis. The Company's policy on risk management is provided in Management Discussion and Analysis report.

9. Compliance with Mandatory Requirements

The Board of Directors periodically reviews the compliance of all applicable laws and steps taken by the Company to rectify the instances of non-compliance, if any. The Company has complied with all the mandatory requirements of Corporate

Governance as prescribed under Regulation 17 to 27 and Regulation 46(2) of the Listing Regulations.

10. Compliance with the Discretionary Requirements under Listing Regulations

In addition to compliance with mandatory requirements of corporate governance regulations, the Company has also fulfilled the following discretionary requirements as provided for in the Listing Regulations:

A. Shareholders rights

Quarterly and half yearly results are being displayed on the Company's website www.alphageoindia.com and also be published in widely circulated newspapers. The Company publishes the voting results of shareholder meetings and makes it available on website www.alphageoindia.com and reports the same to Stock Exchanges in terms of regulation 44 of the Listing Regulations.

B. Audit qualifications

The Company's financial statements for the year ended March 31, 2018 are with unmodified opinion of the Auditors of the Company.

C. Separate posts of Chairperson and Chief Executive Officer or Managing Director

Mr. Z. P. Marshall, an Independent Director had been the Chairperson of the Company upto December 4, 2017. However, due his advancing age, he vacated the post of Chairman and Mr. Dinesh Alla, the Managing Director of the Company was appointed as Chairman of the Company effective from December 4, 2017.

11. Code of Conduct

The Company's Code of Ethics and Business Conduct for the Directors, Key Managerial Personnel and Senior Management has been laid down with a view to promote good corporate governance and exemplary personal conduct. In compliance of Regulation 26(3) of Listing Regulations, all the Directors and Senior Management of the Company have affirmed compliance of code of conduct as on March 31, 2018.The Company has obtained declaration from the Chairman and Managing Director of the Company confirming compliance of the Code of Conduct.

This Code is also available on the website of the Company at the following web link: http://www.alphageoindia.com/corporate_governance.htm

Declaration of compliance of the Code of Conduct in terms of Schedule V of SEBI (LODR) Regulations, 2015 is given hereunder:

In terms of Schedule V of SEBI (LODR) Regulation, 2015, I, Dinesh Alla, Chairman and Managing Director of the Company hereby confirm that:

- The Board of Directors of Alphageo (India) Limited has laid down a Code of Conduct for all the Board members and senior managerial personnel of the Company. The said Code of Conduct has also been posted on the Corporate Governance page of the Company's website www.alphageoindia.com.
- All the Board members and senior managerial personnel have affirmed their compliance with the said Code of Conduct for the year ended March 31, 2018

Hyderabad
06.08.2018

Dinesh Alla
Chairman and Managing Director

12. Proceeds from public issues, rights issues, preferential issues, etc

During the year, the warrant holders holding 2,45,000 warrants as at April 1, 2017 have paid the remaining part of issue price of the warrants for exercising the option for conversion of their warrants into equity shares of the Company. The proceeds thus received have been utilised for the objects of the Issue and there is no un-utilised proceeds as on March 31, 2018.

13. Reconciliation of share capital audit

The Reconciliation of Share Capital Audit is conducted by a Company Secretary in practice to reconcile the total admitted equity share capital with National Securities Depository Limited and Central Depository Services (India) Limited ("Depositories") and the total issued and listed equity share capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with Depositories) and also further confirms that the requests for dematerialization of shares are processed by the R&T Agent within stipulated period of 21 days and uploaded with the concerned depositories.

14. Certificate on Corporate Governance

The Report on Corporate Governance as stipulated under Para E of Schedule V SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms an integral part of this Report. The requisite certificate issued by M/s D. Hanumanta Raju & Co., Company Secretaries in Practice confirming compliance with the conditions of Corporate Governance is annexed with Corporate Governance Report.

15. General Shareholder Information

I. General Body Meetings

a) Annual General Meetings:

The Annual General Meetings of the Company during the preceding three years were held at "Sundarayya Vignana Kendram, Baghlingampally, Hyderabad" on the following dates and times, wherein the following special resolutions were passed:

	Financial Year ended	Date of AGM	Time	Special resolutions passed
28th AGM	31.03.2015	28.09.2015	11.00 AM	No special resolutions were passed
29th AGM	31.03.2016	29.09.2016	11.00 AM	a. Appointment of Mr. Dinesh Alla as Managing Director of the Company for a period of Five years from August 21, 2016 to August 20, 2021 and for approval of remuneration for a period of 3 years from August 21, 2016 to August 20, 2019. b. Issue of Securities of the Company
30th AGM	31.03.2017	29.09.2017	11.00 AM	Issue of Securities of the Company

b) Special Resolutions passed through Postal Ballot:

There were no resolutions passed by way of postal ballot during the year under review.

c) Extraordinary General Meeting:

No Extraordinary General Meeting of members of the Company was held during the year under review.

II. Communication to Shareholders

Effective dissemination of information is an essential component of Corporate Governance. The Company regularly interacts with Members through multiple channels of communication. Information such as quarterly, half-yearly, annual financial results, press releases on significant developments in the Company, presentations made to institutional investors or to the analysts, notices to shareholders and other information of the Company are hosted on the website of the Company,www.alphageoindia.com and published in widely circulated newspapers namely Financial Express/Business Standard (English daily) in all India editions and Nava Telangana (Telugu daily) in Hyderabad edition. The Company is electronically filing all reports and information on BSE website, www.listing.bseindia.com and NSE website, www.connect2nse.com.

III. Annual General Meeting for the financial year 2017-18

a.	**Date and Venue of the meeting**		
	Date	:	September 14, 2018
	Time	:	11.00 A.M.
	Venue	:	Sundarayya Vignana Kendram, 1-8-1/B/25A, Baghlingampally, Hyderabad–500044
b.	**Dividend payment date**	:	Credit / dispatch of dividend payment: On or before October 10, 2018
c.	**Book closure dates**	:	From September 5, 2018 to September 13, 2018

IV. Tentative Calendar for financial year ending March 31, 2019

Results for Quarter ending June, 2018	:	Within 45 days from the end of quarter
Results for Quarter ending September, 2018	:	Within 45 days from the end of quarter
Results for Quarter ending December, 2018	:	Within 45 days from the end of quarter
Results for Quarter ending March, 2019	:	Last week of May 2019
Annual General Meeting	:	September 2019

V. Listing Details

Name and Address of the Stock Exchange	Stock Code/ Symbol
BSE Limited 1st Floor, New Trading Ring, P.J. Towers, Dalal Street, Fort, Mumbai - 400 001	526397
National Stock Exchange of India Limited "Exchange Plaza", Bandra-Kurla Complex, Bandra – East, Mumbai - 400 051	ALPHAGEO
ISIN: INE137C01018	

VI. Listing Fees and Custodian / Issues fees

Annual Listing Fees for the year 2018-19 has been paid to National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). Annual Custodian / Issuer Fees for 2018-19 have also been paid to National Stock Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

VII. Stock Market Data

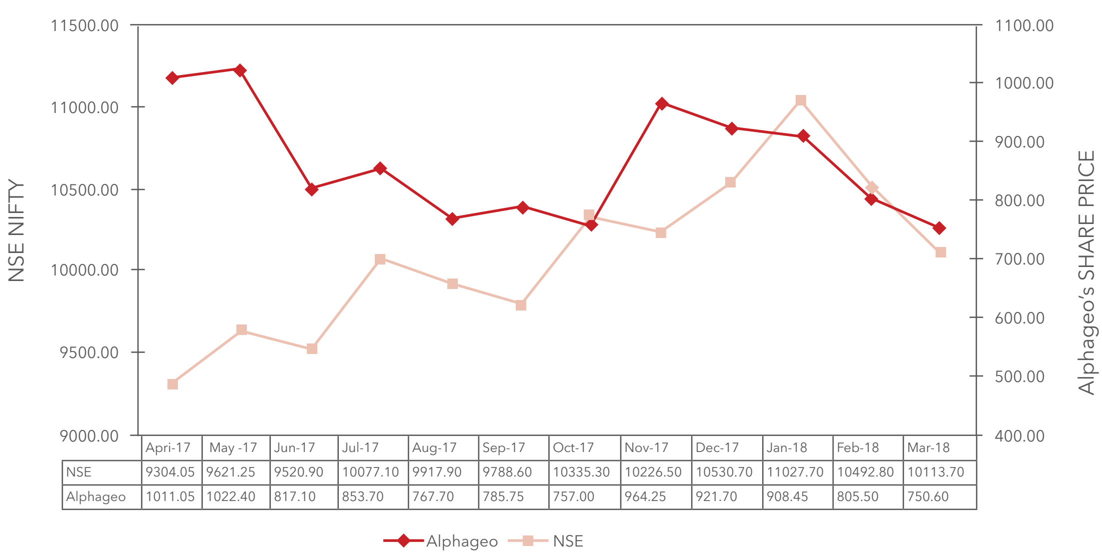
Monthly high, low quotations and trading volumes of the Company's equity shares during the financial year 2017-18 at BSE and NSE are as given below:

Month	NSE			BSE		
	High (₹)	Low (₹)	Volume of shares traded	High (₹)	Low (₹)	Volume of shares traded
April 2017	1090.00	874.45	10,17,759	1086.00	868.65	1,72,688
May 2017	1085.00	911.00	7,88,223	1101.00	907.85	2,09,899
June 2017	1029.75	808.55	8,98,219	1024.00	804.05	1,46,063
July 2017	900.00	817.00	4,46,301	902.35	811.00	81,580
August 2017	895.80	751.00	5,19,887	900.00	750.05	89,932
September 2017	926.40	760.00	5,29,459	926.30	758.00	1,24,310
October 2017	814.80	752.45	3,72,408	815.00	750.60	62,540
November 2017	1075.00	750.00	36,09,132	1070.00	750.00	5,54,403
December 2017	994.80	872.55	8,33,513	995.00	880.00	1,46,891
January 2018	1053.80	891.00	12,17,438	1052.65	890.00	2,22,341
February 2018	918.45	790.00	3,95,781	921.05	790.05	52,504
March 2018	821.00	706.25	4,13,974	839.00	707.00	92,658

VIII. Performance of the Company's Share Price in comparison with the broad-based indices:

Comparison of Company's share price with NSE NIFTY

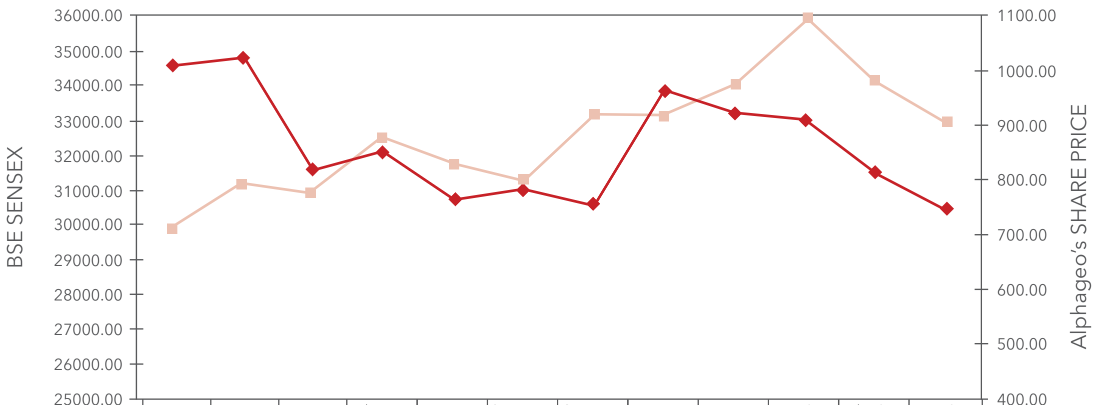
NSE Vs Alphageo (2017-18)



	Apri-17	May -17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
NSE	9304.05	9621.25	9520.90	10077.10	9917.90	9788.60	10335.30	10226.50	10530.70	11027.70	10492.80	10113.70
Alphageo	1011.05	1022.40	817.10	853.70	767.70	785.75	757.00	964.25	921.70	908.45	805.50	750.60

Comparison of Company's share price with BSE SENSEX

BSE Vs Alphageo (2017-18)



	Apri-17	May -17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
BSE	29918.40	31145.80	30921.6	32514.90	31730.40	31283.7	33213.10	33149.30	34056.80	35965.00	34184.00	32968.60
Alphageo	1011.45	1024.90	817.90	854.35	764.65	785.95	756.95	965.65	922.15	910.00	809.15	749.95

Alphageo BSE

The securities of the Company are not suspended from trading during the financial year ended March 31, 2018.

IX. Share Transfer System

As on March 31, 2018, 98.17% of equity shares of the Company are in dematerialized form. Transfers of equity shares in dematerialized form are done through depositories with no involvement of the Company. With regard to transfer of equity shares in physical form, the Company's Registrar and Share Transfer Agent, M/s Karvy Computershare Private Ltd, on receipt of valid and complete documents, process the share transfer within 15 days of receipt of request.

The Company obtains a half-yearly certificate from a Company Secretary in Practice in respect of the share transfers as required under Regulation 40(9) of Listing Regulations and files a copy of the said certificate with the Stock Exchanges.

Stakeholders Relationship Committee of the Board meets as often as required to approve the shares transfers and for attending the grievances received from shareholders.

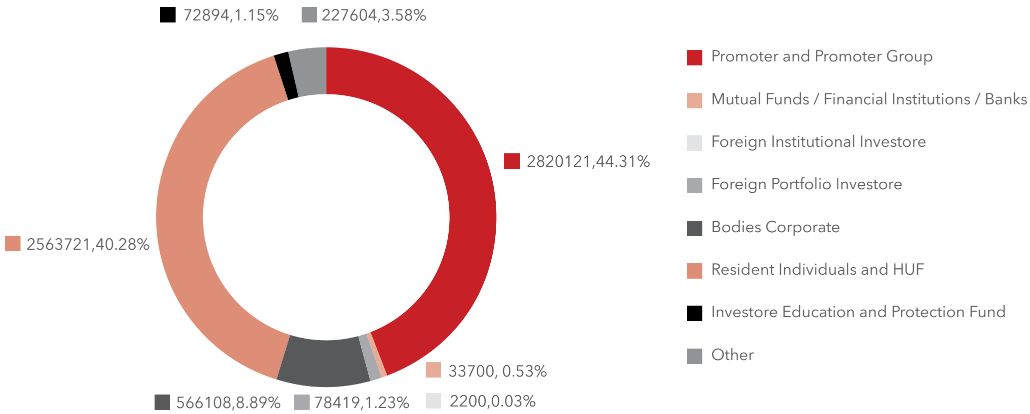
X. Distribution of Shareholding as on March 31, 2018

Nominal Value (₹)	Shareholders		No. of Shares	
	Number	%	Number	%
1-5000	17,978	94.99	13,20,681	20.75
5001-10000	525	2.77	4,01,575	6.31
10001-20000	223	1.18	3,28,004	5.15
20001-30000	74	0.39	1,77,553	2.79
30001-40000	38	0.20	1,36,570	2.15
40001-50000	12	0.06	56,515	0.89
50001-100000	23	0.12	1,58,852	2.50
100001 & Above	54	0.29	37,85,017	59.47
Total	**18,927**	**100.00**	**63,64,767**	**100.00**

XI. Shareholding Pattern as on March 31, 2018

S. No.	Category	No. of Shareholders	No. of shares held	%
1	Promoter and Promoter Group			
i	Indian	13	2658105	41.76
ii	Foreign	3	162016	2.54
		16	**2820121**	**44.31**
2	Mutual Funds/Financial Institutions/ Banks			
i	Mutual Funds	4	4400	0.07
ii	Financial Institutions/Banks	3	29300	0.46
		7	**33700**	**0.53**
3	Foreign Institutional Investors	1	2200	0.03
4	Foreign Portfolio Investors	2	78419	1.23
5	Bodies Corporate	406	566108	8.89
6	Resident Individuals and HUF	17760	2563721	40.28
7	Investors Education and Protection Fund	1	72894	1.15
8	Others			
i	Clearing Members	99	30439	0.48
ii	Non-Resident Indians	629	177236	2.79
iii	Non-banking Finance Corporations	4	5175	0.08
iv	Trusts	2	14754	0.23
		734	227604	3.58
	Total	**18927**	**6364767**	**100.00**

Shareholding Pattern as on March 31, 2018

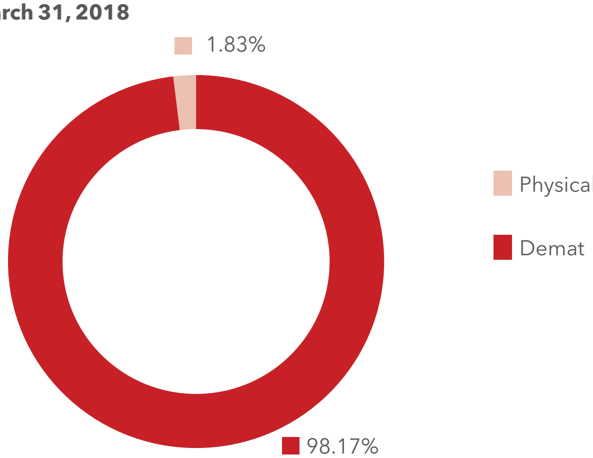


XII. De-materialisation of Shares and Liquidity and Shareholding Profile as on March 31, 2018

As on March 31, 2018, 62,47,939 equity shares representing 98.17% of the total equity share capital of the Company were held in dematerialised form with National Securities Depository Limited (79.94%) and Central Depository Services (India) Limited (18.23%). The break-up of equity shares held in Physical and Dematerialised form as on March 31, 2018 is given below:

Mode of Holding	No of Holders	Shares	% to Equity
Demat			
NSDL	10,381	50,87,742	79.94
CDSL	7,769	11,60,197	18.23
Total	**18,150**	**62,47,939**	**98.17**
Physical	777	1,16,828	1.83
Total	**18,927**	**63,64,767**	**100.00**

Shareholding Profile as on March 31, 2018



XIII. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments

The Company has issued and allotted 7,30,000 Warrants, convertible into One Equity Share of ₹10/- each of the Company, to Promoter and Promoter Group on preferential basis at a price of ₹513.62/- per warrant in pursuance of the approval of members at an Extra Ordinary General Meeting held on November 11, 2015 and with consent and approval by the Nomination and Remuneration Committee at its meeting held on November 26, 2015.

Out of 7,30,000 warrants, 4,85,000 warrants were converted and an equal number of equity shares were allotted on conversion during the previous year 2016-17. During the year 2017-18, 2,45,000 equity shares had been allotted to the warrants holders on conversion of warrants. There are no outstanding warrants or any convertible instruments at the end of the financial year under review.

XIV. Address for Correspondence

i	Registrar and Share Transfer Agents:	M/s Karvy Computershare Private Limited Karvy Selenium, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad-500032 Phone: 040-67161500 Toll Free No. 1800-3454-001 E-mail: einward.ris@karvy.com Website:-www.karvycomputershare.com
ii	Contact Personnel of the Company:	1.Ms. Deepa Dutta Company Secretary & Compliance Officer 2. Mr. Venkatesa Perumallu Pasumarthy Chief Financial Officer
iii	Corporate Office of the Company:	Alphageo (India) Limited Plot No.1, Sagar Society, Road No.2, Banjara Hills Hyderabad – 500034, Telangana Ph: 040-23550502/23550503 Fax: 040-23550238 E-mail: info@alphageoindia.com Website: www.alphageoindia.com

For Alphageo (India) Limited

Hyderabad
06.08.2018

Dinesh Alla
Chairman and Managing Director

Certificate

TO
THE MEMBERS OF
ALPHAGEO (INDIA) LIMITED

We have examined the compliance of conditions of Corporate Governance by **ALPHAGEO (INDIA) LIMITED** ("*the Company*"), for the year ended on March 31, 2018, as stipulated in Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [Listing Regulations] for the period April 1, 2017 to March 31, 2018.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us by the Directors, Officers and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **D.HANUMANTA RAJU & CO**
COMPANY SECRETARIES

CS MOHIT KUMAR GOYAL
PARTNER
ACS: 32655, CP NO: 12751

Place: Hyderabad
Date: 06.08.2018

Certification of Managing Director and Chief Financial Officer to the Board pursuant to Regulation 17(8) of the SEBI (LODR) Regulations, 2015

We, Dinesh Alla, Chairman and Managing Director and Venkatesa Perumallu Pasumarthy, Chief Financial Officer, to the best of our knowledge and belief, certify that:

(a) We have reviewed the Audited Financial Statements of the Company and of the Group for the year ended March 31, 2018 and these statements:

  i. do not contain any materially untrue statement or omit of any material fact or contain statements that might be misleading;

  ii. present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps we have taken or propose to take to rectify these deficiencies;

(d) We have indicated to the auditors and the Audit committee

  i. significant changes in internal control over financial reporting during the year; and

  ii. significant changes in accounting policies if any, made during the year and that the same have been disclosed in the notes to the financial statements; and

  iii. instances, if any, of significant fraud of which we become aware about the involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.

Hyderabad
18.05.2018

Dinesh Alla
Chairman and Managing Director

Venkatesa Perumallu Pasumarthy
Chief Financial Officer

Independent Auditor's Report

To

The Members of
ALPHAGEO (INDIA) LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of ALPHAGEO (INDIA) LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Other Matters

The comparative financial information of the Company for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 included in these standalone Ind AS financial statements, are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31st March 2017 and 31st March 2016 dated 29th May 2017 and 20th May 2016 respectively expressed an unmodified opinion on those standalone financial statements, and have been restated to comply with Ind AS. Adjustments made to the previously issued said financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS have been audited by us.

Our opinion on the standalone Ind AS financial statements is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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 those books.

    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

    e) On the basis of the written representations received from the directors of the Company as on 31st March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164(2) of the Act.

    f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

    g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

        i. the Company does not have any pending litigations which would impact its financial position.

        ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **MAJETI & CO**
Chartered Accountants
Firm's Registration No: 015975S

Kiran Kumar Majeti
Partner
Membership No: 220354

Place: Hyderabad
Date: May 18, 2018

Annexure A To Independent Auditors' Report

Referred to in paragraph 1(f) of the Independent Auditors' Report of even date (Under 'Report on other legal and regulatory requirements section) to the members of ALPHAGEO (INDIA) LIMITED on the standalone financial statements for the year ended March 31st, 2018.

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of ALPHAGEO (INDIA) LIMITED ("the Company") as of March 31st, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2018, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **MAJETI & CO**
Chartered Accountants
Firm's Registration No: 015975S

Kiran Kumar Majeti
Partner
Membership No: 220354

Place: Hyderabad
Date: May 18, 2018

Annexure B To Independent Auditors' Report

Referred to in paragraph 2 of the Independent Auditors' Report of even date (Under 'Report on other legal and regulatory requirements section) to the members of ALPHAGEO (INDIA) LIMITED on the standalone financial statements for the year ended March 31st, 2018.

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of immovable properties, as disclosed in Note 3 on fixed assets to the financial statements, are held in the name of the Company.

ii. The physical verification of inventory has been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts.

iii. (a) The Company has granted unsecured loans, to one company covered in the register maintained under Section 189 of the Act. There are no firms, LLPs and other parties covered in the register maintained under Section 189 of the Act.

(b) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.

(c) In respect of the aforesaid loans, no schedule for repayment of principal and payment of interest has been stipulated by the Company. Therefore, in absence of stipulation of repayment terms we do not make any comment on the regularity of repayment of principal and payment of interest.

(d) According to the information and explanations given to us, there is no amount which is overdue for more than ninety days in respect of the aforesaid loans.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made and no guarantees and security provided by it.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of Goods and Service tax (GST) though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, service tax, duty of customs, cess and other material statutory dues as applicable, with the appropriate authorities. As confirmed by the management sales tax, duty of excise, value added tax are not applicable to the company.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Goods and Service tax (GST), income-tax, sales-tax, service-tax, duty of customs, and duty of excise or value added tax which have not been deposited on account of any dispute.

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government as at the balance sheet date. There was no amount raised by the company through the issue of debentures.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (IND AS) 24, Related Party Disclosures specified under Section 133 of the Act.

xiv. The Company, during the year under review, has allotted equity shares of the Company on conversion of Warrants issued in earlier years on preferential basis, in compliance with the requirements of Section 42 of the Act. The amounts raised on issue of these shares have been used for the purpose for which funds were raised.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **MAJETI & CO**
Chartered Accountants
Firm Registration Number: 015975S

Kiran Kumar Majeti
Partner
Membership Number: 220354

Place: Hyderabad
Date: May 18, 2018

Balance Sheet as at March 31, 2018

(All amounts in Indian Rupees)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
Non-current assets				
(a) Property, plant and equipment	3	93,95,79,519	108,53,69,773	46,34,33,723
(b) Capital work-in-progress	3	1,04,23,714	1,04,23,714	1,04,23,714
(c) Intangible assets	4	3,28,11,057	5,16,64,237	-
(d) Financial assets				
(i) Investments	5	13,29,53,750	13,22,13,750	13,22,13,750
(ii) Trade receivables	9 (i)	-	-	5,94,55,243
(e) Deferred tax assets (net)	6	6,87,36,913	4,59,05,833	8,98,24,173
(f) Other non-current assets	7(i)	36,26,221	1,51,47,855	9,77,187
Total Non-current assets		**118,81,31,174**	**134,07,25,162**	**75,63,27,790**
Current assets				
(a) Inventories	8	50,90,201	31,70,669	10,20,311
(b) Financial assets				
(i) Trade receivables	9 (ii)	195,96,63,486	157,36,17,255	39,59,36,923
(ii) Cash and cash equivalents	10	5,51,00,303	12,01,71,864	37,31,445
(iii) Bank balances other than (ii) above	11	16,89,30,064	13,63,22,487	8,64,04,117
(iv) Loans	12	43,61,868	-	-
(c) Current tax assets (net)	13	5,61,94,882	-	-
(d) Other current assets	7(ii)	2,58,98,410	6,35,64,305	1,32,26,635
Total Current assets		**227,52,39,214**	**189,68,46,580**	**50,03,19,431**
TOTAL ASSETS		**346,33,70,388**	**323,75,71,742**	**125,66,47,221**
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	14	6,37,83,670	6,13,33,670	5,64,83,670
(b) Other equity		199,49,40,739	137,05,90,243	72,17,11,975
Total Equity		**205,87,24,409**	**143,19,23,913**	**77,81,95,645**
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	15(i)	8,63,115	38,84,773	-
(ii) Trade payables:				
- dues to micro and small enterprises (Refer note- 32)		-	-	-
- dues to others		-	13,30,65,805	2,14,22,475
(b) Provisions	16	1,23,87,860	92,15,293	58,67,035
Total Non-current liabilities		**1,32,50,975**	**14,61,65,871**	**2,72,89,510**
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	15(ii)	46,13,80,815	47,29,86,854	2,40,10,484
(ii) Trade payables:				
- dues to micro and small enterprises (Refer note- 32)		-	1,83,750	1,82,885
- dues to others		70,42,45,774	63,06,69,205	26,33,39,721
(iii) Other financial liabilities	17	12,85,83,554	51,30,72,978	15,11,46,158
(b) Other current liabilities	18	9,52,30,231	2,08,18,536	83,82,818
(c) Provisions	16	19,54,630	15,80,509	12,53,559
(d) Current Tax Liabilities (net)	19	-	2,01,70,126	28,46,441
Total current liabilities		**139,13,95,004**	**165,94,81,958**	**45,11,62,066**
Total Liabilities		**140,46,45,979**	**180,56,47,829**	**47,84,51,576**
TOTAL EQUITY AND LIABILITIES		**346,33,70,388**	**323,75,71,742**	**125,66,47,221**

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **MAJETI & CO.**
Chartered Accountants
Firm's registration number: 015975S

Kiran Kumar Majeti
Partner
Membership number: 220354

Hyderabad
May 18, 2018

For and on behalf of the Board

Dinesh Alla
Chairman And Managing Director

Savita Alla
Joint Managing Director

Venkatesa Perumallu Pasumarthy
Chief Financial Officer

Deepa Dutta
Company Secretary

Hyderabad
May 18, 2018

Statement of Profit and Loss for the year ended March 31, 2018

(All amounts in Indian Rupees)

Particulars	Note No.	For the year ended March 31st, 2018	For the year ended March 31st, 2017
INCOME			
Revenue from operations	20	429,43,69,462	296,56,23,377
Other income	21	1,68,34,302	1,36,40,775
Total Income		**431,12,03,764**	**297,92,64,152**
EXPENSES			
Survey and survey related expenses	22	278,08,97,485	179,12,49,870
Employee benefits expense	23	22,88,55,036	17,01,61,204
Finance costs	24	5,55,18,166	4,14,66,794
Depreciation and amortisation expense	25	28,01,62,390	17,96,03,959
Other expenses	26	9,88,60,720	6,75,98,295
Total Expenses		**344,42,93,797**	**225,00,80,122**
Profit before tax		**86,69,09,967**	**72,91,84,030**
Tax expense			
Current tax	27	32,77,70,240	20,49,03,603
Deferred tax	27	(2,32,09,674)	4,38,62,680
Total tax expense		**30,45,60,566**	**24,87,66,283**
Profit after tax for the year		**56,23,49,401**	**48,04,17,747**
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		10,93,949	1,60,831
(ii) Income tax relating to items that will not be reclassified to profit or loss		(3,78,594)	(55,660)
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Other Comprehensive Income for the year		**7,15,355**	**1,05,171**
Total Comprehensive Income for the year		**56,30,64,756**	**48,05,22,918**
Earnings per share (Face value of ₹10 each)			
(a) Basic	39	88.80	83.02
(b) Diluted	39	88.80	81.50

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board

For **MAJETI & CO.**
Chartered Accountants
Firm's registration number: 015975S

Dinesh Alla
Chairman And Managing Director

Savita Alla
Joint Managing Director

Kiran Kumar Majeti
Partner
Membership number: 220354

Venkatesa Perumallu Pasumarthy
Chief Financial Officer

Deepa Dutta
Company Secretary

Hyderabad
May 18, 2018

Hyderabad
May 18, 2018

Statement of Changes in Equity

for the year ended March 31, 2018

a. Equity share capital

(All amounts in Indian Rupees)

Paid up Equity Share capital	Note No.	No of Shares	Amount
Paid up Equity Share Capital		56,34,767	5,63,47,670
Amount originally paid up on forfeited shares			1,36,000
As at April 01, 2016		**56,34,767**	**5,64,83,670**
Changes in equity share capital	14	4,85,000	48,50,000
As at March 31, 2017		**61,19,767**	**6,13,33,670**
Changes in equity share capital	14	2,45,000	24,50,000
As at March 31, 2018		**63,64,767**	**6,37,83,670**

b. Other Equity

(All amounts in Indian Rupees)

Particulars	Reserves and surplus				Other Comprehensive Income	Money received against share warrants	Total
	Capital Reserve	Securities Premium	General reserve	Retained earnings			
Balance as at April 01, 2016	1,61,18,047	18,15,04,831	4,00,00,000	39,03,53,447	-	9,37,35,650	72,17,11,975
Profit for the year	-	-	-	48,04,17,747	-	-	48,04,17,747
Remeasurements of defined benefits plan, net of tax	-	-	-	-	1,05,171	-	1,05,171
Total comprehensive income for the year	**1,61,18,047**	**18,15,04,831**	**4,00,00,000**	**87,07,71,194**	**1,05,171**	**9,37,35,650**	**120,22,34,893**
Transactions with owners in their capacity as owners:							
Conversion of shares warrants into equity shares	-	24,42,55,700	-	-	-	(6,22,76,425)	18,19,79,275
Dividend (Including tax on dividend distribution)	-	-	-	(1,36,23,925)	-	-	(1,36,23,925)
Balance as at March 31, 2017	**1,61,18,047**	**42,57,60,531**	**4,00,00,000**	**85,71,47,269**	**1,05,171**	**3,14,59,225**	**1,37,05,90,243**
Balance as at April 01, 2017	1,61,18,047	42,57,60,531	4,00,00,000	85,71,47,269	1,05,171	3,14,59,225	1,37,05,90,243
Profit for the year	-	-	-	56,23,49,401	-	-	56,23,49,401
Remeasurements of defined benefits plan, net of tax	-	-	-		7,15,355	-	7,15,355
Total comprehensive income for the year	**1,61,18,047**	**42,57,60,531**	**4,00,00,000**	**1,41,94,96,670**	**8,20,526**	**3,14,59,225**	**1,93,36,54,999**

Statement of Changes in Equity

for the year ended March 31, 2018

b. Other Equity (contd..)

(All amounts in Indian Rupees)

Particulars	Reserves and surplus				Other Comprehensive Income	Money received against share warrants	Total
	Capital Reserve	Securities Premium	General reserve	Retained earnings			
Transactions with owners in their capacity as owners:							
Conversion of shares warrants into equity shares		12,33,86,900	-	-	-	(3,14,59,225)	9,19,27,675
Dividend (Including tax on dividend distribution)	-	-	-	(3,06,41,935)	-	-	(3,06,41,935)
Balance as at March 31, 2018	**1,61,18,047**	**54,91,47,431**	**4,00,00,000**	**138,88,54,735**	**8,20,526**	**-**	**199,49,40,739**

The accompanying notes are an integral part of the financial statements

Nature and purpose of reserves

(i) Capital reserve:

Represents money received on warrents forfeited for failure in compliance with terms of issue.

(ii) Securities premium :

Represents premium received on issue of securities,mandatorily to be utilised in accordance with the provisions of the Companies Act, 2013.

(iii) General Reserve:

General reserve, created out of profits of the company, will be utilised for meeting future contingencies and losses if any.

As per our report of even date

For **MAJETI & CO.**
Chartered Accountants
Firm's registration number: 015975S

Kiran Kumar Majeti
Partner
Membership number: 220354

Hyderabad
May 18, 2018

For and on behalf of the Board

Dinesh Alla
Chairman And Managing Director

Savita Alla
Joint Managing Director

Venkatesa Perumallu Pasumarthy
Chief Financial Officer

Deepa Dutta
Company Secretary

Hyderabad
May 18, 2018

Statement of Cash Flows for the year ended March 31, 2018

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash flow from operating activities		
Profit before tax	86,69,09,967	72,91,84,030
Adjustments for:		
Depreciation and amortisation expense	28,01,62,390	17,96,03,959
Unrealised foreign exchange gain(net)	(4,384)	(24,42,879)
Bad debts written off	1,59,72,755	-
Interest income	(1,06,42,352)	(73,64,810)
Dividend income	-	(5,92,855)
Finance costs	3,45,56,646	2,17,13,628
Remeasurements of defined benefit plan	7,15,355	1,05,171
(Profit) on sale of Property, plant and equipment (net)	-	(2,27,531)
Book deficit on assets discarded	-	97,674
Operating profit before working capital changes	**1,18,76,70,377**	**92,00,76,387**
Change in operating assets and liabilities		
Trade receivables and other assets	(35,28,31,457)	(1,18,12,93,792)
Inventories	(19,19,532)	(21,50,358)
Trade payables, other liabilities and provisions	4,91,40,128	56,08,48,840
Cash generated from operating activities	**88,20,59,516**	**29,74,81,077**
Net Change in Operating assets and liabilities	**30,56,10,861**	**62,25,95,310**
Income tax paid	(40,37,56,654)	(18,75,24,259)
Net cash generated from operating activities	**47,83,02,862**	**10,99,56,818**
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(52,93,19,351)	(56,18,03,046)
Investment in subsidiary	(7,40,000)	-
Loan given to subsidiary	(1,08,00,000)	-
Loan realised from subsidiary	64,38,132	-
Proceeds from disposal of property, plant and equipment	-	2,80,000
Change in bank balances (having original maturity of more than three months) (net)	(3,07,57,717)	(4,68,48,117)
Interest received	91,36,313	43,11,531
Dividend from current investments	-	5,92,855
Net cash (outflow)from investing activities	**(55,60,42,623)**	**(60,34,66,777)**
Cash flows from financing activities		
Proceeds from issue of securities including premium	9,43,77,675	18,68,29,275
Proceeds/(repayment) of finance lease obligation (net)	(48,46,125)	87,30,898

Statement of Cash Flows for the year ended March 31, 2018

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Proceeds/(repayment) of current borrowings (net)	(1,16,06,039)	44,89,76,370
Finance costs paid	(3,46,19,760)	(2,16,22,994)
Dividend and dividend distribution tax paid	(3,06,41,935)	(1,36,23,925)
Net cash inflow from financing activities	**1,26,63,816**	**60,92,89,624**
Net increase/ (decrease) in cash and cash equivalents	(6,50,75,945)	11,57,79,665
Exchange difference on translation of foreign currency cash and cash equivalents	4,384	6,60,754
Cash and cash equivalents at the beginning of the year	12,01,71,864	37,31,445
Cash and cash equivalents at end of the year	**5,51,00,303**	**12,01,71,864**

The accompanying notes are an integral part of the financial statements

Notes:

1. The Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7)- Statement of Cash Flows.
2. Previous year figures have been regrouped /reclassified to conform to current year classification.
3. Figures in brackets represents outflows.
4. Taxes paid are treated as arising from operating activities.

As per our report of even date

For **MAJETI & CO.**
Chartered Accountants
Firm's registration number: 015975S

Kiran Kumar Majeti
Partner
Membership number: 220354

Hyderabad
May 18, 2018

For and on behalf of the Board

Dinesh Alla
Chairman And Managing Director

Savita Alla
Joint Managing Director

Venkatesa Perumallu Pasumarthy
Chief Financial Officer

Deepa Dutta
Company Secretary

Hyderabad
May 18, 2018

Notes to the Financial Statements
for the year ended March 31, 2018

1. Corporate Information

1.1 Alphageo (India) Limited (the Company or AGIL) is a public limited company incorporated in the year 1987 under the provisions of erstwhile Companies Act, 1956 having its registered office at Hyderabad in the state of Telangana, India. The Equity Shares of the Company are listed with Stock Exchanges in India viz., BSE Limited, Mumbai and the National Stock Exchange of India Limited, Mumbai.

1.2 The Company is providing Seismic Data Acquisition, Processing and Interpretation Services for hydrocarbons to Oil Exploration and Production Entities, Research Institutions etc.,

1.3 These financial statements are approved and authorised for issue by the Board of Directors on May 18, 2018.

2. Basis of Preparation of financial statements

The financial statements have been prepared as a going concern on accrual basis of accounting. The company has adopted historical cost basis for assets and liabilities except for certain items which have been measured on a different basis and such basis is disclosed in the relevant accounting policy. The financial statements are presented in Indian Rupees (INR).

Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (IndAS) notified under Section 133 of the Companies Act, 2013 (the Act) Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The financial statements up to year ended March 31, 2017 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the company under Ind AS. Note 35 explains, how the transition from previous GAAP to Ind AS was carried out in accordance with Ind AS 101 First-Time Adoption of Indian Accounting Standards with the date of transition as April 01, 2016 and the effect of transition on the company's financial position, financial performance and cash flows.

Current and non-current classification

All assets and liabilities have been classified as current or non-current as per Company's operating cycle and other criteria set out in Schedule-III of the Companies Act 2013. Based on the nature of business, the Company has ascertained its operating cycle as 12 months for the purpose of Current or non-current classification of assets and liabilities.

An asset is classified as current if:

(i) It is expected to be realised or sold or consumed in the Company's normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is expected to be realized within twelve months after the reporting period; or

(iv) It is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current if:

(i) It is expected to be settled in normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is expected to be settled within twelve months after the reporting period;

(iv) It has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non current only.

2.1 Significant Accounting Policies

The significant accounting policies adopted in the preparation of these financial statements are detailed hereafter. These policies have been consistently applied to all the years presented, unless otherwise stated.

Notes to the Financial Statements

for the year ended March 31, 2018

2.2 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chairman & Managing Director has been identified as the Chief Operating Decision Maker. Refer Note 36 for the segment information presented.

2.3 Foreign currency transactions

a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). Indian Rupees is the functional currency of the company. The financial statements and all financial information is presented in Indian rupee (INR).

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency, using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

2.4 Use of estimates, assumptions and judgements

The preparation of financial statements in conformity with Ind AS requires management of the Company to make estimates and assumptions and judgements that affect the reported amounts of assets and liabilities and disclosure of contingent assets; liabilities at the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

Following are the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- Estimated useful life of tangible asset – Note 2.7
- Estimation of defined benefit obligation – Note 16
- Estimation of expected credit loss on financial assets – Note 30

2.5 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, value added taxes, goods and service tax (GST) and amounts collected on behalf of third parties.

Revenue is recognised when the amount of revenue can be reliably measured: probable that future economic benefits will flow to the entity and specific criteria for each of the activities as described below has been met.

Sale of Services - Recognition & Measurement

Revenue recognition is based on the terms and conditions as per the contracts entered into / understanding with the customers. All revenues from services, rendered, are recognised when persuasive evidence of an arrangement exists, the consideration is fixed or determinable and collectability is reasonably assured. Revenue is reported net of incentives, discounts based on the terms of the contract and applicable indirect taxes.

Liquidated damages and penalties are accounted as per the contract terms wherever there is a delay / default attributable to the Company and when there is a reasonable certainty with which the same can be estimated.

Dividend Income

Dividend income on investments is accounted for when the right to receive the same is established. Dividend income is included in Other Income in the Statement of Profit and Loss.

Interest Income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

2.6 Leases

As a lessee

Leases of property, plant and equipment where the company, as lessee, has substantially owns all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding lease obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

2.7 Property, Plant and Equipment

i) Recognition and measurement

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the initial estimate of the costs if any of dismantling and removing the item and restoring the site on which it is located. Items such as spares are capitalized when they meet the definition of property, plant and equipment. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Likewise, expenditure towards major inspections and overhauls are identified as a separate component and depreciated over the expected period till the next overhaul expenditure.

ii) Subsequent expenditure

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance/life. All other expenses on existing

Notes to the Financial Statements

for the year ended March 31, 2018

property, plant and equipment, including day-to day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

iii) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefit is expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is recognised in profit and loss in the period the item is derecognised.

iv) Depreciation expense

Depreciation is charged on straight line basis so as to write off the depreciable amount of the asset over the useful lives specified in Schedule II to the Act. The useful life of the assets are periodically reviewed and re-determined based on a technical evaluation and expected use. In case of revision in useful life of an asset, the unamortised depreciable amount is charged over the remaining useful life of such asset. The cases, where the useful life of assets so determined, considering the nature of the asset, estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc., different from the useful life as specified under Part C of Schedule II of the Act as given below:

Nature of Asset	Useful Life
Machinery in the nature of Geophone strings and cables	5 Years
Machinery in the nature of equipment used for Seismic Survey	5 Years

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

2.8 Intangible assets and amortisation

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Nature of Asset	Useful Life
Software	3 Years

The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.9 Financial Instruments

Classification, initial recognition and measurement

A financial instrument is any contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. Financial instruments are recognized on the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

(i) Financial Assets

Classification:

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

At initial recognition

The Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement - Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

i. At amortised cost:

Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently, these are measured at amortized cost using the effective interest method less any impairment losses.

ii. At fair value through other comprehensive income (FVOCI):

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payment of principle and interest on the principle amount outstanding and selling financial assets.

iii. At fair value through profit or loss (FVTPL):

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in profit or loss.

Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

Investment in subsidiaries

Investment in subsidiaries measured at cost less impairment as per Ind AS 27.

Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts considered an integral part of the Company's cash management.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(ii) Financial liabilities

Classification, initial recognition and measurement

Notes to the Financial Statements

for the year ended March 31, 2018

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Trade and other payables

Trade and other payables represent liabilities for goods and services prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Derecognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On de-recognition of a financial asset the difference between the carrying amount and the consideration received is recognised in the statement of profit and loss.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. On de-recognition of a financial liability the difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

2.10 Impairment of Assets

Financial assets

The Company assesses at each date of balance sheet impairment if any of a financial asset or a group of financial assets. The company uses, in accordance with Ind AS 109, 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL). Expected credit losses are measured through a loss allowance at an amount equal to: The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

Non-financial assets

Property, Plant and Equipment and Other intangible assets with finite life are evaluated for recoverability when there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount and impairment loss is recognised in the profit or loss.

2.11 Equity instruments

An equity instrument is a contract that evidences residual interests in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

2.12 Borrowing costs

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to make it ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

2.13 Inventories

Stock of Stores and spares is valued at lower of cost and net realisable value. Cost is determined considering the cost of purchase and other costs incurred for acquisition and on the basis of first in first out method (FIFO). Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.

2.14 Tax expenses

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the prevailing tax laws for the year.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are recognised in other comprehensive income or directly in equity, respectively.

Current tax assets and current tax liabilities are presented in the statement of financial position after off-setting the taxes paid or deemed to be paid and current income tax expenses for the year.

Deferred income taxes

Deferred tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount,

Notes to the Financial Statements

for the year ended March 31, 2018

except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax asset is recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward unused tax credits and the carried forward unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow total or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is probable evidence that the Company will pay normal income tax after the tax holiday period.

Deferred tax assets and liabilities are offset when it relates to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis

The Company recognises interest related to income tax in interest expenses.

2.15 Provisions, contingent liabilities and contingent asset

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as other finance expense.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that Is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measures reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is not recognised in the financial statements unless it becomes virtually certain that an inflow of economic benefits will arise and is probable. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

2.16 Employee benefits

(i) Short term employee benefit obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for accumulating compensated absences not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are measured at the present value of expected future payments to be made in respect of services provided using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) Defined benefit plans - gratuity and;

(b) Defined contribution plans - provident fund and state insurance plans.

(a) Defined benefit plans-Gratuity obligations

The liability recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in Other Comprehensive Income in the statement of changes in equity and other equity in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

(b) Defined contribution plans

Provident Fund: The Company pays provident fund contributions to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense as and when they are due.

State Insurance Plans: Employer's contribution to Employee State Insurance plan is charged to Statement of Profit and Loss as and when due.

2.17 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, and not distributed on or before the end of the reporting period. Proposed dividend is recognised as a liability in the period in which it is approved by shareholders in a general meeting or in the period in which it is paid.

2.18 Earnings per share

Basic earnings per share is calculated by dividing the profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For calculating diluted earnings per share, the profit or loss after tax for the period attributable to equity shareholders and the weighted average number of

Notes to the Financial Statements

for the year ended March 31, 2018

shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.19 Recent accounting pronouncements

Ind AS 115- Revenue from Contract with Customers:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.

Ind AS 21-The effect of changes in exchange rates:

On March 28,2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from 1st April, 2018. The effect on adoption of Ind AS 21 is expected to be insignificant.

Notes to the Financial Statements

for the year ended March 31, 2018

Note 3: Property, plant and equipment

(All amounts in Indian Rupees)

Particulars	Freehold Land	Freehold Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Electrical Fittings	Data processing Equipment	Total	Capital work-in-progress
Year ended March 31, 2017										
Gross carrying value										
Deemed Cost as at April 01, 2016	2,19,08,666	14,46,800	125,67,41,817	19,58,332	1,31,78,961	88,57,225	4,05,342	26,42,756	130,71,39,899	1,04,23,714
Additions	-	-	76,91,28,161	8,11,060	1,62,99,333	42,83,502	6,68,411	62,71,917	79,74,62,384	-
Disposals	-	-	-	-	8,23,353	2,26,032	-	19,53,527	30,02,912	-
Gross carrying value as at March 31, 2017	2,19,08,666	14,46,800	202,58,69,978	27,69,392	2,86,54,941	1,29,14,695	10,73,753	69,61,146	210,15,99,371	1,04,23,714
Accumulated depreciation										
Accumulated depreciation as at April 01, 2016	-	2,57,467	82,39,28,628	14,06,554	99,79,780	64,67,164	1,42,411	15,24,172	84,37,06,176	-
Depreciation charge for the year	-	51,970	17,11,48,357	1,80,748	16,39,837	7,63,648	1,12,241	14,79,390	17,53,76,191	-
Accumulated Depreciation on Disposals	-	-	-	-	7,82,186	2,14,730	-	18,55,853	28,52,769	-
Accumulated depreciation as at March 31, 2017	-	3,09,437	99,50,76,985	15,87,302	1,08,37,431	70,16,082	2,54,652	11,47,709	101,62,29,598	-
Net carrying value as at March 31, 2017	**2,19,08,666**	**11,37,363**	**103,07,92,993**	**11,82,090**	**1,78,17,510**	**58,98,613**	**8,19,101**	**58,13,437**	**108,53,69,773**	**1,04,23,714**
Net carrying value as at April 1, 2016	**2,19,08,666**	**11,89,333**	**43,28,13,189**	**5,51,778**	**31,99,181**	**23,90,061**	**2,62,931**	**11,18,584**	**46,34,33,723**	**1,04,23,714**
Year Ended March 31, 2018										
Gross carrying Value										
Gross Carrying Value as at April 01, 2017	2,19,08,666	14,46,800	202,58,69,978	27,69,392	2,86,54,941	1,29,14,695	10,73,753	69,61,146	210,15,99,371	1,04,23,714
Additions	-	-	11,16,01,055	1,43,292	-	19,54,642	38,696	17,81,271	11,55,18,956	-
Gross carrying value as at March 31, 2018	2,19,08,666	14,46,800	213,74,71,033	29,12,684	2,86,54,941	1,48,69,337	11,12,449	87,42,417	221,71,18,327	1,04,23,714
Accumulated depreciation										
Accumulated depreciation at April 01, 2017	-	3,09,437	99,50,76,985	15,87,302	1,08,37,431	70,16,082	2,54,652	11,47,709	101,62,29,598	-
Depreciation charge for the year	-	51,969	25,42,23,860	1,45,632	26,41,492	14,45,235	1,86,050	26,14,972	26,13,09,210	-
Accumulated depreciation as at March 31, 2018	-	3,61,406	124,93,00,845	17,32,934	1,34,78,923	84,61,317	4,40,702	37,62,681	127,75,38,808	-
Net carrying value as at March 31, 2018	**2,19,08,666**	**10,85,394**	**88,81,70,188**	**11,79,750**	**1,51,76,018**	**64,08,020**	**6,71,747**	**49,79,736**	**93,95,79,519**	**1,04,23,714**

Notes to the Financial Statements

for the year ended March 31, 2018

Note 3(a): Property, plant and equipment

i) Vehicles includes the following amounts where the company has taken on finance lease are provided as security to the finance lease obligation - Refer Note :34

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Cost	1,62,99,333	1,62,99,333	-
Accumulated Depreciation	28,18,406	8,82,860	-
Net Carrying Value	**1,34,80,927**	**1,54,16,473**	**-**

Note 3(b): Refer Note 40 for information on Property plant and equipment provided as security by the company.

Note 4: Intangible assets (Acquired)

(All amounts in Indian Rupees)

Particulars	Computer Softwares
Year ended March 31, 2017	
Gross carrying value	
Deemed cost as at April 01, 2016	2,21,782
Additions	5,58,92,004
Gross carrying value as at March 31, 2017	5,61,13,786
Accumulated amortisation	
Accumulated amortisation as at April 01, 2016	2,21,782
Amortisation charge for the year	42,27,767
Accumulated amortisation as at March 31, 2017	44,49,549
Net carrying value as at March 31, 2017	**5,16,64,237**
Net carrying value as at April 1, 2016	**-**
Year ended March 31, 2018	
Gross carrying value	
Gross carrying value as at April 01, 2017	5,61,13,786
Gross carrying value as at March 31, 2018	5,61,13,786
Accumulated amortisation	
Accumulated amortisation as at April 01, 2017	44,49,549
Amortisation charge for the year	1,88,53,180
Accumulated depreciation as at March 31, 2018	**2,33,02,729**
Net carrying value as at March 31, 2018	**3,28,11,057**

Notes to the Financial Statements
for the year ended March 31, 2018

Note 5: Non-Current Investments

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(Un quoted, fully paid up)			
Investment in equity instruments in subsidiary companies (at Cost)			
Alphageo International Limited 1,05,036 (March 31, 2017 : 1,05,036, April 01, 2016 : 1,05,036) Equity Shares of AED 100 /- each, fully paid	13,22,13,750	13,22,13,750	13,22,13,750
Alphageo Marine Services Private Limited 74,000 (March 31, 2017 : Nil , April 01, 2016 : Nil) Equity Shares of ₹10 /- each, fully paid	7,40,000	-	-
Total Non-current investments	**13,29,53,750**	**13,22,13,750**	**13,22,13,750**
Aggregate amount of unquoted investments	13,29,53,750	13,22,13,750	13,22,13,750
Aggregate amount of impairment in value of investment	-	-	-

Note 6: Deferred tax asset

The balance comprises tax effect on temporary differences attributable to:

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Fiscal allowances on property, plant and equipment and intangible assets	6,40,49,574	4,26,30,256	5,65,14,553
Expenses allowable on the basis of payment	46,87,339	32,75,577	24,01,244
MAT Credit Entitlement	-	-	3,09,08,376
Net deferred tax Asset	**6,87,36,913**	**4,59,05,833**	**8,98,24,173**

Movement in Deferred tax assets

(All amounts in Indian Rupees)

Particulars	Property, plant and equipment	Expenses allowable on the basis of Payment	MAT Credit Entitlement / (Utilisation)	Total
As at April 01, 2016	5,65,14,553	24,01,244	3,09,08,376	8,98,24,173
Charged/(credited):				
- to profit or loss	(1,38,84,297)	9,29,993	(3,09,08,376)	(4,38,62,680)
- to other comprehensive income	-	(55,660)	-	(55,660)
As at March 31, 2017	**4,26,30,256**	**32,75,577**	**-**	**4,59,05,833**
Charged/(credited):				
- to profit or loss	2,14,19,318	17,90,356	-	2,32,09,674
- to other comprehensive income	-	(3,78,594)	-	(3,78,594)
As at March 31, 2018	**6,40,49,574**	**46,87,339**	**-**	**6,87,36,913**

Notes to the Financial Statements

for the year ended March 31, 2018

Note 7 : Other Assets

i) Other non-current assets

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Capital Advances	-	-	6,26,846
Advances other than capital advances:			
Security deposits	11,79,959	11,80,679	3,15,679
Pre-paid expenses	24,46,262	1,39,67,176	34,662
Total other non-current assets	**36,26,221**	**1,51,47,855**	**9,77,187**

ii) Other non-current assets

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Balances with government authorities	-	4,72,09,764	-
Security deposits	84,50,000	-	
Prepaid expenses	1,59,55,045	1,35,55,372	65,31,759
Advances to suppliers	14,73,565	24,35,482	15,47,074
Other receivable	19,800	3,63,687	51,47,802
Total other current assets	**2,58,98,410**	**6,35,64,305**	**1,32,26,635**

Note 8: Inventories (Valued at Lower of cost and net realisable value)

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Stores and spares	50,90,201	31,70,669	10,20,311
Total inventories	**50,90,201**	**31,70,669**	**10,20,311**

Note 8(a): Inventories are hypothecated with banks where working capital financing is sanctioned. (Refer Note :40)

Note 9: Trade receivables

i) Non Current

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(Unsecured, considered good)			
Trade receivables	-	-	5,94,55,243
Total trade receivables	**-**	**-**	**5,94,55,243**

Notes to the Financial Statements

for the year ended March 31, 2018

Note 9: Trade receivables (contd..)

ii) Current

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(Unsecured, considered good)			
Trade receivables	195,96,63,486	157,36,17,255	39,59,36,923
Total trade receivables	**195,96,63,486**	**157,36,17,255**	**39,59,36,923**

Note 9(a): Trade Receivables are hypothecated with banks where working capital financing is sanctioned. (Refer Note :40)

Note 10: Cash and cash equivalents

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Balances with banks			
-in Local currency accounts	5,36,20,046	7,03,31,180	8,03,688
-in other currency accounts	3,66,812	4,82,61,225	26,82,527
Cash on hand	11,13,445	15,79,459	2,45,230
Total cash and cash equivalents	**5,51,00,303**	**12,01,71,864**	**37,31,445**

Note 11: Bank balances other than cash and cash equivalents

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Earmarked Balances with banks* (Refer Note:17.1)	16,53,029	13,09,208	12,92,234
Margin money deposits with Banks (Refer Note- 40)	16,72,77,035	13,50,13,279	8,51,11,883
Total Bank balances other than cash and cash equivalents	**16,89,30,064**	**13,63,22,487**	**8,64,04,117**

Note11(a) : Margin Money Deposits includes ₹14,31,77,035/- (March 31,2017 ₹10,62,54,823/- and April 01, 2016 ₹7,00,06,706/-) pledged / lien against bank guarantees issued by the Bank. Further, ₹2,41,00,000/- (March 31,2017 ₹2,41,00,000/- and April 01, 2016 ₹1,35,00,000/-) pledged / lien against working capital loans.

* Earmarked Balances represents unclaimed dividend

Note 12: Loans

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured, considered good			
Loan to subsidiary (Refer Note :33 & 38)	43,61,868	-	-
Total Loans	**43,61,868**	**-**	**-**

Note : The Loan to subsidiary represents the inter corporate loan given to its subsidiary to meet its business needs and exigencies carrying interest @ 11% per annum.

Notes to the Financial Statements

for the year ended March 31, 2018

Note 13 : Current tax assets (net)

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Prepaid Income taxes (net of provision of ₹32,65,00,000/-)	5,61,94,882	-	-
Total current tax assets (net)	**5,61,94,882**	**-**	**-**

Note 14 : Equity share capital

(All amounts in Indian Rupees)

Authorised :	Number of shares	Amount
As at April 01, 2016	1,00,00,000	10,00,00,000
Change during the year	-	-
As at March 31, 2017	1,00,00,000	10,00,00,000
Change during the year	-	-
As at March 31, 2018	**1,00,00,000**	**10,00,00,000**

(All amounts in Indian Rupees)

Issued :	Number of shares	Amount
As at April 01, 2016	56,46,167	5,64,61,670
Change during the year (Refer note below)	4,85,000	48,50,000
As at March 31, 2017	**61,31,167**	**6,13,11,670**
Change during the year (Refer note below)	2,45,000	24,50,000
As at March 31, 2018	**63,76,167**	**6,37,61,670**

Issue of Share Warrants:

7,30,000 Warrants were issued and allotted to Promoter and Promoter Group on preferential basis at an issue price of ₹ 513.62 per warrant on 26.11.2015. The allottees paid the amount as per the terms of the issue.4,85,000 Warrants were converted into equity shares during 2016 -17 and 2,45,000 Warrants were converted into equity shares during 2017 -18.

Subscribed and paid up :

(All amounts in Indian Rupees)

Issued :	Number of shares fully paid up	Amount
Paid up Equity Share Capital	56,34,767	5,63,47,670
Amount originally paid up on forfeited shares		1,36,000
As at April 01, 2016	56,34,767	5,64,83,670
Change during the year	4,85,000	48,50,000
As at March 31, 2017	**61,19,767**	**6,13,33,670**
Change during the year	2,45,000	24,50,000
As at March 31, 2018	**63,64,767**	**6,37,83,670**

Notes to the Financial Statements
for the year ended March 31, 2018

Note 14 : Equity share capital (contd..)

Terms and rights attached to equity shares

The Company has only one class of equity shares having face value of INR 10 per share. The Company declares and pays dividends in Indian rupees. In the event of liquidation of the company, the holders of equity shares are entitled to receive remaining assets of the company, after distribution of all preferential amounts, in proportion to the number of equity shares held by them. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Details of shareholders holding more than 5% shares in the company

(All amounts in Indian Rupees)

Particulars	Dinesh Alla	Savita Alla	Aquila Drilling Private Limited
As at April 01, 2016			
Number of shares	5,30,974	2,41,458	2,79,906
% holding	9.42%	4.29%	4.97%
As at March 31, 2017			
Number of shares	7,64,974	3,91,458	3,05,906
% holding	12.50%	6.40%	4.99%
As at March 31, 2018			
Number of shares	8,60,974	3,91,458	4,59,906
% holding	13.53%	6.15%	7.23%

Note 15: Borrowings

i) Non Current Borrowing

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(Secured)			
Finance lease obligation (Refer Note :34)	38,84,773	87,30,898	-
Less: Current maturities of finance lease obligation	30,21,658	48,46,125	-
Non-current borrowings	**8,63,115**	**38,84,773**	**-**

Note 15(a): Finance Lease obligations are secured by the assets financed through the lease arrangements and are repayable in the equal monthly instalments over a period of 2-3 years and carry a finance charge of 8.87% - 10.63%.

ii) Current borrowings

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Secured - Payable on demand			
From Banks (Refer Note: 40)	36,03,51,962	39,29,33,594	2,40,10,484
Secured - Fixed Term			
From Banks	10,10,28,853	8,00,53,260	-
Total Current Borrowings	**46,13,80,815**	**47,29,86,854**	**2,40,10,484**

Notes to the Financial Statements

for the year ended March 31, 2018

Note 15: Borrowings (contd..)

Note 15(b) : The above loans are secured (primary) by the First charge (Pari -passu) on entire current assets of the company and further secured by the First charge (Pari -passu) on all the fixed assets of the company both present and future. These loans are further, secured by equitable mortgage of certain immovable properties belonging to three directors and two of their relatives and their personal guarantees.

Note 15(c) : Rate of interest on the above borrowings is at applicable MCLR plus applicable spread i.e 2 %- 2.75 % in terms of sanction of respective banks.

Note 16: Provisions

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Employee Benefit Obligations (Refer Note below)			
Current			
Retirement benefits	9,28,630	3,64,060	1,82,187
Other benefits	10,26,000	12,16,449	10,71,372
Total	**19,54,630**	**15,80,509**	**12,53,559**
Non-Current			
Retirement benefits	17,96,062	12,35,433	9,22,363
Other benefits	1,05,91,798	79,79,860	49,44,672
Total	**1,23,87,860**	**92,15,293**	**58,67,035**

Note 16(a):

(i) Defined Contribution plans

Employer's Contribution to Provident Fund: Contributions are made to provident fund for entitled employees at the prescribed rate as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Employer's Contribution to State Insurance Scheme: Contributions are made under State Insurance Scheme for entitled employees at the prescribed rate to Employee State Insurance Corporation. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017
Employer's Contribution to Provident Fund	48,78,730	35,51,402
Employer's Contribution to ESI	3,56,333	1,47,609

(ii) Defined Benefits plans

Post-employment obligations- Gratuity

The company provides for gratuity payments to employees as per the payment of Gratuity Act, 1972. The amount of gratuity payable on retirement/termination based on the employees last drawn basic salary per month and the number of years of services with the company.

Effective October 01, 2010 the company established Alphageo India Limited Employee's Group Gratuity Trust to administer the gratuity obligations in respective of employee other than Whole time directors of the company. The gratuity plan is funded through group gratuity accumulation plan of Life insurance corporation of India.

Notes to the Financial Statements

for the year ended March 31, 2018

Note 16: Provisions (contd..)

A) Reconciliation of opening and closing balances of Defined Benefit Obligation

(All amounts in Indian Rupees)

Particulars	Gratuity (Funded)	
	As at March 31, 2018	As at March 31, 2017
Defined Benefit Obligation at beginning of the year	1,04,74,856	82,18,640
Current Service Cost	13,15,066	10,55,682
Interest Cost	8,32,608	6,57,491
Actuarial Loss for the year	5,35,777	6,21,305
Benefits Paid	(1,34,510)	(78,262)
Defined Benefit Obligation at year end	1,30,23,797	1,04,74,856

B) Reconciliation of opening and closing balances of fair value of Plan Assets

(All amounts in Indian Rupees)

Particulars	Gratuity (Funded)	
	As at March 31, 2018	As at March 31, 2017
Fair value of Plan Assets at beginning of year	88,75,363	71,14,090
Expected Return on Plan Assets	7,58,948	5,88,665
Employer Contribution	13,57,476	7,90,396
Actuarial (Loss)/ gain for the year	(5,58,172)	4,60,474
Benefits Paid	(1,34,510)	(78,262)
Fair value of Plan Assets at year end	1,02,99,105	88,75,363

C) Reconciliation of fair value of Assets and Obligations

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017
Fair value of Plan Assets	1,02,99,105	88,75,363
Present value of defined benefit obligation	1,30,23,797	1,04,74,856
Amount recognised in Balance Sheet [Surplus/(Deficit)]	(27,24,692)	(15,99,493)
Current	9,28,630	3,64,060
Non current	17,96,062	12,35,433

D) Expenses recognised during the year

(All amounts in Indian Rupees)

Particulars	Gratuity (Funded)	
	As at March 31, 2018	As at March 31, 2017
In Statement of Profit and Loss		
Current Service Cost	13,15,066	10,55,682
Interest Cost	8,32,608	6,57,491
Return on Plan Assets	(7,58,948)	(5,88,665)
Net Cost	**13,88,726**	**11,24,508**
In Other Comprehensive Income		
Actuarial (Gain) / Loss	10,93,949	1,60,831
Net expense for the period recognised in OCI	**10,93,949**	**1,60,831**

Notes to the Financial Statements

for the year ended March 31, 2018

Note 16: Provisions (contd..)

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017
Discount rate	8%	8%
Salary growth rate	4%	4%
Withdrawl rate	4%	4%
Retirement Age	58	58
Average Balance Future Services	23	NA
Mortality Table(L.I.C)	2006-08	2006-08

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018
Defined Benefit Obligation	1,30,23,797
Discount rate:(% change compared to base due to sensitivity)	
Increase : +1%	1,23,49,963
Decrease: -1%	1,37,78,439
Salary Growth rate:(% change compared to base due to sensitivity)	
Increase : +1%	1,37,03,050
Decrease: -1%	1,23,92,050
Withdrawl rate:(% change compared to base due to sensitivity)	
Increase : +1%	1,31,89,533
Decrease: -1%	1,28,38,235

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as and when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The major categories of plans assets are as follows:

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017
Fund Managed by Insurers	100%	100%
	100%	100%

Notes to the Financial Statements

for the year ended March 31, 2018

Note 16: Provisions (contd..)

Defined benefit liability and employer contributions

The Company has purchased insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company. The company considers that the contribution rate set at the last valuation date is sufficient to eliminate the deficit over the agreed period and that regular contributions, which are based on service costs will not increase significantly.

The weighted average duration of the defined benefit obligation is 9.42 years. The expected future cash flows over the next years, which will be met out of planned assets, is as follows:

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018
Defined benefit obligation-gratuity	
Less than a year	21,78,447
Between 2-5 years	63,98,992
Above 5 years	58,58,822

Risk Management

The Significant risks the company has in administering defined benefit plans are :

Interest Rate Risk: This may arise from volatility in asset values due to market fluctuations and impairment of assets due to credit losses. These Plans primarily invest in debt instruments such as Government securities and highly rated corporate bonds – the valuation of which is inversely proportional to the interest rate movements.

Salary Cost Inflation Risk: The present value of the Defined Benefit Plan liability is calculated with reference to the future salaries of participants under the Plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

Note 17: Other Financial liabilities

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current			
Current maturities of finance lease obligations	30,21,658	48,46,125	-
Interest accrued	27,520	90,634	-
Unpaid dividend (Refer Note:17.1)	16,53,029	13,09,208	12,92,234
Capital creditors	98,17,901	42,36,18,296	13,26,93,800
Employee benefits payable	10,05,43,005	7,69,97,097	68,65,380
Creditors for expenses	1,35,20,441	62,11,618	1,02,94,744
Total other financial liabilities	**12,85,83,554**	**51,30,72,978**	**15,11,46,158**

Note 17.1 : Unpaid dividend account represents the dividend not claimed by the shareholders and there is no amount due and outstanding to be credited to Investor Education and Protection Fund

Notes to the Financial Statements

for the year ended March 31, 2018

Note 18: Other current liabilities

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Security Deposits	47,97,200	-	-
Statutory Liabilities	9,04,33,031	2,08,18,536	83,82,818
Total other current liabilities	**9,52,30,231**	**2,08,18,536**	**83,82,818**

Note 19: Current tax liabilities (net)

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current Income tax (Net of Prepaid taxes : March 31, 2018: Nil,March 31, 2017 : ₹18,57,79,874/-, April 01, 2016 : ₹1,83,53,559/-)	-	2,01,70,126	28,46,441
Total current tax liabilities (net)	**-**	**2,01,70,126**	**28,46,441**

Note 20: Revenue from operations

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Seismic Survey and related service income	429,43,69,462	296,27,66,113
Income from provision of services	-	28,57,264
Total revenue from operations	**429,43,69,462**	**296,56,23,377**

Note 21: Other income

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest income from financial assets at amortised cost	1,06,42,352	73,64,810
Dividend income from investments mandatorily measured at FVTPL	-	5,92,855
Profit on sale of Property, plant & equipment	-	2,27,531
Net gain on foreign currency transactions and translations	1,11,950	50,76,701
Other non-operating income	60,80,000	3,78,878
Total other income	**1,68,34,302**	**1,36,40,775**

Notes to the Financial Statements

for the year ended March 31, 2018

Note 22: Survey and survey related expenses

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Consumption of stores	1,44,36,129	2,73,25,337
Survey and drilling charges	226,36,39,965	148,45,46,290
Fuel	11,49,06,723	6,12,63,637
Vehicle hire charges	6,52,56,801	3,95,70,232
Equipment hire charges	7,80,02,005	5,69,42,223
Repairs to machinery	1,03,79,090	70,13,946
Camp rental charges	1,16,74,718	1,29,65,949
Technical consultancy charges	8,53,08,954	3,54,20,013
Camp expenses	10,50,85,996	5,07,80,439
Transport and handling charges	79,49,073	93,38,155
Other survey expenses	2,42,58,031	60,83,649
Total survey and survey related expenses	**278,08,97,485**	**179,12,49,870**

Note 23: Employee benefits expense

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries, wages, bonus and other allowances (Refer Note :16(a)	22,10,21,811	16,40,79,741
Contribution to provident fund and other funds	62,95,614	50,01,421
Contribution to ESI	3,56,333	1,47,609
Staff welfare expenses	11,81,278	9,32,433
Total employee benefits expense	**22,88,55,036**	**17,01,61,204**

Note 24: Finance costs

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest and finance charges on financial liabilities carried at amortised cost	3,45,56,646	2,17,13,628
Interest on income tax	-	9,50,000
Other borrowing costs	2,09,61,520	1,88,03,166
Total Finance costs	**5,55,18,166**	**4,14,66,794**

Note 25: Depreciation and amortisation expense

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Depreciation of property, plant and equipment	26,13,09,210	17,53,76,192
Amortisation of intangible assets	1,88,53,180	42,27,767
Total depreciation and amortisation expense	**28,01,62,390**	**17,96,03,959**

Notes to the Financial Statements

for the year ended March 31, 2018

Note 26 :Other expenses

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Rent (Refer note 26 (a)below)	57,84,721	18,78,297
Repairs and maintenance to others	10,57,437	11,91,088
Insurance	51,87,793	35,79,819
Rates and taxes	2,52,68,751	1,99,46,610
Printing and stationery	24,50,027	19,14,741
Communication expenses	28,88,470	23,86,078
Travelling and conveyance	2,19,25,242	1,48,49,236
Payments to Auditors (Refer note 26 (b)below)	10,01,600	15,56,000
Legal, Professional and consultancy charges	39,48,699	1,42,70,076
Book deficit on assets discarded	-	97,674
Directors fees	4,80,000	3,20,000
Bank Charges	9,90,441	8,98,520
Vehicle maintenance	4,49,396	2,29,586
Bad debts written off (Refer Note 26(c) below)	1,59,72,755	-
CSR Expenditure (Refer Nate 26(d) below)	23,60,000	5,18,000
Donations	65,470	25,000
Miscellaneous expenses	90,29,918	39,37,570
Total other expenses	**9,88,60,720**	**6,75,98,295**

Note 26(a): Details of Operating Lease

The Company's significant leasing arrangements are in respect of operating leases for office premises. These leasing arrangements are with non-cancellable range for 3 years and usually renewable by mutual consent on mutually agreeable terms on maturity. The aggregate lease rentals payable are charged as 'Rent' .

Future minimum rentals payable under non-cancellable operating leases are as follows

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
i) Not later than one year	64,97,298	-
ii) Later than one year and not later than five years	1,55,04,818	-
iii) Later than five years	-	-

Note 26(b): Details of payments to auditors

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Payment to auditors		
As Statutory Auditor	7,00,000	6,00,000
As Tax Auditor	-	2,75,000
For Quarterly Reviews	2,50,000	3,00,000
Taxation matters	-	75,000
Other services	20,000	2,80,000
Re-imbursement of expenses	31,600	26,000
Total payments to auditors	**10,01,600**	**15,56,000**

Notes to the Financial Statements

for the year ended March 31, 2018

Note 26(c): Bad debts written off

The Company, as part of Revenue from operations for the year ended March 31, 2018, in terms of INDAS-18: Revenue, has not recognised ₹ 6,62,76,594/- for Seismic Data acquisition services rendered as revenue for the year due to uncertainty in collectability and flow of economic benefits to the company. On account of the same customer, Receivables due for the year ended March 31, 2017 of ₹ 1,59,72,755/- has been written off as bad debt for the year ended March 31,2018 .

Note 26(d): Details of Expenses on Corporate Social Responsibility Activities:

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Gross amount required to be spent as per section 135 of the Act	65,84,922	4,72,860
Amount spent during the year on	23,60,000	5,18,000
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above:		
Promoting education	20,60,000	3,68,000
Promoting healthcare	1,00,000	-
For empowering employment skills for youth	2,00,000	1,50,000

Note 27: Tax expense

Analysis of the company's income tax expense, given below explains significant estimates made in to relation to company's tax position and also shows amounts that are recognised directly in equity and the effect of tax expense on account of non-assessable and non-deductible items.

(a) Tax expense

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Current tax		
- to profit or loss		
Current tax on profits for the year	32,65,00,000	20,50,00,000
Income tax adjustments of earlier year	12,70,240	(96,397)
Total Current Tax Expense	**32,77,70,240**	**20,49,03,603**
Deferred tax		
- to profit or loss	(2,32,09,674)	4,38,62,680
- to other comprehensive income	3,78,594	55,660
Total Deferred tax expense/(benefit)	**(2,28,31,080)**	**4,39,18,340**
Income tax expense	30,49,39,160	24,88,21,943
Tax Expenses		
- to profit or loss	30,45,60,566	24,87,66,283
- to other comprehensive income	3,78,594	55,660

Notes to the Financial Statements

for the year ended March 31, 2018

Note 27: Tax expense (contd..)

(b) Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate:

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit from operations before tax	86,69,09,967	72,91,84,030
Current tax rate in india	34.608%	34.608%
Tax on profit from operations	30,00,20,201	25,23,56,009
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Expenses not allowable for tax purpose	5,53,359	4,67,570
Income not considered for tax purpose	-	(27,95,355)
Effect of differnce in enacted and current tax rate	6,60,932	-
Tax effect due to non-taxable income	(2,60,472)	(2,05,175)
Adjustments for tax of relating to prior periods	19,67,312	(96,397)
Items considered in OCI and considered in current tax computation	3,78,594	55,660
Others	12,40,639	(10,16,028)
Income tax expenses	**30,45,60,566**	**24,87,66,283**

Financial Instruments and Risk Management

Note 28: Fair Value Hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Inputs are quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price including within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case with listed instruments where market is not liquid and for unlisted instruments.

Note:

(i) The carrying amounts of trade payables, other financial liabilities, borrowings, cash and cash equivalents, other bank balances, trade receivables and loans are considered to be the same as their fair values due to their short term nature and recoverability from /by the parties.

Notes to the Financial Statements

for the year ended March 31, 2018

Note 29: Categories of Financial Instruments

(All amounts in Indian Rupees)

	Fair Value Hierarchy	Notes	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
			Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
A. Financial assets								
a) Measured at amortised cost								
Cash and cash equivalents	Level -3	10	5,51,00,303	5,51,00,303	12,01,71,864	12,01,71,864	37,31,445	37,31,445
Other bank balances	Level -3	11	16,89,30,064	16,89,30,064	13,63,22,487	13,63,22,487	8,64,04,117	8,64,04,117
Loans	Level -3	12	43,61,868	43,61,868	-	-	-	-
Trade receivables	Level -3	9	195,96,63,486	195,96,63,486	157,36,17,255	157,36,17,255	45,53,92,166	45,53,92,166
Total financial assets			**218,80,55,721**	**218,80,55,721**	**183,01,11,606**	**183,01,11,606**	**54,55,27,728**	**54,55,27,728**
B. Financial liabilities								
a) Measured at amortised cost								
Trade payables	Level -3		70,42,45,774	70,42,45,774	76,39,18,760	76,39,18,760	28,49,45,081	28,49,45,081
Borrowings	Level -3	15	46,22,43,930	46,22,43,930	47,68,71,627	47,68,71,627	2,40,10,484	2,40,10,484
Other financial liabilities	Level -3	17	12,85,83,554	12,85,83,554	51,30,72,978	51,30,72,978	15,11,46,158	15,11,46,158
Total financial liabilities			**129,50,73,258**	**129,50,73,258**	**175,38,63,365**	**175,38,63,365**	**46,01,01,723**	**46,01,01,723**

Notes:

(i) In pursuance of exception in INDAS 107: Financial Instruments Disclosure in respect of Investment in equity instruments in subsidiaries carrying at cost, no further disclosure are required to be given in this regard.

Note 30: Financial Risk Management

The Company's activities expose it to Credit risk, Market risk and Liquidity risk . The Company emphasis on risk management and has an enterprise wide approach to risk management. The Company's risk management and control procedures involve prioritization and continuing assessment of these risks and device appropriate controls, evaluating and reviewing the control mechanism.

(A) Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer to a financial instrument fails to meet its contractual obligations .The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks. Credit risk of the Company is managed at the Company level.

The credit risk related to trade receivables is influenced mainly by the individual characteristics of each customer. The credit risk is managed by the company by establishing credit limits and continuously monitoring the credit worthiness of the customers. The Company is not required to provide for expected credit losses based on the past experience where it believes that there is no probability of default based on credit worthiness of company customers. In general, all trade receivables are received within 90 days from the date it become due. Financial assets are written off when there is no reasonable expectation of recovery.

The ageing analysis of the receivables (gross of provisions) has been considered from the date the invoice :

Notes to the Financial Statements

for the year ended March 31, 2018

Note 30: Financial Risk Management (contd..)

The ageing analysis of the receivables (gross of provisions) has been considered from the date the invoice :

(All amounts in Indian Rupees)

Particulars	March 31, 2018	March 31, 2017
Up to 90 days	195,96,63,486	141,54,72,326
More than 90 days	-	15,81,44,929

Note:

Significant revenue and receivable is from major public sector companies in oil and gas exploration business with a credit rating of AAA+. As the Management is not foreseeing any loss from the parties based on the evaluation of past trend,the carrying value of trade receivable is equal to its fair value and no loss allowance is required to be made.

(B) Market Risk:

Market Risk is the risk that the future value of a financial instrument will fluctuate due to moves in the market factors. The most common types of market risks are interest rate risk and foreign currency risk.

- **Interest Rate Risk**

  Interest rate risk is the risk that the future cash flows or the fair value of a financial instrument will fluctuate because of changes in market interest rates. The Company manages its market interest rates by fixed rate interest . Hence ,the Company is not significantly exposed to interest rate risks.

- **Foreign Currency Risk**

  Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. As the company is not foreseeing significant transaction in other than functional currency the exposure to the foreign currency is minimal.

Unhedged foreign currency exposure as at the reporting date:

(All amounts in Indian Rupees)

Particulars	March 31, 2018			March 31, 2017		
	USD	GBP	Equivalent Amount in INR	USD	GBP	Equivalent Amount in INR
Trade receivable (Receivable for services rendered)	-	-	-	955,047	-	6,19,23,901
Balance with banks	5,639	-	3,66,812	744,329	-	4,82,61,225
Payables for services	64,678	-	42,06,922	672,066	-	4,35,75,846
Capital creditors	-	-	-	5,879,772	35,259	38,40,88,007

(C) Liquidity Risk:

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company manage its risk from their principle source of reasources such as cash and cash equivalents , cash flows that is generated from operations and other means of borrowings, to ensure, as far as possible , that it will always have sufficient liquidity to meet the liabilities.

Notes to the Financial Statements

for the year ended March 31, 2018

Note 30: Financial Risk Management (contd..)

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date:

(All amounts in Indian Rupees)

Particulars	On Demand	Due in 1st year	Due after 1st year	Total
As At March 31,2018				
Borrowing	36,03,51,962	10,40,50,511	8,63,115	46,52,65,588
Trade and other payable	-	70,42,45,774	-	70,42,45,774
Other financial liabilities	-	12,55,61,896	-	12,55,61,896
As At March 31,2017				
Borrowing	39,29,33,594	8,48,99,385	38,84,773	48,17,17,752
Trade and other payable	-	63,08,52,955	13,30,65,805	76,39,18,760
Other financial liabilities	-	50,82,26,853	-	50,82,26,853

Note 31: Capital Management

The Company's financial strategy aims to provide adequate capital for its growth plans for sustained stakeholder value. The company's objective is to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders. And depending on the financial market scenario, nature of the funding requirements and cost of such funding, the Company decides the optimum capital structure. The Company aims at maintaining a strong capital base so as to maintain adequate supply of funds towards future growth plans as a going concern.

The Company monitors the capital structure on the basis of total debt to equity ratio :

(All amounts in Indian Rupees)

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Net Debt	41,01,65,285	36,15,45,888	2,02,79,039
Equity	205,87,24,409	143,19,23,913	77,81,95,645
Total Capital (Net Debt+Equity)	**246,88,89,694**	**179,34,69,801**	**79,84,74,684**
Net Debt to Total Capital (%)	**16.61%**	**20.16%**	**2.54%**

Net debt represents:

(All amounts in Indian Rupees)

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
A) Borrowings			
Non-current borrowings	8,63,115	38,84,773	-
Current borrowings	46,13,80,815	47,29,86,854	2,40,10,484
Current Maturity of finance lease obligation	30,21,658	48,46,125	-
Total(A)	**46,52,65,588**	**48,17,17,752**	**2,40,10,484**
B) Cash and cash equivalents	5,51,00,303	12,01,71,864	37,31,445
C) Net Debt (A-B)	**41,01,65,285**	**36,15,45,888**	**2,02,79,039**

Notes to the Financial Statements

for the year ended March 31, 2018

Note 32 : Payables to Micro, Small & Medium Enterprises

Information pertaining to Micro and Small Enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 ("Act") as given below has been determined to the extent such parties have been identified on the basis of information available with the company:

(All amounts in Indian Rupees)

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Principal amount remaining unpaid as on 31st March	NIL	1,83,750	1,82,885
Interest due thereon as on 31st March	NIL	NIL	NIL
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day during the year	NIL	NIL	NIL
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	NIL	NIL	NIL
Interest accrued and remaining unpaid as at 31st March	NIL	NIL	NIL
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Act	NIL	NIL	NIL

Note: The list of undertakings covered under MSMED was determined by the Company on the basis of information available with the Company and has been relied upon by the auditors.

Note 33: The following are the details of loans and advances in the nature of loans given to subsidiaries, associates and other entities in which directors are interested in terms of the Regulation 34(3) read together with para A of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(All amounts in Indian Rupees)

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Alphageo Marine Services Private Limited			
Out standing at year end	43,61,868	-	-
Maximum Outstanding	(1,08,00,000)	(0)	(0)

Note : The Loan to subsidiary represents the inter corporate loan given to its subsidiary to meet its business needs and exigencies carrying interest @ 11% per annum.

Notes to the Financial Statements

for the year ended March 31, 2018

Note 34: Finance Lease :

The Company has taken vehicles on finance lease. The future lease rent payable on such vehicles taken on finance lease are as follows:

(All amounts in Indian Rupees)

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Minimum lease payments			
- Less than one year	30,21,658	48,46,125	-
- More than one year	8,63,115	38,84,773	-
Total	**38,84,773**	**87,30,898**	**-**
Present value of minimum lease payments			
- Less than one year	30,21,658	48,46,125	-
- More than one year	8,63,115	38,84,773	-
Total	**38,84,773**	**87,30,898**	**-**

Note 35 : First-time adoption of Ind AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS with the transition date April 1, 2016. The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet at April 01, 2016 (company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting standards) Rules, 2006 (as amended) and other relevant provisions of the Act(previous GAAP or Indian GAAP). An explanation on how the transition from previous GAAP to Ind AS has effected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

A.1.1 Deemed Cost

The Company has elected to measure items of property, plant and equipment and intangible assets at its carrying value at the transition date as deemed cost.

A.1.2 Investments in subsidiaries, joint ventures and associates

The Company has elected to measure investment in subsidiaries at the previous GAAP carrying amount as its deemed cost on the date of transaction to Ind AS.

A.2 Ind AS mandatory exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind As shall be consistent with the estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01, 2016 are consistent with the estimates as at the same date made in conformity

Notes to the Financial Statements

for the year ended March 31, 2018

with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Impairment of financial asset based on expected credit loss model.

A.2.2 Classification and measurement of financial asset

Ind AS 101 requires an entity to assess classification and measurement of financial assets(investments in debt instruments) on the basis of the facts and circumstances that exist on the date of transition to Ind AS.

B. Notes to first-time adoption:

Note 1: Remeasurements of defined benefits plan

Under Ind AS, remeasurements i.e. Actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended March 31, 2017 increased by ₹1,60,831/- . There is no impact on the total equity as at March 31, 2017.

Note 2: Reserves and Surplus

Retained earnings as at April 01, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

Proposed Dividend

Under previous GAAP Proposed dividends including dividend distribution tax are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, a proposed dividend is recognised as a liability in the period in which it is declared by the company (usually when approved by shareholders in a general meeting) or paid. Therefore, the liability (including tax) of ₹1,35,63,746/- for the year ended on March 31, 2016 recorded for proposed dividend has been derecognised against retained earnings on 1 April 2016.

Note 3: Other comprehensive income

Under Ind AS, all items of income and expense recognized in a period should be included in the profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit or loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of 'other comprehensive income' did not exist under previous GAAP.

Note 35 : First-time adoption of Ind AS (contd)

C. Reconciliations between previous GAAP and Ind AS (as at March 31, 2017 and April 01, 2016)

Particulars	Reconciliation of equity as at transition-April 01, 2016			Reconciliation of equity as at March 31, 2017		
	Previous GAAP	Adjustments	Ind AS	Previous GAAP	Adjustments	Ind AS
Assets						
Non-current assets						
(a) Property, plant and equipment	46,34,33,723	-	46,34,33,723	108,53,69,773	-	108,53,69,773
(b) Capital work-in-progress	1,04,23,714	-	1,04,23,714	1,04,23,714	-	1,04,23,714
(c) Intangible assets	-		-	5,16,64,237	-	5,16,64,237

Notes to the Financial Statements

for the year ended March 31, 2018

Note 35 : First-time adoption of Ind AS (contd)

C. Reconciliations between previous GAAP and Ind AS (as at March 31, 2017 and April 01, 2016)

Particulars	Reconciliation of equity as at transition-April 01, 2016			Reconciliation of equity as at March 31, 2017		
	Previous GAAP	Adjustments	Ind AS	Previous GAAP	Adjustments	Ind AS
(d) Financial assets						
(i) Investments	13,22,13,750	-	13,22,13,750	13,22,13,750		13,22,13,750
(ii) Trade receivables	5,94,55,243	-	5,94,55,243	-	-	-
(e) Deferred tax Asset (net)	8,98,24,173	-	8,98,24,173	4,59,05,833	-	4,59,05,833
(f) Other non-current assets	9,77,187	-	9,77,187	1,51,47,855	-	1,51,47,855
Total Non-current assets	**75,63,27,790**	**-**	**75,63,27,790**	**1,34,07,25,162**	**-**	**1,34,07,25,162**
Current assets						
(a) Inventories	10,20,311	-	10,20,311	31,70,669	-	31,70,669
(b) Financial assets						
(i) Trade receivables	39,59,36,923	-	39,59,36,923	1,57,36,17,255	-	1,57,36,17,255
(ii) Cash and cash equivalents	37,31,445	-	37,31,445	12,01,71,864	-	12,01,71,864
(iii) Bank balances other than (ii) above	8,64,04,117	-	8,64,04,117	13,63,22,487	-	13,63,22,487
(c) Other current assets	1,32,26,635	-	1,32,26,635	6,35,64,305	-	6,35,64,305
Total Current assets	**50,03,19,431**	**-**	**50,03,19,431**	**1,89,68,46,580**	**-**	**1,89,68,46,580**
TOTAL ASSETS	**1,25,66,47,221**	**-**	**1,25,66,47,221**	**3,23,75,71,742**	**-**	**3,23,75,71,742**
EQUITY AND LIABILITIES						
Equity						
(a) Equity share capital	5,64,83,670	-	5,64,83,670	6,13,33,670	-	6,13,33,670
(b) Other equity	70,81,48,229	1,35,63,746	72,17,11,975	137,05,90,243	-	137,05,90,243
Total Equity	**76,46,31,899**	**1,35,63,746**	**77,81,95,645**	**143,19,23,913**	**-**	**143,19,23,913**
LIABILITIES						
Non-current liabilities						
(a) Financial liabilities						
(i) Borrowings	-	-	-	38,84,773	-	38,84,773
(ii) Trade payables	2,14,22,475	-	2,14,22,475	13,30,65,805	-	13,30,65,805
(b) Provisions	58,67,035	-	58,67,035	92,15,293	-	92,15,293
Total Non -current liabilities	**2,72,89,510**	**-**	**2,72,89,510**	**14,61,65,871**	**-**	**14,61,65,871**
Current liabilities						
(a) Financial liabilities						
(i) Borrowings	2,40,10,484	-	2,40,10,484	47,29,86,854	-	47,29,86,854
(ii) Trade payables	26,35,22,606	-	26,35,22,606	63,08,52,955	-	63,08,52,955
(iii) Other financial liabilities	15,11,46,158	-	15,11,46,158	51,30,72,978	-	51,30,72,978
(b) Other current liabilities	83,82,818	-	83,82,818	2,08,18,536	-	2,08,18,536
(c) Provisions	1,48,17,305	(1,35,63,746)	12,53,559	15,80,509	-	15,80,509
(d) Current tax liabilities (net)	28,46,441	-	28,46,441	2,01,70,126	-	2,01,70,126
Total current liabilities	**46,47,25,812**	**(1,35,63,746)**	**45,11,62,066**	**165,94,81,958**	**-**	**165,94,81,958**
Total Liabilities	**49,20,15,322**	**(1,35,63,746)**	**47,84,51,576**	**180,56,47,829**	**-**	**180,56,47,829**
TOTAL EQUITY AND LIABILITIES	**125,66,47,221**	**-**	**125,66,47,221**	**323,75,71,742**	**-**	**323,75,71,742**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Notes to the Financial Statements

for the year ended March 31, 2018

Note 35 : First-time adoption of Ind AS (contd)

(i) Reconciliation of total comprehensive income for the year ended March 31, 2017

(All amounts in Indian Rupees)

Particulars	Previous GAAP	Adjustments	Ind AS
Revenue from operations	296,56,23,377	-	296,56,23,377
Other Income	1,36,40,775	-	1,36,40,775
Total Income	**297,92,64,152**	**-**	**297,92,64,152**
Expenses			
Survey and survey related expenses	179,12,49,870	-	179,12,49,870
Employee benefits expense	17,00,00,373	1,60,831	17,01,61,204
Finance costs	4,14,66,794	-	4,14,66,794
Depreciation and amortisation expense	17,96,03,959	-	17,96,03,959
Other expenses	6,75,98,295	-	6,75,98,295
Total Expenses	**224,99,19,291**	**1,60,831**	**225,00,80,122**
Profit before exceptional items and tax	**72,93,44,861**	**(1,60,831)**	**72,91,84,030**
Exceptional Items	-	-	-
Profit before tax after exceptional items	**72,93,44,861**	**(1,60,831)**	**72,91,84,030**
Income tax expense			
-Current tax	20,49,03,603	-	20,49,03,603
-Deferred tax	4,39,18,340	(55,660)	4,38,62,680
Total tax expense	**24,88,21,943**	**(55,660)**	**24,87,66,283**
Profit after tax	**48,05,22,918**	**(1,05,171)**	**48,04,17,747**
A (i) Items that will not be reclassified to profit or loss	-	(1,60,831)	(160,831)
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	55,660	55,660
B (i) Items that will be reclassified to profit or loss	-	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-
Total comprehensive income for the year	**48,05,22,918**	**-**	**48,05,22,918**

(ii) Reconciliation of total equity as at March 31, 2017 and April 01, 2016

(All amounts in Indian Rupees)

Particulars	March 31, 2017	April 01, 2016
Total Equity(shareholder's funds) as per previous GAAP	143,19,23,913	76,46,31,899
Adjustments:		
Proposed dividend (Equity Dividend)	-	1,12,69,534
Tax on Equity Dividend	-	22,94,212
Total adjustments	**-**	**1,35,63,746**
Total Equity as per Ind AS	**143,19,23,913**	**77,81,95,645**

Notes to the Financial Statements
for the year ended March 31, 2018

Note 35 : First-time adoption of Ind AS (contd)

(iii) Reconciliation of total comprehensive income for the year ended March 31, 2017

(All amounts in Indian Rupees)

Particulars	March 31, 2017
Profit after tax as per previous GAAP	48,05,22,918
Adjustments:	
Remeasurement of defined benefit plan	(1,60,831)
Tax effect of adjustments on above	55,660
Total Adjustments	**(1,05,171)**
Profit after tax as per Ind As	48,04,17,747
Other Comprehensive Income	(1,60,831)
A (i) Items that will not be reclassified to profit or loss	55,660
Total comprehensive income as per Ind AS	**48,05,22,918**

(iv) There were no significant reconciliation items between cash flows prepared under previous GAAP and those prepared under Ind AS.

Note 36 : Segment Information

(a) Description of segments and principal activities

The Chairman & Managing Director has been identified as the Chief Operating Decision Maker (CODM). Operating segments are defined as components of an enterprise for which discrete financial information is available. This is evaluated regularly by the CODM, in deciding how to allocate resources and assessing the Company's performance. The Company is engaged in Seismic Service and operates in a single operating segment.

In accordance with paragraph 4 of Ind AS 108- " Operating Segments" the company has disclosed segment information only on the basis of consolidated financial statements which are presented together along with the standalone financial statements.

Note 37: Interest in Other Entities

The Company's subsidiaries as at March 31, 2018 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Company.

Name of Entities	Relationship	Principle Activity	Place of Business	Ownership
Alphageo International Limited	Subsidiary	Investment in companies, joint ventures etc., general trading and provision of technical services	Dubai	100%
Alphageo DMCC	Step down subsidiary	Provision of Onshore Geophysical Studes and Services and in equipment rental to companies in energy sector	Dubai	100%
Alphageo Marine Services India Private Limited	Subsidiary	Provision of Marine Survey Services and Aerial Geophysical Services	India	74%

- Method of accounting of investment in Subsidiaries are at amortised cost

Notes to the Financial Statements

for the year ended March 31, 2018

Note 38: Related Party Transactions

(a) Enterprises where control exists	
Wholly owned Subsidiary Companies	: Alphageo International Limited
	: Alphageo Marine Services Private Limited (October 25, 2017 to December 12, 2017)
Subsidiaries	: Alphageo Marine Services Private Limited (w.e.f December 13, 2017)
Stepdown Subsidiaries	: Alphageo DMCC
(b) Key Management personnel(KMP)	: Dinesh Alla, Chairman & Managing Director (as Chairman w.e.f December 04, 2017)
	: Z.P.Marshal, Chairman and Independent Director (Retired as chairman w.e.f December 04, 2017)
	: Savita Alla, Joint Managing Director
	: Rajesh Alla, Non executive directors
	: Mohanakrishna Reddy, Independent Director
	: Ashwinder Bhel, Independent Director
	: Raju Mandapalli, Independent Director *

* Appointment as independent director w.e.f 04th December ,2017

(c) Relative of Key Management personnel	: Rajesh Alla
	: Kamala Rajupet
	: Sashank Alla
	: Anisha Alla
	: Mrudula Alla
	: Gopinath Reddy Rajuput

(d) List of Related Parties over which Control / Significant Influence exists with whom the company has transactions :

Alphageo International Limited	Wholly Owned Subsidiary
Alphageo Marine Services Private Limited	Subsidiary
Alphageo DMCC	Step-down subsidiary
Dinesh Alla (HUF)	Entity In Which Key Management Personnel has Significant Influence
Rajesh Alla (HUF)	Entity In Which Relative of Key Management Personnel has Significant Influence
IIC Technologies Limited	Company In Which Relative of Key Management Personnel has Significant Influence
Aquila Drilling Private Limited	Company In Which Key Management Personnel has Significant Influence
(e) Employee Benefit Plans	: Alphageo India Limited Emloyees' Group Gratuity Trust

Note 38: Related Party Transactions (contd..)

(f) Transactions with Related Parties:

(All amounts in Indian Rupees)

Particulars	March 31, 2018		March 31, 2017	
	Amount	Outstanding balance as at March 31, 2018	Amount	Outstanding balance as at March 31, 2017
Key Management Personnel:				
Short term employee benefits				
Remuneration*	9,63,76,664	7,98,92,981	8,10,48,592	6,65,59,022
Director Fees	4,80,000	-	3,20,000	-
Others				
Dividend paid	54,95,996	-	15,44,864	-
Interest on Loan taken	26,92,136	-	43,37,507	-

Notes to the Financial Statements

for the year ended March 31, 2018

Note 38: Related Party Transactions (contd..)

(f) Transactions with Related Parties:				
Acceptance of Loan	11,30,00,000	-	9,92,54,840	-
Repayment of Loan	11,30,00,000		9,92,54,840	-
Amount received on Share Warrants	3,50,54,565	-	14,79,22,560	-
Relatives of Key Management Personnel:				
Salary paid	5,58,396	46,533	-	-
Rent	70,000	-	1,20,000	-
Dividend paid	28,84,400	-	15,95,334	-
Amount received on Share Warrants	-	-	2,88,91,125	-
Concerns in which Key Management Personnel has substantial interest:				
Rent	7,13,161	-	9,00,000	-
Dividend paid	18,39,624	-	13,77,946	-
Amount received on Share Warrants	5,93,23,110	-	1,00,15,590	-
Concerns in which Relative of the Key Management Personnel has Substantial Interest:				
Interest on Loan taken	12,82,192	-		
Acceptance of Loan	5,00,00,000	-	-	-
Repayment of Loan	5,00,00,000		-	-
Dividend paid	8,97,590		1,72,666	-
Rent	2,40,000	-	3,00,000	-
Technical and consultancy charges	11,55,000	-	-	-
Contribution to Funds				
Post Employment Benefit Plan	912,523	-	12,98,940	-
Subsidiaries:				
Investment in equity shares	7,40,000		-	-
Interest income	2,33,290	61,868	-	-
Loan given	1,08,00,000	43,00,000	-	-
Loan Received back	65,00,000		-	-
Income from provision of services	-	-	28,57,264	-
Reimbursement of incorporation expenses	40,250	-	-	-
Step-Down Subsidiary:				
Purchase of Property Plant & Equipment	43,00,082	-	-	-
Equipment hire-charges	7,30,42,007	-	5,56,13,894	4,35,75,846

(f) Terms and Conditions

Transactions relating to dividends were on the same terms and conditions that applied to other stake holders.

* Provision for employee benefits, which are based on actuarial valuation done on an overall company basis, is excluded.

Notes to the Financial Statements

for the year ended March 31, 2018

Note 38: Related Party Transactions (contd..)

(g) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:

(All amounts in Indian Rupees)

Nature of the transaction	Name of the related party	March 31, 2018	March 31, 2017
Short term employee benefits	Dinesh Alla	4,81,88,332	4,05,24,296
	Savita Alla	4,81,88,332	4,05,24,296
Director Fees	Z.P.Marshal	1,80,000	50,000
	Mohanakrishna Reddy	1,35,000	95,000
	Ashwinder Bhel	90,000	80,000
	Rajesh Alla	45,000	95,000
Interest on Loan taken	Dinesh Alla	19,15,205	41,89,082
	Smt Savita Alla	7,76,931	1,48,425
	IIC Technologies Limited	12,82,192	-
Acceptance of Loan	Dinesh Alla	8,45,00,000	9,27,45,840
	Smt Savita Alla	2,85,00,000	65,00,000
	IIC Technologies Limited	5,00,00,000	-
Repayment of Loan	Dinesh Alla	8,45,00,000	9,27,45,840
	Smt Savita Alla	2,85,00,000	65,00,000
	IIC Technologies Limited	5,00,00,000	-
Amount received on Share Warrants	Aquila Drilling Private Limited	5,93,23,110	1,00,15,590
	Dinesh Alla	3,50,54,565	14,79,22,560
Salary paid	Sashank Alla	5,58,396	-
Rent	Dinesh Alla (HUF)	7,13,161	9,00,000
	Rajesh Alla (HUF)	2,40,000	3,00,000
Technical and consultancy charges	IIC Technologies Limited	11,55,000	-
Post Employment Benefit Plan	Alphageo India Limited Employees' Group Gratuity Trust	9,12,523	12,98,940
Investment made	Alphageo Marine Services Private Limited	7,40,000	-
Interest income	Alphageo Marine Services Private Limited	2,33,290	-
Loan given	Alphageo Marine Services Private Limited	1,08,00,000	-
Loan Received back	Alphageo Marine Services Private Limited	65,00,000	-
Income from provision of services	Alphageo International Limited	-	28,57,264
Reimbursement of incorporation expenses	Alphageo Marine Services Private Limited	40,250	-
Purchase of Property Plant & Equipment	Alphageo DMCC	43,00,082	-
Equipment hire-charges	Alphageo DMCC	7,30,42,007	5,56,13,894

Notes to the Financial Statements
for the year ended March 31, 2018

Note 39: Earnings per share

(All amounts in Indian Rupees)

Particulars	March 31, 2018	March 31, 2017
(a) Basic EPS		
Basic earnings per share attributable to the equity holders of the company	88.80	83.02
(b) Diluted EPS		
Diluted earnings per share attributable to the equity holders of the company	88.80	81.50

(c) Reconciliation of earnings used in calculating earnings per share

(All amounts in Indian Rupees)

Particulars	March 31, 2018	March 31, 2017
Basic earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	56,23,49,401	48,04,17,747
Diluted earnings per share		
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	56,23,49,401	48,04,17,747

(d) Weighted average number of shares used as the denominator

(All amounts in Indian Rupees)

Particulars	March 31, 2018	March 31, 2017
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	63,32,548	57,86,603
Adjustments for calculation of diluted earnings per share:	-	1,08,072
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	63,32,548	58,94,675

Note 40 : Assets pledged as security

(All amounts in Indian Rupees)

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Working capital loans from banks (secured)			
Hypothecation of stocks, book debts and current assets -First Charge			
Trade receivables	195,96,63,486	157,36,17,255	45,53,92,166
Inventories	50,90,201	31,70,669	10,20,311
Fixed Deposits	2,41,00,000	2,41,00,000	1,35,00,000
Other current assets	28,63,85,527	29,59,58,656	8,98,62,197

Note: Secured by second charge of movable fixed assets and equitable mortgage of Land and Buildings for the year ended 31st March, 2018 ₹ 97,23,90,576/- (March 31, 2017 ₹ 113,70,34,010/- and March 31, 2016 ₹ 46,34,33,723/-

Notes to the Financial Statements

for the year ended March 31, 2018

Note 41: Events occurring after the reporting period

(i) Proposed Dividend

The final dividend proposed and recommended by the Board of Directors for the approval of Members at the ensuing annual general meeting:

(All amounts in Indian Rupees)

Particulars	March 31, 2018	March 31, 2017
On Equity Shares of ₹10 each		
Proposed Dividend*	5,09,18,136	2,54,59,068
Proposed Dividend per equity share	8	4

* Dividend distribution tax is payable at the time payment of dividend.

As per our report of even date

For **MAJETI & CO.**
Chartered Accountants
Firm's registration number: 015975S

Kiran Kumar Majeti
Partner
Membership number: 220354

Hyderabad
May 18, 2018

For and on behalf of the Board

Dinesh Alla
Chairman And Managing Director

Savita Alla
Joint Managing Director

Venkatesa Perumallu Pasumarthy
Chief Financial Officer

Deepa Dutta
Company Secretary

Hyderabad
May 18, 2018

Consolidated Financial Statements

Independent Auditor's Report

To

The Members of

ALPHAGEO (INDIA) LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of ALPHAGEO (INDIA) LIMITED (hereinafter referred to as "the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), comprising the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The Parent Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Parent's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on the subsidiaries, referred to below in the Other Matters paragraph, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2018, and their consolidated profit, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

(a) We did not audit the financial statements of three subsidiaries (which includes one step down subsidiary), whose financial statements reflect total assets of ₹41,12,72,866/- and net assets 40,52,94,218/- as at 31st March, 2018, total revenues of ₹ 7,90,98,386/- and net Loss before tax of ₹ 2,21,18,116/- net cash inflows amounting to ₹ 6,85,29,148/- for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Further, Foreign subsidiaries is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective country to accounting principle generally accepted in India. We have audited these conversion adjustments made by the Parent Company's Management. Our report in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the company and audited by us.

Our opinion on the consolidated Ind AS financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements.

(b) The comparative financial information of the Group for the year ended 31st March 2017, and the related transition date opening balance sheet as at 1st April 2016 included in these consolidated Ind AS financial statements, have been prepared after adjusting the previously issued consolidated financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS. The previously issued consolidated financial statements were audited by the predecessor auditor whose reports for the years ended 31st March 2017 and 31st March 2016 dated 29th May 2017 and 20th May 2016 respectively expressed an unmodified opinion on those consolidated financial statements. Adjustments made to the previously issued consolidated financial statements to comply with Ind AS have been audited by us.

Our opinion on the consolidated Ind AS financial statements is not modified in respect of the above matters on the comparative financial information.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of other auditors on subsidiary incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2018 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of Parent company, for the reasons stated therein.

Reporting on the adequacy of Internal Financial Control Over Financial Reporting of the Company and the operating effectiveness of such controls, under section 143(3)(i) of the Act is not applicable in view of the exemption available to the Indian Subsidiary, in terms of the notification no. G.S.R. 583(E) dated 13 June 2017 issued by the Ministry of Corporate Affairs, Government of India, read with general circular No. 08/2017 dated 25 July 2017.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. There were no pending litigations which would impact the consolidated financial position of the Group.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Parent and There were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiary company incorporated in India.

For **MAJETI & CO**
Chartered Accountants
Firm Registration Number: 015975S

Kiran Kumar Majeti
Partner
Membership Number: 220354

Place: Hyderabad
Date: May 18, 2018

Annexure "A" to Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of ALPHAGEO (INDIA) LIMITED (hereinafter referred to as "Parent"), as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Parent's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Parent's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Parent's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Parent, has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **MAJETI & CO**
Chartered Accountants
Firm Registration Number: 015975S

Kiran Kumar Majeti
Partner
Membership Number: 220354

Place: Hyderabad
Date: May 18, 2018

Consolidated Balance Sheet

as at March 31, 2018

(All amounts in Indian Rupees)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
ASSETS				
Non-current assets				
(a) Property, plant and equipment	3	112,14,53,616	134,38,11,689	77,46,25,590
(b) Capital work-in-progress	3	1,04,23,714	1,04,23,714	1,04,23,714
(c) Intangible assets	4	3,75,43,600	5,91,27,353	1,77,439
(d) Financial assets				
(ii) Trade receivables	8 (i)	-	-	5,94,55,243
(e) Deferred tax assets (net)	5	6,87,36,913	4,59,05,833	8,98,24,173
(f) Other non-current assets	6 (i)	36,26,221	1,51,47,855	9,77,187
Total Non-current assets		**124,17,84,064**	**147,44,16,444**	**93,54,83,346**
Current assets				
(a) Inventories	7	99,80,216	1,18,46,787	22,18,180
(b) Financial assets				
(i) Trade receivables	8 (ii)	195,96,63,486	160,02,92,698	48,63,37,904
(ii) Cash and cash equivalents	9	21,96,82,845	21,62,25,258	3,75,00,745
(iii) Bank balances other than (ii) above	10	16,89,30,064	13,63,22,487	8,64,04,117
(iv) Loans	11	5,60,25,411	-	-
(c) Current tax assets (net)	12	5,62,07,148	-	-
(d) Other current assets	6 (ii)	2,74,71,307	6,46,08,531	1,51,55,264
Total Current assets		**249,79,60,477**	**202,92,95,761**	**62,76,16,210**
TOTAL ASSETS		**373,97,44,541**	**350,37,12,205**	**156,30,99,556**
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	13	6,37,83,670	6,13,33,670	5,64,83,670
(b) Other equity		226,95,18,090	167,77,48,994	101,48,19,008
Equity attributable to equity holders of the parent		233,33,01,760	173,90,82,664	107,13,02,678
Non controlling interest		1,80,022	-	-
Total Equity		**233,34,81,782**	**173,90,82,664**	**107,13,02,678**
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	14 (i)	8,63,115	38,84,773	-
(ii) Trade payables:				
- dues to micro and small enterprises (Refer note- 31)		-	-	-
- dues to others		-	13,30,65,805	2,14,22,475
(b) Provisions	15	1,23,87,860	92,15,293	58,67,035
Total Non-current liabilities		**1,32,50,975**	**14,61,65,871**	**2,72,89,510**
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	14 (ii)	46,13,80,815	47,29,86,854	2,40,10,484
(ii) Trade payables:				
- dues to micro and small enterprises (Refer note- 31)		-	1,83,750	1,82,885
- dues to others		70,42,45,774	63,06,69,205	27,83,21,338
(iii) Other financial liabilities	16	13,01,80,493	47,20,54,690	14,95,09,843
(b) Other current liabilities	17	9,52,50,072	2,08,18,536	83,82,818
(c) Provisions	15	19,54,630	15,80,509	12,53,559
(d) Current Tax Liabilities (net)	18	-	2,01,70,126	28,46,441
Total current liabilities		**139,30,11,784**	**161,84,63,670**	**46,45,07,368**
Total Liabilities		**140,62,62,759**	**176,46,29,541**	**49,17,96,878**
TOTAL EQUITY AND LIABILITIES		**373,97,44,541**	**350,37,12,205**	**156,30,99,556**

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board

For **MAJETI & CO.**
Chartered Accountants
Firm's registration number: 015975S

Dinesh Alla
Chairman And Managing Director

Savita Alla
Joint Managing Director

Kiran Kumar Majeti
Partner
Membership number: 220354

Venkatesa Perumallu Pasumarthy
Chief Financial Officer

Deepa Dutta
Company Secretary

Hyderabad
May 18, 2018

Hyderabad
May 18, 2018

Consolidated Statement of Profit and Loss

for the year ended March 31, 2018

(All amounts in Indian Rupees)

Particulars	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
INCOME			
Revenue from operations	19	429,43,69,462	305,89,34,157
Other income	20	1,94,72,499	2,19,59,617
Total Income		**431,38,41,961**	**308,08,93,774**
EXPENSES			
Survey and survey related expenses	21	272,83,73,165	178,78,74,154
Employee benefits expense	22	23,05,72,021	17,15,35,199
Finance costs	23	5,55,66,764	4,14,66,794
Depreciation and amortisation expense	24	33,92,81,154	23,72,00,496
Other expenses	25	10,74,58,059	8,43,13,130
Total Expenses		**346,12,51,163**	**232,23,89,773**
Profit before tax		**85,25,90,798**	**75,85,04,001**
Tax expense			
Current tax	26	33,09,88,676	20,92,10,755
Deferred tax	26	(2,32,09,674)	4,38,62,680
Total tax expense		**30,77,79,002**	**25,30,73,435**
Profit after tax for the year		**54,48,11,796**	**50,54,30,566**
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		10,93,949	1,60,831
(ii) Income tax relating to items that will not be reclassified to profit or loss		(3,78,594)	(55,660)
B (i) Items that will be reclassified to profit or loss		(1,51,23,773)	1,09,61,101
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Total Other Comprehensive Income for the year		**(1,44,08,418)**	**1,10,66,272**
Total Comprehensive Income for the year		**53,04,03,378**	**51,64,96,838**
Profit /(Loss) attributable to :			
(a) Owners of Alphageo (India) Limited		54,48,91,774	50,54,30,566
(b) Non- Controlling Interest		(79,978)	-
Other Comprehensive Income			
(a) Owners of Alphageo (India) Limited		(1,44,08,418)	1,10,66,272.
(b) Non- Controlling Interest		-	-
Total Comprehensive Income for the year			
(a) Owners of Alphageo (India) Limited		53,04,83,356	51,64,96,838
(b) Non- Controlling Interest		(79,978)	-
Earnings per share (Face value of ₹10 each)			
(a) Basic	37	86.05	87.34
(b) Diluted	37	86.05	85.74

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board

For **MAJETI & CO.**
Chartered Accountants
Firm's registration number: 015975S

Dinesh Alla
Chairman And Managing Director

Savita Alla
Joint Managing Director

Kiran Kumar Majeti
Partner
Membership number: 220354

Venkatesa Perumallu Pasumarthy
Chief Financial Officer

Deepa Dutta
Company Secretary

Hyderabad
May 18, 2018

Hyderabad
May 18, 2018

Consolidated Statement of Changes in Equity

for the year ended March 31, 2018

a. Equity share capital

(All amounts in Indian Rupees)

Paid up Equity Share capital	Note No.	No of Shares	Amount
Paid up Equity Share capital		56,34,767	5,63,47,670
Amount originally paid up on forfeited shares			1,36,000
As at April 01, 2016		**56,34,767**	**5,64,83,670**
Changes in equity share capital during the year	13	4,85,000	48,50,000
As at March 31, 2017		**61,19,767**	**6,13,33,670**
Changes in equity share capital during the year	13	2,45,000	24,50,000
As at March 31, 2018		**63,64,767**	**6,37,83,670**

b. Other Equity

(All amounts in Indian Rupees)

Particulars	Reserves and surplus				Other Comprehensive Income	Money received against share warrants	Total	Attributable to Equity holders of parent	Non Controlling Interest
	Capital Reserve	Securities Premium	General reserve	Retained earnings					
Balance as at April 01, 2016	1,61,18,047	18,15,04,831	4,00,00,000	68,34,60,480	-	9,37,35,650	101,48,19,008	101,48,19,008	-
Profit for the year	-	-	-	50,54,30,566		-	50,54,30,566	50,54,30,566	-
Remeasurements of defined benefits plan, net of tax	-	-	-	-	1,05,171	-	1,05,171	1,05,171	-
Exchange differences in translating the financial statements of foreign operations	-	-	-	-	(1,09,61,101)		(1,09,61,101)	(1,09,61,101)	-
Total comprehensive income for the year	**1,61,18,047**	**18,15,04,831**	**4,00,00,000**	**118,88,91,046**	**(1,08,55,930)**	**9,37,35,650**	**150,93,93,644**	**150,93,93,644**	**-**
Transactions with owners in their capacity as owners:									
Conversion of shares warrants into equity shares	-	24,42,55,700			-	(6,22,76,425)	18,19,79,275	18,19,79,275	-
Dividend (Including tax on dividend distribution)	-	-	-	(1,36,23,925)	-	-	(1,36,23,925)	(1,36,23,925)	-
Balance as at March 31, 2017	**1,61,18,047**	**42,57,60,531**	**4,00,00,000**	**117,52,67,121**	**(1,08,55,930)**	**3,14,59,225**	**167,77,48,994**	**167,77,48,994**	**-**
Balance as at April 01, 2017	1,61,18,047	42,57,60,531	4,00,00,000	117,52,67,121	(1,08,55,930)	3,14,59,225	167,77,48,994	167,77,48,994	-
Profit for the year	-	-	-	54,48,11,796	-	-	54,48,11,796	54,48,91,774	(79,978)
Inflow from the non-controlling interest	-	-	-	-	-	-	2,60,000	-	2,60,000
Remeasurements of defined benefits plan, net of tax					7,15,355		7,15,355	7,15,355	

Consolidated Statement of Changes in Equity

for the year ended March 31, 2018

b. Other Equity (contd..)

(All amounts in Indian Rupees)

Particulars	Reserves and surplus				Other Comprehensive Income	Money received against share warrants	Total	Attributable to Equity holders of parent	Non Controlling Interest
	Capital Reserve	Securities Premium	General reserve	Retained earnings					
Exchange differences in translating the financial statements of foreign operations	-	-	-	-	(1,51,23,773)	-	(1,51,23,773)	(1,51,23,773)	
Total comprehensive income for the year	**1,61,18,047**	**42,57,60,531**	**4,00,00,000**	**172,00,78,917**	**(2,52,64,348)**	**3,14,59,225**	**220,84,12,372**	**220,82,32,350**	**1,80,022**
Transactions with owners in their capacity as owners:									
Conversion of shares warrants into equity shares		12,33,86,900	-	-	-	(3,14,59,225)	9,19,27,675	9,19,27,675	-
Dividend (Including tax on dividend distribution)	-	-	-	(3,06,41,935)	-	-	(3,06,41,935)	(3,06,41,935)	-
Balance as at March 31, 2018	**1,61,18,047**	**54,91,47,431**	**4,00,00,000**	**168,94,36,982**	**(2,52,64,348)**	**-**	**226,96,98,112**	**226,95,18,090**	**1,80,022**

The accompanying notes are an integral part of the financial statements

Nature and purpose of reserves

(i) Capital reserve:

Represents money received on warrents forfeited for failure in compliance with terms of issue.

(ii) Securities premium :

Represents premium received on issue of securities,mandatorily to be utilised in accordance with the provisions of the Companies Act, 2013.

(iii) General Reserve:

General reserve, created out of profits of the company, will be utilised for meeting future contingencies and losses if any.

As per our report of even date

For **MAJETI & CO.**
Chartered Accountants
Firm's registration number: 015975S

Kiran Kumar Majeti
Partner
Membership number: 220354

Hyderabad
May 18, 2018

For and on behalf of the Board

Dinesh Alla
Chairman And Managing Director

Savita Alla
Joint Managing Director

Venkatesa Perumallu Pasumarthy
Chief Financial Officer

Deepa Dutta
Company Secretary

Hyderabad
May 18, 2018

Consolidated Statement of Cash Flows
for the year ended March 31, 2018

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash flow from operating activities		
Profit before tax	85,25,90,798	75,85,04,001
Adjustments for:		
Depreciation and amortisation expense	33,92,81,154	23,72,00,496
Unrealised foreign exchange gain(net)	(4,384)	(24,42,879)
Bad debts written off	1,97,89,567	81,13,078
Interest income	(1,27,45,297)	(73,64,810)
Dividend income	-	(5,92,855)
Finance costs	3,45,56,646	2,17,13,628
Remeasurements of defined benefit plan	7,15,355	1,05,171
(Profit) on sale of Property, plant and equipment (net)	(3,58,715)	(85,46,373)
Book deficit on assets discarded	-	97,674
Operating profit before working capital changes	**123,38,25,124**	**100,67,87,131**
Change in operating assets and liabilities		
Trade receivables and other assets	(33,05,01,497)	(112,47,96,929)
Inventories	18,66,571	(96,28,607)
Trade payables, other liabilities and provisions	9,17,75,196	50,64,85,250
Cash generated from operating activities	**99,69,65,394**	**37,88,46,845**
Income tax paid	(40,69,87,356)	(19,18,31,410)
Net cash generated from operating activities	**58,99,78,038**	**18,70,15,435**
Cash flows from investing activities		
Purchase of property, plant and equipment	(52,49,76,744)	(58,53,16,958)
Proceeds from disposal of property, plant and equipment	4,86,982	1,31,46,167
Loan given (net)	(5,60,25,411)	-
Change in bank balances (having original maturity of more than three months) (net)	(3,07,57,717)	(4,68,48,117)
Interest received	1,12,39,258	43,11,531
Dividend received	-	5,92,855
Net cash (outflow) from investing activities	**(60,00,33,632)**	**(61,41,14,522)**

Consolidated Statement of Cash Flows

for the year ended March 31, 2018

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash flows from financing activities		
Proceeds from issue of securities including premium	9,43,77,675	18,68,29,275
Proceeds/(repayment) of finance lease obligation (net)	(48,46,125)	87,30,898
Proceeds/(repayment) of current borrowing (net)	(1,16,06,039)	44,89,76,370
Finance costs paid	(3,46,19,760)	(2,16,22,994)
Dividend and dividend tax paid	(3,06,41,935)	(1,36,23,925)
Proceeds from issue of shares by a subsidiary to minority shareholders	2,60,000	-
Net cash inflow from financing activities	**1,29,23,816**	**60,92,89,624**
Net increase in cash and cash equivalents	28,68,222	18,21,90,537
Exchange difference on translation of foreign currency cash and cash equivalents	4,384	6,60,754
Effect of foreign currency translations on consolidation	5,84,981	(41,26,778)
Cash and cash equivalents at the beginning of the year	21,62,25,258	3,75,00,745
Cash and cash equivalents at end of the year	**21,96,82,845**	**21,62,25,258**

The accompanying notes are an integral part of the financial statements

Notes:

1. The Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7)- Statement of Cash Flows.
2. Previous year figures have been regrouped /reclassified to conform to current year classification.
3. Figures in brackets represents outflows.
4. Taxes paid are treated as arising from operating activities.

As per our report of even date

For **MAJETI & CO.**
Chartered Accountants
Firm's registration number: 015975S

Kiran Kumar Majeti
Partner
Membership number: 220354

Hyderabad
May 18, 2018

For and on behalf of the Board

Dinesh Alla
Chairman And Managing Director

Savita Alla
Joint Managing Director

Venkatesa Perumallu Pasumarthy
Chief Financial Officer

Deepa Dutta
Company Secretary

Hyderabad
May 18, 2018

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

1. Corporate Information

1.1 Alphageo (India) Limited (the Company or AGIL or Parent Company) is a public limited Company incorporated under the provisions of erstwhile Companies Act, 1956 having its registered office at Hyderabad in the state of Telangana, India. The Equity Shares of the Company are listed with Stock Exchanges in India viz., BSE Limited, Mumbai and the National Stock Exchange of India Limited, Mumbai.

1.2 The Consolidated financial statements comprise of financial statements of Alphageo (India) Limited ('the Company' or 'the Holding Company or Parent Company) and its subsidiaries listed below considered for consolidation (collectively, "the Group") for the year ended March 31, 2018:

Name of the Entity	Country of Incorporation	Extent of holding	
		As on 31.03.2018	As on 31.03.2017
Alphageo International Limited	Dubai	100%	100%
Alphageo DMCC	Dubai	100%	100%
Alphageo Marine Services Private Ltd	India	74%	-

1.3 The Group is providing Seismic data acquisition, processing and interpretation services for hydrocarbons to Oil Exploration and Production Entities, Research Institutions etc.,

1.4 The Consolidated financial statements for the year ended March 31, 2018 were approved by the Board of Directors and authorised for issue on May 18, 2018.

2. Basis of Preparation of consolidated financial statements

The consolidated financial statements have been prepared as a going concern on accrual basis of accounting. The Group has adopted historical cost basis for assets and liabilities except for certain items which have been measured on a different basis and such basis is disclosed in the relevant accounting policy. The consolidated financial statements are presented in Indian Rupees (INR).

Compliance with Ind AS

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The consolidated financial statements up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These consolidated financial statements are the first consolidated financial statements of the Group under Ind AS. Note 33 explains, how the transition from previous GAAP to Ind AS was carried out in accordance with Ind AS 101 First- Time Adoption of Indian Accounting Standards with the date of transition as April 01, 2016 and the effect of transition on Group's financial position, financial performance and cash flows.

Current and non-current classification

All assets and liabilities have been classified as current or non-current as per Group's operating cycle and other criteria set out in Schedule-III of the Companies Act 2013. Based on the nature of business, the Group has ascertained its operating cycle as 12 months for the purpose of Current or non-current classification of assets and liabilities.

An asset is classified as current if:

(i) It is expected to be realised or sold or consumed in the Group's normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is expected to be realized within twelve months after the reporting period; or

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(iv) It is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current if:

(i) It is expected to be settled in normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is expected to be settled within twelve months after the reporting period;

(iv) It has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non -current only.

2.1 Significant Accounting Policies

The significant accounting policies adopted in the preparation of these consolidated financial statements are detailed hereafter. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2018

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the group and will be deconsolidated from the date the control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

The financial statements of each of the subsidiaries used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended on March 31.

Non-controlling interests (NCI)

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of profit and loss, Consolidated Statement of changes in equity and Consolidated Balance Sheet respectively

2.3 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chairman & Managing Director has been identified as the Chief Operating Decision Maker. Refer Note 34 for the segment information presented.

2.4 Foreign currency transactions

a) Functional and presentation currency

The consolidated financial statements are presented in Indian rupee (INR), which is functional and presentation currency of the Parent Company

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency, using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

c) Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

2.5 Use of estimates, assumptions and judgements

The preparation of consolidated financial statements in conformity with Ind AS requires to make estimates and assumptions and judgements that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

Following are the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

The areas involving critical estimates or judgements are:

- Estimated useful life of tangible asset – Note 2.8
- Estimation of defined benefit obligation – Note 15
- Estimation of expected credit loss on financial assets – Note 29

2.6 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, service tax, goods and service tax (GST) and amounts collected on behalf of third parties.

Revenue is recognised when the amount of revenue can be reliably measured: probable that future economic benefits will flow to the entity and specific criteria for each of the activities as described below has been met.

Sale of Services - Recognition & Measurement

Revenue recognition is based on the terms and conditions as per the contracts entered into / understanding with the customers. All revenues from services, rendered, are recognised when persuasive evidence of an arrangement exists, the consideration is fixed or determinable and collectability is reasonably assured. Revenue is reported net of incentives, discounts based on the terms of the contract and applicable indirect taxes.

Liquidated damages and penalties are accounted as per the contract terms wherever there is a delay / default attributable to the group and when there is a reasonable certainty with which the same can be estimated.

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for the year ended March 31, 2018

Dividend Income

Dividend income on investments is accounted for when the right to receive the same is established. Dividend income is included in Other Income in the Statement of Profit and Loss.

Interest Income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

2.7 Leases

As a lessee

Leases of property, plant and equipment where the group, as lessee, has substantially owns all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding lease obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

2.8 Property, Plant and Equipment

i) Recognition and measurement

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the initial estimate of the costs if any of dismantling and removing the item and restoring the site on which it is located. Items such as spares are capitalized when they meet the definition of property, plant and equipment. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Likewise, expenditure towards major inspections and overhauls are identified as a separate component and depreciated over the expected period till the next overhaul expenditure.

ii) Subsequent expenditure

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance/life. All other expenses on existing property, plant and equipment, including day-today repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

iii) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefit is expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is recognised in profit and loss in the period the item is derecognised.

iv) Depreciation expense

Depreciation is charged on straight line basis so as to write off the depreciable amount of the asset over the useful lives specified in Schedule II to the Act. The useful life of the assets is periodically reviewed and re-determined based on a technical evaluation and expected use. In case of revision in useful life of an asset, the unamortised depreciable amount is charged over the remaining useful life of such asset. The cases, where the useful life of assets so determined, considering the nature of the asset, estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc., different from the useful life as specified under Part C of Schedule II of the Act as given below:

Nature of Asset	Useful Life
Machinery in the nature of Geophone strings and cables	5 Years
Machinery in the nature of equipment used for Seismic Survey	5 Years
Machinery in the nature of Vibrators used for Seismic Survey	20 Years

The group reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

2.9 Intangible assets and amortisation

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Nature of Asset	Useful Life
Software	3 Years

The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.10 Financial Instruments

Classification, initial recognition and measurement

A financial instrument is any contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. Financial instruments are recognized on the balance sheet when the group becomes a party to the contractual provisions of the instrument.

(i) Financial Assets

Classification:

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

At initial recognition

The Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

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for the year ended March 31, 2018

Subsequent measurement - Debt instruments

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

i. **At amortised cost:**

Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently, these are measured at amortized cost using the effective interest method less any impairment losses.

ii. **At fair value through other comprehensive income (FVOCI):**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payment of principle and interest on the principle amount outstanding and selling financial assets.

iii. **At fair value through profit or loss (FVTPL):**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in profit or loss.

Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the group has elected to present the value changes in 'Other Comprehensive Income'.

Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the group's cash management.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(ii) Financial liabilities

Classification, initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Trade and other payables

Trade and other payables represent liabilities for goods and services prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Derecognition of financial instruments

The group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On de-recognition of a financial asset the difference between the carrying amount and the consideration received is recognised in the statement of profit and loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. On de-recognition of a financial liability the difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

2.11 Impairment of Assets

Financial assets

The Group assesses at each date of balance sheet impairment if any of a financial asset or a group of financial assets . The group uses, in accordance with Ind AS 109, 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL). Expected credit losses are measured through a loss allowance at an amount equal to: The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables:

Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets:

Group uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

Non-financial assets

Property, Plant and Equipment and Other intangible assets with finite life are evaluated for recoverability when there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount and impairment loss is recognised in the profit or loss.

2.12 Equity instruments

An equity instrument is any contract that evidences residual interests in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

2.13 Borrowing costs

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to make it ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

2.14 Inventories

Stock of Stores and spares is valued at lower of cost and net realisable value. Cost is determined considering the cost of purchase and other costs incurred for acquisition and on the basis of first in first out method (FIFO). Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.

2.15 Tax expenses

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the local tax laws existing in the respective countries.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are recognised in other comprehensive income or directly in equity, respectively.

Current tax assets and current tax liabilites are presented in the statement of financial position after off-setting taxes paid or deemed to be paid and current income tax expenses for the year arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax asset is recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is probable evidence that the Group will pay normal income tax after the tax holiday period.

Deferred tax assets and liabilities are offset when it relates to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

The Group recognised interest related to income tax in interest expenses.

2.16 Provisions, contingent liabilities and contingent asset

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as other finance expense.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the group or a present obligation that Is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measures reliably. The group does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent assets is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

2.17 Employee benefits

(i) Short term employee benefit obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long term employee benefit obligations

The liabilities for accumulating compensated absences not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are measured at the present value of expected future payments to be made in respect of services provided using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The group operates the following post-employment schemes:

(a) Defined benefit plans - gratuity and;

(b) Defined contribution plans - provident fund and state insurance plans.

(a) Defined benefit plans-Gratuity obligations

The liability recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan

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assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in Other Comprehensive Income in the statement of changes in equity and other equity in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

(b) Defined contribution plans

Contributions to Defined contribution plans are recognised as employee benefit expenses and charged to Statement of Profit and Loss

2.18 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, and not distributed on or before the end of the reporting period. Proposed dividend is recognised as a liability in the period in which it approved by shareholders in a general meeting or paid in which it is paid

2.19 Earnings per share

Basic earnings per share are calculated by dividing the profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For calculating diluted earnings per share, the profit or loss after tax for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.20 Recent accounting pronouncements

Ind AS 115- Revenue from Contract with Customers:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

  The group will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.

Ind AS 21-The effect of changes in exchange rates:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 01, 2018. The effect on adoption of Ind AS 21 is expected to be insignificant.

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Note 3: Property, plant and equipment

(All amounts in Indian Rupees)

Particulars	Freehold Land	Freehold Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Electrical Fittings	Data processing Equipment	Total	Capital work-in-progress
Year ended March 31, 2017										
Gross carrying value										
Deemed Cost as at April 01, 2016	2,19,08,666	14,46,800	2,00,00,27,519	19,58,332	1,31,78,961	1,10,18,527	4,05,342	28,93,279	2,05,28,37,426	1,04,23,714
Additions	-	-	78,39,19,142	8,11,060	1,62,99,333	42,83,502	6,68,411	62,71,917	81,22,53,365	-
Disposals	-	-	1,18,50,292	-	8,23,353	2,26,032	-	19,53,527	1,48,53,204	-
Adjustments	-	-	(1,30,18,718)	-	-	(49,089)	-	(4,185)	(1,30,71,992)	-
Gross carrying value as at March 31, 2017	2,19,08,666	14,46,800	2,75,90,77,651	27,69,392	2,86,54,941	1,50,26,908	10,73,753	72,07,484	2,83,71,65,595	1,04,23,714
Accumulated depreciation										
Accumulated depreciation as at April 01, 2016	-	2,57,467	1,25,68,12,751	14,06,555	99,79,782	79,17,233	1,42,411	16,95,637	1,27,82,11,836	-
Depreciation charge for the year	-	51,970	22,70,62,285	1,80,748	16,39,837	10,13,000	1,12,241	14,79,390	23,15,39,471	-
Disposals	-	-	73,02,966	-	7,82,186	2,14,730	-	18,55,853	1,01,55,735	-
Adjustments	-	-	(62,04,066)	-	-	(35,101)	-	(2,499)	(62,41,666)	-
Accumulated depreciation as at March 31, 2017	-	3,09,437	1,47,03,68,004	15,87,303	1,08,37,433	86,80,402	2,54,652	13,16,675	1,49,33,53,906	-
Net carrying value as at March 31, 2017	**2,19,08,666**	**11,37,363**	**1,28,87,09,647**	**11,82,089**	**1,78,17,508**	**63,46,506**	**8,19,101**	**58,90,809**	**1,34,38,11,689**	**1,04,23,714**
Net carrying value as at April 1, 2016	**2,19,08,666**	**11,89,333**	**74,32,14,768**	**5,51,777**	**31,99,179**	**31,01,294**	**2,62,931**	**11,97,642**	**77,46,25,590**	**1,04,23,714**
Year Ended March 31, 2018										
Gross carrying Value	2,19,08,666	14,46,800	2,75,90,77,651	27,69,392	2,86,54,941	1,50,26,908	10,73,753	72,07,484	2,83,71,65,595	1,04,23,714
Gross Carrying Value as at April 01, 2017	-	-	10,72,58,448	1,43,292	-	19,54,642	38,696	17,81,271	11,11,76,349	-
Additions	-	-	17,99,687	-	-	6,751	-	575	18,07,013	-
Disposals	-	-	(17,46,954)	-	-	-	-	-	(17,46,954)	-
Gross carrying value as at March 31, 2018	2,19,08,666	14,46,800	2,86,63,88,832	29,12,684	2,86,54,941	1,69,88,301	11,12,449	89,89,330	2,94,84,02,003	1,04,23,714
Accumulated depreciation										
Accumulated depreciation at April 01, 2017	-	3,09,437	1,47,03,68,004	15,87,303	1,08,37,433	86,80,402	2,54,652	13,16,675	1,49,33,53,906	-
Depreciation charge for the year	-	51,969	31,03,41,034	1,45,632	26,41,492	16,64,108	1,86,050	26,26,355	31,76,56,640	-
Adjustments	-	-	1,75,33,250	-	-	5,706	-	17,572	1,75,56,528	-
Disposals	-	-	(16,18,687)	-	-	-	-	-	(16,18,687)	-
Accumulated depreciation as at March 31, 2018	-	3,61,406	1,79,66,23,601	17,32,935	1,34,78,925	1,03,50,216	4,40,702	39,60,602	1,82,69,48,387	-
Net carrying value as at March 31, 2018	**2,19,08,666**	**10,85,394**	**1,06,97,65,231**	**11,79,749**	**1,51,76,016**	**66,38,085**	**6,71,747**	**50,28,728**	**1,12,14,53,616**	**1,04,23,714**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

Note 3(a): Property, plant and equipment

i) Vehicles includes the following amounts where the company has taken on finance lease are provided as security to the finance lease obligation - Refer Note :32

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Cost	1,62,99,333	1,62,99,333	-
Accumulated Depreciation	28,18,406	8,82,860	-
Net Carrying Value	**1,34,80,927**	**1,54,16,473**	**-**

Note 3(b): Refer Note 38 for information on Property plant and equipment provided as security by the company.

Note 4: Intangible assets (Acquired)

(All amounts in Indian Rupees)

Particulars	Computer Softwares
Year ended March 31, 2017	
Deemed cost as at April 01, 2016	20,75,918
Additions	6,46,14,935
Adjustments	(41,768)
Gross carrying value as at March 31, 2017	**6,66,49,085**
Accumulated amortisation	
Accumulated amortisation as at April 01, 2016	18,98,479
Amortisation charge for the year	56,61,025
Adjustments	(37,772)
Accumulated amortisation as at March 31, 2017	75,21,732
Net carrying value as at March 31, 2017	5,91,27,353
Net carrying value as at April 1, 2016	1,77,439
Year ended March 31, 2018	
Gross carrying value as at April 01, 2017	6,66,49,085
Adjustments	33,391
Gross carrying value as at March 31, 2018	**6,66,82,476**
Accumulated amortisation	
Accumulated amortisation as at April 01, 2017	75,21,732
Amortisation charge for the year	2,16,24,514
Adjustments	(7,370)
Accumulated depreciation as at March 31, 2018	**2,91,38,876**
Net carrying value as at March 31, 2018	**3,75,43,600**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

Note 5: Deferred tax asset

The balance comprises tax effect on temporary differences attributable to:

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Fiscal allowances on property, plant and equipment and intangible assets	6,40,49,574	4,26,30,256	5,65,14,553
Expenses allowable on the basis of Payment	46,87,339	32,75,577	24,01,244
TAX Credit Entitlement	-	-	3,09,08,376
Net deferred tax Asset	**6,87,36,913**	**4,59,05,833**	**8,98,24,173**

Movement in Deferred tax Assets

(All amounts in Indian Rupees)

Particulars	Property, plant and equipment	Expenses allowable on the basis of Payment	Tax Credit Entitlement / (Utilisation)	Total
As at April 01, 2016	5,65,14,553	24,01,244	3,09,08,376	8,98,24,173
Charged/(credited):				
- to profit or loss	(1,38,84,297)	9,29,993	(3,09,08,376)	(4,38,62,680)
- to other comprehensive income	-	(55,660)	-	(55,660)
As at March 31, 2017	**4,26,30,256**	**32,75,577**	**-**	**4,59,05,833**
Charged/(credited):				
- to profit or loss	2,14,19,318	17,90,356	-	2,32,09,674
- to other comprehensive income	-	(3,78,594)		(3,78,594)
As at March 31, 2018	**6,40,49,574**	**46,87,339**	**-**	**6,87,36,913**

Note 6 : Other Assets

i) Other non-current assets

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Capital advances	-	-	6,26,846
Advances other than capital advances:			
Security deposits	11,79,959	11,80,679	3,15,679
Pre-paid expenses	24,46,262	1,39,67,176	34,662
Total other non-current assets	**36,26,221**	**1,51,47,855**	**9,77,187**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

Note 6 : Other Assets (contd..)

ii) Other current assets

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Balances with government authorities	-	4,72,09,764	-
Security deposits	84,50,000	-	9,419
Prepaid expenses	1,67,83,317	1,45,99,598	80,10,651
Advances to suppliers	14,73,565	24,35,482	18,80,198
Other receivable	7,64,425	3,63,687	52,54,996
Total other current assets	**2,74,71,307**	**6,46,08,531**	**1,51,55,264**

Note 7: Inventories (Valued at Lower of cost and net realisable value)

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Stores and spares	99,80,216	1,18,46,787	22,18,180
Total inventories	**99,80,216**	**1,18,46,787**	**22,18,180**

Note 7(a): inventories held by the parent company are hypothecated with banks where working capital financing is sanctioned. (Refer Note :38)

Note 8: Trade receivables

i) Non Current

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(Unsecured, considered good)			
Trade receivables	-	-	5,94,55,243
Total trade receivables	**-**	**-**	**5,94,55,243**

ii) Current

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(Unsecured, considered good)			
Trade receivables	195,96,63,486	160,02,92,698	48,63,37,904
Total trade receivables	**195,96,63,486**	**160,02,92,698**	**48,63,37,904**

Note 8(a):Trade receivables of the parent company are hypothecated with banks where working capital financing is sanctioned.(Refer Note :38)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

Note 9: Cash and cash equivalents

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Balances with banks			
-in Current accounts	21,37,05,614	21,45,74,606	3,69,85,722
-Deposit with maturity of less than 3 months	48,63,786	-	-
Cash on hand	11,13,445	16,50,652	5,15,023
Total cash and cash equivalents	**21,96,82,845**	**21,62,25,258**	**3,75,00,745**

Note 10: Bank balances other than cash and cash equivalents

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Earmarked Balances with banks* (Refer Note:16.1)	16,53,029	13,09,208	12,92,234
Margin money deposits with banks (Refer Note- 38)	16,72,77,035	13,50,13,279	8,51,11,883
Total Bank balances other than cash and cash equivalents	**16,89,30,064**	**13,63,22,487**	**8,64,04,117**

Note10(a) : Margin Money Deposits includes ₹14,31,77,035/- (March 31,2017 ₹10,62,54,823/- and April 01, 2016 ₹7,00,06,706/-) pledged / lien against bank guarantees issued by the Bank. Further, ₹2,41,00,000/- (March 31,2017 ₹2,41,00,000/- and April 01, 2016 ₹1,35,00,000/-) pledged / lien against working capital loans.

* Earmarked Balances represents unclaimed dividend

Note 11: Loans

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured, considered good			
Loans given	5,60,25,411	-	-
Total Loans	**5,60,25,411**	**-**	**-**

Note 12 : Current tax assets (net)

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Prepaid Income taxes (net of provision of ₹32,65,00,000/-)	5,62,07,148	-	-
Total current tax assets (net)	**5,62,07,148**	**-**	**-**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

Note 13 : Equity share capital

(All amounts in Indian Rupees)

Authorised :	**Number of shares**	**Amount**
As at April 01, 2016	1,00,00,000	10,00,00,000
Change during the year	-	-
As at March 31, 2017	1,00,00,000	10,00,00,000
Change during the year	-	-
As at March 31, 2018	**1,00,00,000**	**10,00,00,000**

(All amounts in Indian Rupees)

Issued :	**Number of shares**	**Amount**
As at April 01, 2016	56,46,167	5,64,61,670
Change during the year (Refer note below)	4,85,000	48,50,000
As at March 31, 2017	**61,31,167**	**6,13,11,670**
Change during the year (Refer note below)	2,45,000	24,50,000
As at March 31, 2018	**63,76,167**	**6,37,61,670**

Issue of Share Warrants:

7,30,000 Warrants were issued and allotted to Promoter and Promoter Group on preferential basis at an issue price of ₹ 513.62 per warrant on 26.11.2015. The allottees paid the amount as per the terms of the issue.4,85,000 Warrants were converted into equity shares during 2016 -17 and 2,45,000 Warrants were converted into equity shares during 2017 -18.

Subscribed and paid up :

(All amounts in Indian Rupees)

Issued :	**Number of shares fully paid up**	**Amount**
Paid up Equity Share Capital	56,34,767	5,63,47,670
Amount originally paid up on forfeited shares		1,36,000
As at April 01, 2016	56,34,767	5,64,83,670
Change during the year	4,85,000	48,50,000
As at March 31, 2017	**61,19,767**	**6,13,33,670**
Change during the year	2,45,000	24,50,000
As at March 31, 2018	**63,64,767**	**6,37,83,670**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

Note 13 : Equity share capital (contd..)

Terms and rights attached to equity shares

The Company has only one class of equity shares having face value of INR 10 per share. The Company declares and pays dividends in Indian rupees. In the event of liquidation of the company, the holders of equity shares are entitled to receive remaining assets of the company, after distribution of all preferential amounts, in proportion to the number of equity shares held by them. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Details of shareholders holding more than 5% shares in the company

(All amounts in Indian Rupees)

Particulars	Dinesh Alla	Savita Alla	Aquila Drilling Private Limited
As at April 01, 2016			
Number of shares	5,30,974	2,41,458	2,79,906
% holding	9.42%	4.29%	4.97%
As at March 31, 2017			
Number of shares	7,64,974	3,91,458	3,05,906
% holding	12.50%	6.40%	4.99%
As at March 31, 2018			
Number of shares	8,60,974	3,91,458	4,59,906
% holding	13.53%	6.15%	7.23%

Note 14: Borrowings

i) Non-current borrowing

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(Secured)			
Finance lease obligation (Refer Note :32)	38,84,773	87,30,898	-
Less: Current maturities of finance lease obligation	30,21,658	48,46,125	-
Non-current borrowings	**8,63,115**	**38,84,773**	**-**

Note 14(a): Lease obligations are secured by the assets financed through the lease arrangements and are repayable in the equal monthly instalments over a period of 2-3 years and carry a finance charge of 8.87% - 10.63%.

ii) Current borrowings

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Secured - Payable on demand			
From Banks (Refer Note: 38)	36,03,51,962	39,29,33,594	2,40,10,484
Secured - Fixed Term			
From Banks	10,10,28,853	8,00,53,260	-
Total Current Borrowings	**46,13,80,815**	**47,29,86,854**	**2,40,10,484**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

Note 15: Borrowings (contd..)

Note 14(b) : The above loans are secured (primary) by the First charge (Pari -passu) on entire current assets of the company and further secured by the First charge (Pari -passu) on all the fixed assets of the company both present and future. These loans are further, secured by equitable mortgage of certain immovable properties belonging to three directors and two of their relatives and their personal guarantees.

Note 14(c) : Rate of interest on the above borrowings is at applicable MCLR plus applicable spread i.e 2 %- 2.75 % in terms of sanction of respective banks.

Note 15: Provisions

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Employee Benefit Obligations (Refer Note below)			
Current			
Retirement benefits	9,28,630	3,64,060	1,82,187
Other benefits	10,26,000	12,16,449	10,71,372
Total	**19,54,630**	**15,80,509**	**12,53,559**
Non-Current			
Retirement benefits	17,96,062	12,35,433	9,22,363
Other benefits	1,05,91,798	79,79,860	49,44,672
Total	**1,23,87,860**	**92,15,293**	**58,67,035**

Note 15(a):

(i) Defined Contribution plans

Employer's Contribution to Provident Fund: Contributions are made to provident fund for entitled employees at the prescribed rate as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Employer's Contribution to State Insurance Scheme: Contributions are made to Employee State Insurance Corporation under State Insurance Scheme for entitled employees at the prescribed rate . The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017
Employer's Contribution to Provident Fund	48,78,730	35,51,402
Employer's Contribution to ESI	3,56,333	1,47,609

(ii) Defined Benefits plans

Post-employment obligations- Gratuity

The company provides for gratuity payments to employees as per the payment of Gratuity Act, 1972. The amount of gratuity payable on retirement/termination based on the employees last drawn basic salary per month and the number of years of services with the company.

Effective October 01, 2010 the company established Alphageo India Limited employee group gratuity trust to administered the gratuity obligations in respective of employee other than Whole time directors of the company. The gratuity plan is funded through group gratuity accumulation plan of Life insurance corporation of India.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

Note 15: Provisions (contd..)

A) Reconciliation of opening and closing balances of Defined Benefit Obligation

(All amounts in Indian Rupees)

Particulars	Gratuity (Funded)	
	As at March 31, 2018	As at March 31, 2017
Defined Benefit Obligation at beginning of the year	1,04,74,856	82,18,640
Current Service Cost	13,15,066	10,55,682
Interest Cost	8,32,608	6,57,491
Actuarial Loss for the year	5,35,777	6,21,305
Benefits Paid	(1,34,510)	(78,262)
Defined Benefit Obligation at year end	1,30,23,797	1,04,74,856

B) Reconciliation of opening and closing balances of fair value of Plan Assets

(All amounts in Indian Rupees)

Particulars	Gratuity (Funded)	
	As at March 31, 2018	As at March 31, 2017
Fair value of Plan Assets at beginning of year	88,75,363	71,14,090
Expected Return on Plan Assets	7,58,948	5,88,665
Employer Contribution	13,57,476	7,90,396
Actuarial (Loss)/ gain for the year	(5,58,172)	4,60,474
Benefits Paid	(1,34,510)	(78,262)
Fair value of Plan Assets at year end	1,02,99,105	88,75,363

C) Reconciliation of fair value of Assets and Obligations

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017
Fair value of Plan Assets	1,02,99,105	88,75,363
Present value of defined benefit obligation	1,30,23,797	1,04,74,856
Amount recognised in Balance Sheet [Surplus/(Deficit)]	(27,24,692)	(15,99,493)
Current	9,28,630	3,64,060
Non current	17,96,062	12,35,433

D) Expenses recognised during the year

(All amounts in Indian Rupees)

Particulars	Gratuity (Funded)	
	As at March 31, 2018	As at March 31, 2017
In Income Statement		
Current Service Cost	13,15,066	10,55,682
Interest Cost	8,32,608	6,57,491
Return on Plan Assets	(7,58,948)	(5,88,665)
Net Cost	**13,88,726**	**11,24,508**
In Other Comprehensive Income		
Actuarial (Gain) / Loss	10,93,949	1,60,831
Net expense for the year recognised in OCI	**10,93,949**	**1,60,831**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

Note 15: Provisions (contd..)

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017
Discount rate	8%	8%
Salary growth rate	4%	4%
Withdrawl rate	4%	4%
Retirement Age	58	58
Average Balance Future Services	23	NA
Mortality Table(L.I.C)	2006-08	2006-08

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018
Defined Benefit Obligation	1,30,23,797
Discount rate:(% change compared to base due to sensitivity)	
Increase : +1%	1,23,49,963
Decrease: -1%	1,37,78,439
Salary Growth rate:(% change compared to base due to sensitivity)	
Increase : +1%	1,37,03,050
Decrease: -1%	1,23,92,050
Withdrawl rate:(% change compared to base due to sensitivity)	
Increase : +1%	1,31,89,533
Decrease: -1%	1,28,38,235

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as and when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The plans assets are as follows:

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017
Fund Managed by Insurers	100%	100%
	100%	100%

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

Note 15: Provisions (contd..)

Defined benefit liability and employer contributions

The Company has purchased insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company. The company considers that the contribution rate set at the last valuation date is sufficient to eliminate the deficit over the agreed period and that regular contributions, which are based on service costs will not increase significantly.

The weighted average duration of the defined benefit obligation is 9.42 years. The expected cash flows over the next years, which will be met out of planned assets, is as follows:

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018
Defined benefit obligation-gratuity	
Less than a year	21,78,447
Between 2-5 years	63,98,992
Above 5 years	58,58,822

Risk Management

The Significant risks the company has in administering defined benefit plans are :

Interest Rate Risk: This may arise from volatility in asset values due to market fluctuations and impairment of assets due to credit losses. These Plans primarily invest in debt instruments such as Government securities and highly rated corporate bonds – the valuation of which is inversely proportional to the interest rate movements.

Salary Cost Inflation Risk: The present value of the Defined Benefit Plan liability is calculated with reference to the future salaries of participants under the Plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

Note 16: Other Financial liabilities

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current			
Current maturities of finance lease obligations	30,21,658	48,46,125	-
Interest accrued	27,520	90,634	-
Unpaid dividend (Refer Note:16.1)	16,53,029	13,09,208	12,92,234
Capital creditors	98,17,901	42,36,18,296	13,26,93,800
Employee benefits payable	10,10,63,358	1,98,41,365	68,65,380
Creditors for expenses	1,45,97,027	2,23,49,062	86,58,429
Total other financial liabilities	**13,01,80,493**	**47,20,54,690**	**14,95,09,843**

Note 16.1 : Unpaid dividend account represents the dividend not claimed by the shareholders and there is no amount due and outstanding to be credited to Investor Education and Protection Fund

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

Note 17: Other current liabilities

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Security Deposits	47,97,200	-	-
Statutory Liabilities	9,04,52,872	2,08,18,536	83,82,818
Total other current liabilities	**9,52,50,072**	**2,08,18,536**	**83,82,818**

Note 18: Current tax liabilities (net)

(All amounts in Indian Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current Income tax (Net of Prepaid taxes : March 31, 2018: Nil,March 31, 2017 : ₹18,57,79,874/-, April 01, 2016 : ₹1,83,53,559/-)	-	2,01,70,126	28,46,441
Total current tax liabilities (net)	**-**	**2,01,70,126**	**28,46,441**

Note 19: Revenue from operations

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Seismic Survey and related service income	429,43,69,462	305,89,34,157
Total revenue from operations	**429,43,69,462**	**305,89,34,157**

Note 20: Other income

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest income from financial assets at amortised cost	1,27,45,297	73,64,810
Dividend income from investments mandatorily measured at FVTPL	-	5,92,855
Profit on sale of Property, plant & equipment	3,58,715	85,46,373
Net gain on foreign currency transactions and translations	1,11,950	50,76,701
Other non-operating income	62,56,537	3,78,878
Total other income	**1,94,72,499**	**2,19,59,617**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

Note 21: Survey and survey related expenses

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Consumption of stores	1,44,36,129	2,87,32,139
Survey and drilling charges	226,40,63,797	149,46,68,032
Fuel	11,49,06,723	6,21,34,527
Vehicle hire charges	6,52,56,801	4,25,20,162
Equipment hire charges	14,16,391	13,28,329
Repairs to machinery	1,91,85,061	1,37,83,555
Camp rental charges	1,22,51,300	1,62,79,169
Technical consultancy charges	9,75,73,346	5,56,33,170
Camp expenses	10,52,12,256	5,30,50,080
Transport and handling charges	98,13,330	1,35,75,132
Other survey expenses	2,42,58,031	61,69,859
Total survey and survey related expenses	**272,83,73,165**	**178,78,74,154**

Note 22: Employee benefits expense

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries, wages, bonus and other allowances (Refer Note : 15(a))	22,24,55,210	16,54,53,736
Contribution to provident fund and other funds	65,79,200	50,01,421
Contribution to ESI	3,56,333	1,47,609
Staff welfare expenses	11,81,278	9,32,433
Total employee benefits expense	**23,05,72,021**	**17,15,35,199**

Note 23: Finance costs

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest and finance charges on financial liabilities carried at amortised cost	3,45,56,646	2,17,13,628
Interest on income tax	-	9,50,000
Other borrowing costs	2,10,10,118	1,88,03,166
Total Finance costs	**5,55,66,764**	**4,14,66,794**

Note 24: Depreciation and amortisation expense

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Depreciation of property, plant and equipment	31,76,56,640	23,15,39,471
Amortisation of intangible assets	2,16,24,514	56,61,025
Total depreciation and amortisation expense	**33,92,81,154**	**23,72,00,496**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

Note 25 :Other expenses

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Rent (Refer note 25 (a) below)	61,66,236	20,65,745
Repairs and maintenance to others	4,49,396	12,81,390
Insurance	53,24,946	37,46,335
Rates and taxes	2,55,67,676	2,19,89,824
Printing and stationery	24,55,677	19,56,269
Communication expenses	29,30,492	27,40,982
Travelling and conveyance	2,26,44,262	1,80,06,808
Payments to Auditors (Refer note 25 (b) below)	20,50,709	26,58,819
Legal, Professional and consultancy charges	44,35,640	1,42,70,076
Book deficit on assets discarded	-	97,674
Directors fees	8,33,194	6,87,651
Bank Charges	11,21,631	11,37,359
Vehicle maintenance	22,13,180	2,60,313
Bad Debts written off (Refer Note 25(c))	1,97,89,567	81,13,078
CSR Expenditure (Refer note 25 (d) below)	23,60,000	5,18,000
Donations	65,470	25,000
Miscellaneous expenses	90,49,983	47,57,807
Total other expenses	**10,74,58,059**	**8,43,13,130**

Note 25(a): Details of Operating Lease

The Company's significant leasing arrangements are in respect of operating leases for office premises. These leasing arrangements which are not non-cancellable range for 3 years and usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as 'Rent' .

Future minimum rentals payable under non-cancellable operating leases are as follows

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
i) Not later than one year	6,49,798	-
ii) Later than one year and not later than five years	1,55,04,818	-
iii) Later than five years	-	-

Note 25(b): Details of payments to auditors

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Payment to auditors		
A) Standalone Auditors		
As Statutory Auditor	7,00,000	6,00,000
As Tax Auditor	-	2,75,000
For Quarterly Reviews	2,50,000	3,00,000
Taxation matters	-	75,000
Other services	20,000	2,80,000
Re-imbursement of expenses	31,600	26,000
B) Subsidiary Auditors		
As Auditor	10,49,109	11,02,819
Total payments to auditors	**20,50,709**	**26,58,819**

Note 25(c): Bad debts written off

The Group, as part of Revenue from operations for the year ended March 31, 2018, in terms of INDAS-18: Revenue, has not recognised ₹ 6,62,76,594/- for Seismic Data acquisition services rendered as revenue for the year due to uncertainty in collectability and flow of economic benefits to the group. On account of the same customer, Receivables due for the year ended March 31, 2017 of ₹ 1,97,89,567/- has been written off as bad debt for the year ended March 31,2018 .

Note 25(d): Details of Corporate Social Responsibility

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Gross Amount required to be spent as per section 135 of the Act	65,84,922	4,72,860
Amount spent during the year on	23,60,000	5,18,000
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above:		
Promoting education	20,60,000	3,68,000
Promoting healthcare	1,00,000	-
For empowering employment skills for youth	2,00,000	1,50,000

Note 26: Tax expense

Analysis of the group's income tax expense, given below explains significant estimates made in to relation to group's tax position and also shows amounts that are recognised directly in equity and the effect of tax expense on account of non-assessable and non-deductible items.

(a) Tax expense

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Current tax		
- to profit or loss		
Current tax on profits for the year	32,97,18,436	20,93,07,152
Income tax adjustments of earlier year	12,70,240	(96,397)
Total current tax expense	**33,09,88,676**	**20,92,10,755**
Deferred tax		
- to profit or loss	(2,32,09,674)	4,38,62,680
- to other comprehensive income	3,78,594	55,660
Total Deferred tax expense/(benefit)	**(2,28,31,080)**	**4,39,18,340**
Income tax expense	30,81,57,596	25,31,29,095
Tax Expenses		
- to profit or loss	30,77,79,002	25,30,73,435
- to other comprehensive income	3,78,594	55,660

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

Note 26: Tax expense (contd..)

(b) Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate:

(All amounts in Indian Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit from operations before tax	85,25,90,798	75,85,04,001
Current tax rate in india	34.608%	34.608%
Tax on profit from operations	29,50,64,623	26,25,03,065
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Taxes paid on presumptive basis	32,18,436	43,07,152
Effect of difference between indian and foreign tax rates and non taxable subsidiaries	49,55,578	(1,01,47,056)
Expenses not allowed for tax purpose	5,53,359	4,67,570
Income not considered for tax purpose	-	(27,95,355)
Effect of differnce in enacted and current tax rate	6,60,932	-
Tax effect on non-taxable income	(2,60,472)	(2,05,175)
Adjustments for tax relating to prior periods	19,67,312	(96,397)
Items considered in OCI and considered in current tax computation	3,78,594	55,660
Others	12,40,639	(10,16,028)
Income tax expenses	**30,77,79,002**	**25,30,73,436**

Note 27: Fair Value Hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Inputs are quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price including within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case with listed instruments where market is not liquid and for unlisted instruments.

Note:

(i) The carrying amounts of trade payables, other financial liabilities, borrowings, cash and cash equivalents, other bank balances, trade receivables and loans are considered to be the same as their fair values due to their short term nature and recoverability from/by the parties.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

Note 28: Categories of Financial Instruments

(All amounts in Indian Rupees)

	Fair Value Hierarchy	Notes	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
			Carrying Value	*Fair Value	Carrying Value	*Fair Value	Carrying Value	*Fair Value
A. Financial assets								
a) Measured at amortised cost								
Cash and cash equivalents	Level -3	9	21,96,82,845	21,96,82,845	21,62,25,258	21,62,25,258	3,75,00,745	3,75,00,745
Other bank balances	Level -3	10	16,89,30,064	16,89,30,064	13,63,22,487	13,63,22,487	8,64,04,117	8,64,04,117
Loans	Level -3	11	5,60,25,411	5,60,25,411	-	-	-	-
Trade receivables	Level -3	8	195,96,63,486	195,96,63,486	160,02,92,698	160,02,92,698	48,63,37,904	48,63,37,904
Total financial assets			**240,43,01,806**	**240,43,01,806**	**195,28,40,443**	**195,28,40,443**	**61,02,42,766**	**61,02,42,766**
B. Financial liabilities								
a) Measured at amortised cost								
Trade payables	Level -3		70,42,45,774	70,42,45,774	76,39,18,760	70,67,63,028	29,99,26,698	29,99,26,698
Borrowings	Level -3	14	46,22,43,930	46,22,43,930	47,68,71,627	47,68,18,367	2,40,10,484	2,40,10,484
Other financial liabilities	Level -3	16	13,01,80,493	13,01,80,493	47,20,54,690	52,92,63,682	14,95,09,843	14,95,09,843
Total financial liabilities			**129,66,70,197**	**129,66,70,197**	**171,28,45,077**	**171,28,45,077**	**47,34,47,025**	**47,34,47,025**

Note 29: Financial Risk Management

The Group's activities expose it to Credit risk, Market risk and Liquidity risk . The Group emphasis on risk management and has an enterprise wide approach to risk management. The Group's risk management and control procedures involve prioritization and continuing assessment of these risks and device appropriate controls, evaluating and reviewing the control mechanism.

(A) Credit Risk:

Credit risk is the risk of financial loss to the Group if a customer to a financial instrument fails to meet its contractual obligations .The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks. Credit risk of the Group is managed at the Group level.

The credit risk related to loans given is influenced mainly by the borrower (Party). The credit risk is managed by the Group by establishing monitoring the credit worthiness of the borrower before it grants loans. As the loan is recovered after the reporting but before signing the financial statements no future allowance has been made in this regard.

The credit risk related to trade receivables is influenced mainly by the individual characteristics of each customer. The credit risk is managed by the Group by establishing credit limits and continuously monitoring the credit worthiness of the customers. The Group is not required to provides for expected credit losses based on the past experience where it believes that there is no probability of default based on credit worthiness of Group customers. In general, all trade receivables are received within 90 days from the date it become due. Financial assets are written off when there is no reasonable expectation of recovery.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

Note 29: Financial Risk Management (contd..)

The ageing analysis of the receivables (gross of provisions) has been considered from the date the invoice :

(All amounts in Indian Rupees)

Particulars	March 31, 2018	March 31, 2017
Up to 90 days	195,96,63,486	144,21,47,769
More than 90 days	-	15,81,44,929

Note:

Significant revenue and receivable is from major public sector companies in oil and gas exploration business with a credit rating of AAA+. As the management is not foreseeing any loss from the parties based on the evaluation of past trend , the carrying value of trade receivable is equal to its fair value and no loss allowance is made.

(B) Market Risk:

Market Risk is the risk that the future value of a financial instrument will fluctuate due to moves in the market factors. The most common types of market risks are interest rate risk and foreign currency risk.

- **Interest Rate Risk**

  Interest rate risk is the risk that the future cash flows or the fair value of a financial instrument will fluctuate because of changes in market interest rates. The Group manages its market interest rates by fixed rate interest . Hence ,the Group is not significantly exposed to interest rate risks .

- **Foreign Currency Risk**

  Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. As the group is not foreseeing significant transaction in other than functional currency the exposure to the foreign currency is minimal.

Unhedged foreign currency exposure as at the reporting date:

(All amounts in Indian Rupees)

Particulars	March 31, 2018			March 31, 2017		
	USD	GBP	Equivalent Amount in INR	USD	GBP	Equivalent Amount in INR
Trade receivable (Receivable for services rendered)	-	-	-	9,55,047	-	6,19,23,901
Balance with banks	24,55,045	-	15,96,86,221	7,44,329	-	4,82,61,225
Payables for services	64,678	-	42,06,922	-	-	-
Capital creditors	-	-	-	58,79,772	35,259	38,40,88,007

(C) Liquidity Risk:

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The group manage its risk from their principle source of reasources such as cash and cash equivalents , cash flows that is generated from operations and other means of borrowings, to ensure, as far as possible , that it will always have sufficient liquidity to meet the liabilities.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

Note 29: Financial Risk Management (contd..)

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date:

(All amounts in Indian Rupees)

Particulars	On Demand	Due in 1st year	Due after 1st year	Total
As At March 31,2018				
Borrowing	36,03,51,962	10,40,50,511	8,63,115	46,52,65,588
Trade and other payable	-	70,42,45,774	-	70,42,45,774
Other financial liabilities	-	12,71,58,835	-	12,71,58,835
As At March 31,2017				
Borrowing	39,29,33,594	8,48,99,385	38,84,773	48,17,17,752
Trade and other payable	-	63,08,52,955	13,30,65,805	76,39,18,760
Other financial liabilities	-	46,72,08,565	-	46,72,08,565

Note 30: Capital Management

The Group's financial strategy aims to provide adequate capital for its growth plans for sustained stakeholder value. The Group's objective is to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders. And depending on the financial market scenario, nature of the funding requirements and cost of such funding, the Group decides the optimum capital structure. The Group aims at maintaining a strong capital base so as to maintain adequate supply of funds towards future growth plans as a going concern.

The Group monitors the capital structure on the basis of total debt to equity ratio :

(All amounts in Indian Rupees)

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Net Debt	24,55,82,743	26,54,92,494	-
Equity	233,33,01,760	173,90,82,664	107,13,02,678
Total Capital (Net Debt+Equity)	**257,88,84,503**	**200,45,75,158**	**107,13,02,678**
Net Debt to Total Capital (%)	**9.52%**	**13.24%**	**-**

Net debt is as follows

(All amounts in Indian Rupees)

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
A) Borrowings			
Non-current borrowings	8,63,115	38,84,773	-
Current borrowings	46,13,80,815	47,29,86,854	2,40,10,484
Current Maturity of finance lease obligation	30,21,658	48,46,125	-
Total(A)	**46,52,65,588**	**48,17,17,752**	**2,40,10,484**
B) Cash and cash equivalents	21,96,82,845	21,62,25,258	3,75,00,745
C) Net Debt (A-B)	**24,55,82,743**	**26,54,92,494**	**(1,34,90,261)**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

Note 31 : Payables to Micro, Small & Medium Enterprises

Information pertaining to Micro and Small Enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 ("Act") as given below has been determined to the extent such parties have been identified on the basis of information available with the group:

(All amounts in Indian Rupees)

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Principal amount remaining unpaid as on 31st March	NIL	1,83,750	1,82,885
Interest due thereon as on 31st March	NIL	NIL	NIL
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day during the year	NIL	NIL	NIL
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	NIL	NIL	NIL
Interest accrued and remaining unpaid as at 31st March	NIL	NIL	NIL
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Act	NIL	NIL	NIL

Note: The list of undertakings covered under MSMED was determined by the group on the basis of information available with the group and has been relied upon by the auditors.

Note 32: Finance Lease :

The Company has taken vehicles on finance lease. The future lease rent payable on such vehicles taken on finance lease are as follows:

(All amounts in Indian Rupees)

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Minimum lease payments			
- Less than one year	30,21,658	48,46,125	-
- More than one year	8,63,115	38,84,773	-
Total	**38,84,773**	**87,30,898**	**-**
Present value of minimum lease payments			
- Less than one year	30,21,658	48,46,125	-
- More than one year	8,63,115	38,84,773	-
Total	**38,84,773**	**87,30,898**	**-**

Note 33 : First-time adoption of Ind AS

Transition to Ind AS

These are the Groups' first financial statements prepared in accordance with Ind AS with the transition date April 1, 2016. The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March

Note 33 : First-time adoption of Ind AS (contd..)

31, 2017 and in the preparation of an opening Ind AS balance sheet at April 01, 2016 (company's date of transition). In preparing its opening Ind AS balance sheet, the Group has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting standards) Rules, 2006 (as amended) and other relevant provisions of the Act(previous GAAP or Indian GAAP). An explanation on how the transition from previous GAAP to Ind AS has effected the Group's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

A.1.1 Deemed Cost

The Group has elected to measure items of property, plant and equipment and intangible assets at its carrying value at the transition date as deemed cost.

A.1.2 Cumulative Translation Differences

Ind AS 101 permits cumulative translation gains and losses to be reset to zero at the transition date. This provides relief from determining cumulative currency translation differences in accordance with Ind AS 21 from the date a subsidiary was formed. The group elects to reset all cumulative translation gains and losses to zero by transferring it to opening retained earnings at its transition date.

A.2 Ind AS mandatory exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind As shall be consistent with the estimates made for the same date in accordance with previous GAAP(after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Impairment of financial asset based on expected credit loss model.

A.2.2 Classification and measurement of financial asset

Ind AS 101 requires an entity to assess classification and measurement of financial assets(investments in debt instruments) on the basis of the facts and circumstances that exist on the date of transition to Ind AS.

B. Notes to first-time adoption:

Note 1: Remeasurements of defined benefits plan

Under Ind AS, remeasurements i.e. Actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended March 31, 2017 increased by ₹1,60,831/-. There is no impact on the total equity as at March 31, 2017.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

Note 33 : First-time adoption of Ind AS (contd..)

Note 2: Reserves and Surplus

Retained earnings as at April 01, 2016 has been adjusted consequent to the above Ind AS transition adjustments

Proposed Dividend

Under previous GAAP Proposed dividends including dividend distribution tax are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, a proposed dividend is recognised as a liability in the period in which it is declared by the company (usually when approved by shareholders in a general meeting) or paid. Therefore, the liability (including tax) of ₹1,35,63,746/- for the year ended on March 31, 2016 recorded for proposed dividend has been derecognised against retained earnings on 1 April 2016.

Note 3: Other comprehensive income

Under Ind AS, all items of income and expense recognized in a period should be included in the profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit or loss as 'other comprehensive income' includes remeasurements of defined benefit plans and Exchange differences in translating the financial statements of foreign operations. The concept of 'other comprehensive income' did not exist under previous GAAP.

C. Reconciliations between previous GAAP and Ind AS (as at March 31, 2017 and April 01, 2016)

Particulars	Reconciliation of equity as at transition- April 01, 2016			Reconciliation of equity as at March 31, 2017		
	Previous GAAP	Adjustments	Ind AS	Previous GAAP	Adjustments	Ind AS
Assets						
Non-current assets						
(a) Property, plant and equipment	77,46,25,590	-	77,46,25,590	134,38,11,689	-	134,38,11,689
(b) Capital work-in-progress	1,04,23,714	-	1,04,23,714	1,04,23,714	-	1,04,23,714
(c) Intangible assets	1,77,439		1,77,439	5,91,27,353	-	5,91,27,353
(d) Financial assets						
(i) Trade receivables	5,94,55,243	-	5,94,55,243		-	
(e) Deferred tax Asset (net)	8,98,24,173	-	8,98,24,173	4,59,05,833	-	4,59,05,833
(f) Other non-current assets	9,77,187	-	9,77,187	1,51,47,855	-	1,51,47,855
Total Non-current assets	**93,54,83,346**	**-**	**93,54,83,346**	**147,44,16,444**	**-**	**147,44,16,444**
Current assets						
(a) Inventories	22,18,180		22,18,180	1,18,46,787		1,18,46,787
(b) Financial assets						
(i) Trade receivables	48,63,37,904		48,63,37,904	160,02,92,698		160,02,92,698
(ii) Cash and cash equivalents	3,75,00,745		3,75,00,745	21,62,25,258		21,62,25,258
(iii) Bank balances other than (ii) above	8,64,04,117		8,64,04,117	13,63,22,487		13,63,22,487
(c) Other current assets	1,51,55,264		1,51,55,264	6,46,08,531		6,46,08,531
Total Current assets	**62,76,16,210**	**-**	**62,76,16,210**	**202,92,95,761**	**-**	**202,92,95,761**
TOTAL ASSETS	**156,30,99,556**	**-**	**156,30,99,556**	**350,37,12,205**	**-**	**350,37,12,205**

Note 33 : First-time adoption of Ind AS (contd..)

Particulars	Reconciliation of equity as at transition- April 01, 2016			Reconciliation of equity as at March 31, 2017		
	Previous GAAP	Adjustments	Ind AS	Previous GAAP	Adjustments	Ind AS
EQUITY AND LIABILITIES						
Equity						
(a) Equity share capital	5,64,83,670	-	5,64,83,670	6,13,33,670	-	6,13,33,670
(b) Other equity	100,12,55,262	1,35,63,746	101,48,19,008	167,77,48,994	-	167,77,48,994
Total Equity	**105,77,38,932**	**1,35,63,746**	**107,13,02,678**	**173,90,82,664**	**-**	**173,90,82,664**
LIABILITIES						
Non-current liabilities						
(a) Financial liabilities						
(i) Borrowings	-	-	-	38,84,773	-	38,84,773
(ii) Trade payables	2,14,22,475	-	2,14,22,475	13,30,65,805	-	13,30,65,805
(b) Provisions	58,67,035	-	58,67,035	92,15,293	-	92,15,293
Total Non -current liabilities	**2,72,89,510**	**-**	**2,72,89,510**	**14,61,65,871**	**-**	**14,61,65,871**
Current liabilities						
(a) Financial liabilities						
(i) Borrowings	2,40,10,484	-	2,40,10,484	47,29,86,854	-	47,29,86,854
(ii) Trade payables	27,85,04,223	-	27,85,04,223	63,08,52,955	-	63,08,52,955
(iii) Other financial liabilities	14,95,09,843	-	14,95,09,843	47,20,54,690	-	47,20,54,690
(b) Other current liabilities	83,82,818	-	83,82,818	2,08,18,536	-	2,08,18,536
(c) Provisions	1,48,17,305	(1,35,63,746)	12,53,559	15,80,509	-	15,80,509
(d) Current tax liabilities (net)	28,46,441	-	28,46,441	2,01,70,126	-	2,01,70,126
Total current liabilities	**47,80,71,114**	**(1,35,63,746)**	**46,45,07,368**	**161,84,63,670**	**-**	**161,84,63,670**
Total Liabilities	**50,53,60,624**	**(1,35,63,746)**	**49,17,96,878**	**176,46,29,541**	**-**	**176,46,29,541**
TOTAL EQUITY AND LIABILITIES	**156,30,99,556**	**-**	**156,30,99,556**	**350,37,12,205**	**-**	**350,37,12,205**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

(i) Reconciliation of total comprehensive income for the year ended March 31, 2017

(All amounts in Indian Rupees)

Particulars	Previous GAAP	Adjustments	Ind AS
Revenue from operations	305,89,34,157	-	305,89,34,157
Other Income	2,19,59,617	-	2,19,59,617
Total Income	**308,08,93,774**	**-**	**308,08,93,774**
Expenses			
Survey and survey related expenses	178,78,74,154	-	178,78,74,154
Employee benefits expense	17,13,74,368	1,60,831	17,15,35,199
Finance costs	4,14,66,794	-	4,14,66,794
Depreciation and amortisation expense	23,72,00,496	-	23,72,00,496
Other expenses	8,43,13,130	-	8,43,13,130
Total Expenses	**232,22,28,942**	**1,60,831**	**232,23,89,773**
Profit before exceptional items and tax	**75,86,64,832**	**(1,60,831)**	**75,85,04,001**
Exceptional Items	-	-	-
Profit before tax after exceptional items	**75,86,64,832**	**(1,60,831)**	**75,85,04,001**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

Note 33 : First-time adoption of Ind AS (contd..)

Income tax expense			
-Current tax	20,92,10,755	-	20,92,10,755
-Deferred tax	4,39,18,340	(55,660)	4,38,62,680
Total tax expense	25,31,29,095	(55,660)	25,30,73,435
Profit after tax	**50,55,35,737**	**(1,05,171)**	**50,54,30,566**
Other Comprehensive income			
A (i) Items that will not be reclassified to profit or loss	-	1,60,831	1,60,831
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	(55,660)	(55,660)
B (i) Items that will be reclassified to profit or loss	-	1,09,61,101	1,09,61,101
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-
Other Comprehensive income	-	1,10,66,272	1,10,66,272
Total comprehensive income for the year	**50,55,35,737**	**1,09,61,101**	**51,64,96,838**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

(ii) Reconciliation of total equity as at March 31, 2017 and April 01, 2016

(All amounts in Indian Rupees)

Particulars	March 31, 2017	April 01, 2016
Total Equity(shareholder's funds) as per previous GAAP	173,90,82,664	105,77,38,932
Adjustments:		
Proposed dividend (Equity Dividend)	-	1,12,69,534
Tax on Equity Dividend		22,94,212
Total adjustments	**-**	**1,35,63,746**
Total Equity as per Ind AS	**173,90,82,664**	**107,13,02,678**

(iii) Reconciliation of total comprehensive income for the year ended March 31, 2017

(All amounts in Indian Rupees)

Particulars	March 31, 2017
Profit after tax as per previous GAAP	50,55,35,737
Adjustments:	
Remeasurement of defined benefit plan	(1,60,831)
Tax effect of adjustments on above	55,660
Total Adjustments	**(1,05,171)**
Profit after tax as per Ind As	50,54,30,566
Other Comprehensive Income	1,11,21,932
Tax effect of adjustments on above	(55,660)
Total comprehensive income as per Ind AS	**51,64,96,838**

(iv) There were no significant reconciliation items between cash flows prepared under previous GAAP and those prepared under Ind AS.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

Note 34 : Segment Information

(a) Description of segments and principal activities

The Chairman & Managing Director has been identified as the Chief Operating Decision Maker (CODM). Operating segments are defined as components of an enterprise for which discrete financial information is available. This is evaluated regularly by the CODM, in deciding how to allocate resources and assessing the Company's performance. The Company is engaged in seismic service and operates in a single operating segment.

Information about Major Customer:

The revenue from transactions with one customer (public sector company in oil & gas exploration business) exceed 10% of the total revenue of the company for each of the two years ended March 31, 2018 and March 31, 2017

Geographical Information

The Group is mainly domiciled its activities in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below:

(All amounts in Indian Rupees)

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Revenue from external customers			
India	429,43,69,462	296,56,23,377	Not Applicable
Rest of the World	-	9,33,10,780	Not Applicable
Non-current Assets			
India	98,64,40,511	116,26,05,579	47,48,34,624
Rest of the World	18,66,06,640	26,59,05,032	31,13,69,306

Note 35: Subsidiaries Considered for Consolidation

The Company's subsidiaries as at March 31, 2018 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Company.

Name of Entities	Relationship	Principle Activity	Place of Business	Ownership
Alphageo International Limited	Subsidiary	Investment in companies, joint ventures etc., general trading and provision of technical services	Dubai	100%
Alphageo DMCC	Step down subsidiary	Provision of Onshore Geophysical Studes and Services and in equipment rental to companies in energy sector	Dubai	100%
Alphageo Marine Services India Private Limited	Subsidiary	Provision of Marine Survey Services and Aerial Geophysical Services	India	74%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

Note 36: Related Party Transactions

(a) Key Management personnel(KMP)	: Dinesh Alla, Chairman & Managing Director (as Chairman w.e.f December 04, 2017)
	: Z.P.Marshal, Chairman and Independent Director (Retired as chairman w.e.f December 04, 2017)
	: Savita Alla, Joint Managing Director
	: Rajesh Alla, Non executive directors
	: Mohanakrishna Reddy, Independent Director
	: Ashwinder Bhel, Independent Director
	: Raju Mandapalli, Independent Director *
	: Hamit Ummak (Director of subsidiary w.e.f January 11,2018)
	: Captain Ajeit Saksena (Director of subsidiary up to January 11,2018)

* Appointment as independent director w.e.f 04th December ,2017

(b) Relative of Key Management personnel	: Rajesh Alla
	: Kamala Rajupet
	: Sashank Alla
	: Anisha Alla
	: Mrudula Alla
	: Gopinath Reddy Rajuput

(c) List of Related Parties over which Control / Significant Influence exists with whom the company has transactions :

Dinesh Alla (HUF)	Entity In Which Key Management Personnel has Significant Influence
Rajesh Alla (HUF)	Entity In Which Relative of Key Management Personnel has Significant Influence
IIC Technologies Limited	Company In Which Relative of Key Management Personnel has Significant Influence
Aquila Drilling Private Limited	Company In Which Key Management Personnel has Significant Influence
(d) Employee Benefit Plans	: Alphageo India Limited Emloyees' Group Gratuity Trust

Note 36: Related Party Transactions (contd..)

(e) Transactions with Related Parties:

(All amounts in Indian Rupees)

Particulars	March 31, 2018		March 31, 2017	
	Amount	Outstanding balance as at March 31, 2018	Amount	Outstanding balance as at March 31, 2017
Key Management Personnel:				
Short term employee benefits				
Remuneration*	9,63,76,664	7,98,92,981	8,10,48,592	6,65,59,022
Director Fee	8,33,194	-	6,87,651	-
Others				
Dividend paid	54,95,996	-	15,44,864	-
Interest on Loan	26,92,136	-	43,37,507	-
Acceptance of Loan	11,30,00,000	-	9,92,54,840	-
Repayment of Loan	11,30,00,000		9,92,54,840	-
Amount received on Share Warrants	3,50,54,565		14,79,22,560	-
Relatives of Key Management Personnel:				
Salary paid	5,58,396	46,533	-	-
Rent	70,000	-	1,20,000	-
Dividend paid	28,84,400	-	15,95,334	-
Amount received on Share Warrants	-	-	2,88,91,125	-

Note 36: Related Party Transactions (contd..)

Concerns in which Key Management Personnel has substantial interest:				
Rent	7,13,161	-	9,00,000	-
Dividend paid	18,39,624	-	13,77,946	-
Amount received on Share Warrants	5,93,23,110	-	1,00,15,590	-
Contribution to Funds				
Post Employment Benefit Plan	9,12,523	-	12,98,940	
Concerns in which Relative of the Key Management Personnel has Substantial Interest:				
Interest on Loan	12,82,192	-	-	-
Technical and consultancy charges	11,55,000	-	-	-
Acceptance of Loan	5,00,00,000	-	-	-
Repayment of Loan	5,00,00,000		-	-
Dividend paid	8,97,590	-	1,72,666	-
Rent	2,40,000	-	3,00,000	-

(f) Terms and Conditions

Transactions relating to dividends were on the same terms and conditions that applied to other stake holders.

* Provision for employee benefits, which are based on actuarial valuation done on an overall company basis, is excluded.

Note 36: Related Party Transactions (contd..)

(g) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:

(All amounts in Indian Rupees)

Nature of the transaction	Name of the related party	March 31, 2018	March 31, 2017
Short term employee benefits	Dinesh Alla	4,81,88,332	4,05,24,296
	Savita Alla	4,81,88,332	4,05,24,296
Director Fees	Z.P.Marshal	1,80,000	50,000
	Mohanakrishna Reddy	1,35,000	95,000
	Ashwinder Bhel	90,000	80,000
	Rajesh Alla	45,000	95,000
	Captain Ajeit Saksena	2,64,896	3,67,651
	Hamit Ummak	88,298	-
Interest on Loan taken	Dinesh Alla	19,15,205	41,89,082
	Smt Savita Alla	7,76,931	1,48,425
	IIC Technologies Limited	12,82,192	-
Acceptance of Loan	Dinesh Alla	8,45,00,000	9,27,45,840
	Smt Savita Alla	2,85,00,000	65,00,000
	IIC Technologies Limited	5,00,00,000	-
Repayment of Loan	Dinesh Alla	8,45,00,000	9,27,45,840
	Smt Savita Alla	2,85,00,000	65,00,000
	IIC Technologies Limited	5,00,00,000	-
Amount received on Share Warrants	Aquila Drilling Private Limited	5,93,23,110	1,00,15,590
	Dinesh Alla	3,50,54,565	14,79,22,560
Salary paid	Sashank Alla	5,58,396	-
Rent	Dinesh Alla (HUF)	7,13,161	9,00,000
	Rajesh Alla (HUF)	2,40,000	3,00,000
Technical and consultancy charges	IIC Technologies Limited	11,55,000	-
Post Employment Benefit Plan	Alphageo India Limited Emloyees' Group Gratuity Trust	9,12,523	12,98,940

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

Note 37: Earnings per share

(All amounts in Indian Rupees)

Particulars	March 31, 2018	March 31, 2017
(a) Basic EPS		
Basic earnings per share attributable to the equity holders of the company	86.05	87.34
(b) Diluted EPS		
Diluted earnings per share attributable to the equity holders of the company	86.05	85.74

(c) Reconciliation of earnings used in calculating earnings per share

(All amounts in Indian Rupees)

Particulars	March 31, 2018	March 31, 2017
Basic earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	54,48,91,774	50,54,30,566
Diluted earnings per share		
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	54,48,91,774	50,54,30,566

(d) Weighted average number of shares used as the denominator

(All amounts in Indian Rupees)

Particulars	March 31, 2018	March 31, 2017
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	63,32,548	57,86,603
Adjustments for calculation of diluted earnings per share:	-	1,08,072
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	63,32,548	58,94,675

Note 38 : Assets pledged as security

(All amounts in Indian Rupees)

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Working capital loans from banks (secured)			
Hypothecation of stocks, book debts and current assets -First Charge			
Trade receivables	195,96,63,486	157,36,17,255	45,53,92,166
Inventories	50,90,201	31,70,669	10,20,311
Fixed Deposits	2,41,00,000	2,41,00,000	1,35,00,000
Other current assets	28,63,85,527	29,59,58,656	8,98,62,197

Note: Secured by second charge of movable fixed assets and equitable mortgage of land and buildings for the year ended March 31, 2018 ₹ 97,23,90,576 (March 31, 2017 ₹ 113,70,34,010 and March 31, 2016 ₹ 46,34,33,723)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

Note 39: Events occurring after the reporting period

(i) Proposed Dividend

The final dividend proposed and recommended by the Board of Directors for the approval of Members at the ensuing annual general meeting:

(All amounts in Indian Rupees)

Particulars	March 31, 2018	March 31, 2017
On Equity Shares of ₹10 each		
Proposed Dividend*	5,09,18,136	2,54,59,068
Proposed Dividend per equity share	8	4

* Dividend distribution tax is payable at the time payment of dividend.

Note 40: Additional Information required by Schedule III

(All amounts in Indian Rupees)

Particulars	Name of the entity in the group				
	Parent	Foreign Subsidiaries	Indian Subsidiary	Non Controlling Interest	Effect of Inter Company adjustments / eliminations
	Alphageo India Limited	Alphageo International Limited and its subsidiary	Alphageo Marine Services Private Limited		
Net Assets (Total Assets minus Total Liabilities)	2,05,87,24,409	40,46,97,691	4,16,505	1,80,022	(13,05,36,845)
As % of Consolidated net assets	88.22%	17.34%	0.02%	0.01%	-5.59%
Share in Profit or (Loss)	56,23,49,401	(2,49,33,079)	(3,23,495)	(79,978)	77,98,947
As % of Consolidated Profit or (Loss)	103.22%	-4.58%	-0.06%	-0.01%	1.43%
Share in Other Comprehensive Income	7,15,355	(1,51,23,773)	-	-	-
As % of Consolidated Other Comprehensive Income	-4.96%	104.96%	-	-	-
Share in Total Comprehensive Income	56,30,64,756	(4,00,56,852)	(3,23,495)	(79,978)	77,98,947
As % of Consolidated Total Comprehensive Income	106.16%	-7.55%	-0.06%	-0.02%	1.47%

As per our report of even date

For **MAJETI & CO.**
Chartered Accountants
Firm's registration number: 015975S

Kiran Kumar Majeti
Partner
Membership number: 220354

Hyderabad
May 18, 2018

For and on behalf of the Board

Dinesh Alla
Chairman And Managing Director

Savita Alla
Joint Managing Director

Venkatesa Perumallu Pasumarthy
Chief Financial Officer

Deepa Dutta
Company Secretary

Hyderabad
May 18, 2018

ALPHAGEO (INDIA) LIMITED

CIN: L74210TG1987PLC007580
Regd. Office: 802, Babukhan Estate, Basheerbagh, Hyderabad – 500001
Corporate Office: 1st Floor, Plot No.1, Sagar Society, Road No.2, Banjara Hills, Hyderabad 500034
Tel: 040-23550502/503, **Fax:** 040-23550238, **Email:** info@alphageoindia.com
Website: www.alphageoindia.com

Notice of 31st Annual General Meeting

Notice is hereby given that the THIRTY FIRST ANNUAL GENERAL MEETING of the members of the Company will be held on Friday, 14th September 2018 at 11.00 A.M. at Sundarayya Vignana Kendram, 1-8-1/B/25A, Baghlingampally, Hyderabad – 500044, to transact the following business:

Ordinary Business

1. To receive, consider and adopt (a) the Audited Financial Statements of the Company for the Financial Year ended March 31, 2018 together with the Report of the Directors' and Auditors' thereon; and (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2018 together with Report of Auditors' thereon and in this regard, to pass the following resolutions as **Ordinary Resolutions:**

    a. "RESOLVED THAT the audited financial statements of the Company for the financial year ended March 31, 2018 together with reports of the Directors' and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

    b. "RESOLVED THAT the audited consolidated financial statements of the Company for the financial year ended March 31, 2018 together with the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. To declare a dividend on equity shares for the Financial Year ended March 31, 2018 and in this regard, to pass the following resolution as an **Ordinary Resolution:**

    "RESOLVED THAT a dividend at the rate of ₹8/- (Rupees Eight only) per equity share of ₹10/- (Rupees Ten) each fully paid-up of the Company as recommended by the Board of Directors of the Company be and is hereby declared for the financial year ended March 31, 2018 and the same be paid, out of the profits of the Company for the financial year ended March 31, 2018."

3. Re-appointment of Mr. Rajesh Alla (DIN: 01657395), Director of the Company who retires by rotation and being eligible, offers himself for re-appointment as a Director and in this regard, to pass the following resolution as an **Ordinary Resolution:**

    "RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Rajesh Alla (DIN: 01657395), who retires by rotation at 31st Annual General Meeting of the Company, being eligible offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

Special Business

4. Appointment of Mr. Raju Mandapalli (DIN: 08014543), Additional Director, as an Independent Director of the Company, not liable to retire by rotation, in terms of Section 149 of the Companies Act, 2013 and to pass the following resolution as **Ordinary Resolution:**

    "RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), **Mr. Raju Mandapalli** (DIN: 08014543), who was appointed as an Additional Director of the Company with effect from December 4, 2017 and who holds office upto the date of 31st Annual General Meeting in terms of Section 161(1) of the Companies Act, 2013 and the Article of Association of the Company and being eligible for appointment in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years upto December 3, 2022.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 197, 198 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), **Mr. Raju Mandapalli** (DIN:08014543) be paid such fees and remuneration and profit related commission, if any as the Board and Nomination and Remuneration Committee of the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time."

5. Re-appointment of **Mrs. Savita Alla** (DIN: 00887071) as Joint Managing Director of the Company and to fix her remuneration and to pass the following resolution as **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and all other applicable provisions of the Companies Act, 2013("Act") and the relevant rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V of the Act, approval of the Members be and is hereby accorded for **the re-appointment of Mrs. Savita Alla (DIN: 00887071), as Joint Managing Director of the Company** for a period of **THREE** years, with effect from May 25, 2018 on the terms and conditions including remuneration, as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be accepted to Mrs. Savita Alla, subject to the same not exceeding the limits specified under Section 197 readwith Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

   RESOLVED FURTHER THAT the Board or a committee thereof be and is hereby authorised to do all acts and take all such steps as maybe necessary, proper or expedient to give effect to foregoing resolution."

By Order of the Board

Hyderabad
06.08.2018

Deepa Dutta
Company Secretary

NOTES:

1. An explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of special businesses to be transacted at the Meeting is annexed hereto.

2. A Member entitled to attend and vote at the Annual General Meeting ("AGM") is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a Member of the Company. The instrument of proxy in order to be valid must be deposited at the Corporate Office of the Company duly completed, stamped and signed, not less than FORTY EIGHT (48) hours before the commencement of the meeting.

   A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. However, a member holding more than ten percent of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

3. Proxy Form, Attendance Slip and the route map of the venue of the Meeting are annexed hereto.

4. Corporate Members intending to depute their authorized representatives are requested to send to the Company a duly certified copy of the Board resolution together with the specimen signatures of representative authorised under the said resolution to attend the meeting and to vote on their behalf at the meeting.

5. The Company is providing facility for voting through remote e-voting on the business set out in the Notice. Information and Instructions including details of user id and password relating to e-voting are annexed hereto. Once the vote on a resolution is cast by member, whether partially or otherwise, the member shall not be allowed to change it

subsequently or cast the vote again. The members who have cast their votes by using remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the meeting.

6. Members/proxies are requested to bring the attendance slips duly filled in for attending the meeting and bring their copies of the Annual Report to the meeting. Members who hold shares in dematerialized form are requested to write their client ID and DP ID numbers and the number of shares held and those who hold shares in physical form are requested to write their Folio Number and number of shares held in the attendance slip for attending the meeting. In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

7. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged with the company, at any time during the business hours of the company, provided that not less than three days of notice in writing is given to the company.

8. All documents referred to in the Notice and Explanatory Statement are open for inspection at the Corporate Office of the Company between 11:00 AM to 1:00 PM on all working days other than Saturdays till the date of AGM.

9. M/s. Karvy Computershare Private Limited, Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad- 500032 acts as the Company's Registrar and Share Transfer Agent for both manual and electronic form of shareholding. All correspondence relating to shares, including Change in Address, Updation of PAN and Bank Particulars should be addressed directly to them. In respect of shares held in Electronic form, shareholders may send requests or correspond through their respective Depository Participants.

10. Non-Resident Indian Shareholders are requested to inform the Registrars M/s. Karvy Computershare Private Limited immediately:

    a. The change in the Residential Status on return to India for permanent settlement.

    b. The particulars of the Bank Account maintained in India with complete name, branch, account number and address of the Bank, if not furnished earlier.

11. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the company. Shareholders desirous of making nominations are requested to send their request (which will be made available on request) to the Registrar & Share Transfer Agent M/s. Karvy Computershare Private Limited.

12. Members desiring to seek any information on the financial statements are requested to write to the Company at an early date to enable compilation of information.

13. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their DMAT accounts. Members holding shares in physical form can submit their PAN to the Registrar & Share Transfer Agent.

14. The Securities and Exchange Board of India has mandated the transfer of securities to be carried out in dematerialized form only **w.e.f. December 5, 2018.** Members holding shares in physical form are, therefore, requested to submit with the Company's Registrar and Share Transfer Agent, an application along with the necessary documents to get their shares dematerialized through their Depository Participants.

15. In pursuance of **Go Green Initiative** of Ministry of Corporate Affairs, Members are urged to register/ update their email addresses with Depository Participant or with the Registrar and Share Transfer Agent of the Company, as applicable, to receive all communication including Annual Report, Notices, circulars, etc. from the Company in electronic mode.

16. Closure of Register of Members and Dividend:

    a) The Company has notified that Register of Members shall remain closed from 5th September, 2018 to 13th September, 2018 (both days inclusive) for determining the names of the Members eligible for dividend, if approved, on equity shares.

    b) The dividend on equity shares, as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid to those shareholders whose name appears in Register of Members as on 4th September, 2018. In respect of shares held in Electronic Form, the dividend will be paid on the basis of particulars of beneficial ownership furnished by the Depositories for this purpose.

17. Remittance of Dividend:

The payment of dividend to the Members will be made using electronic mode of payment such as Electronic Clearance Service (ECS)/NEFT/RTGS etc. Accordingly, members holding securities in DMAT mode are requested to update their bank account details with their depository participants. Members holding securities in physical form may send their request for updating bank account details to the Company's Registrar & Share Transfer Agent, Karvy Computershare Private Limited.

18. Unclaimed dividend for the years 2010-11, 2013-14, 2014-15, 2015-16 and 2016-17 are held in separate Bank accounts.

Members whose dividends remain unclaimed, are requested to either correspond with the Company at its Corporate Office or the Company's Registrars & Share Transfer Agents (M/s. Karvy Computershare Private Limited). Members are requested to note that dividends not encashed or claimed within seven years from the date of declaration of the Dividend, will be transferred to the Investor Education and Protection Fund of Government of India as per Section 124(5) of the Companies Act, 2013. In view of this, members are advised to send their requests to the Company or our Registrars for revalidation of the warrants and encash them before the due dates as listed below:

Financial year ended	Date of Declaration	Due date
March 31, 2011	23-09-2011	22-09-2018
March 31, 2014	26-09-2014	25-09-2021
March 31, 2015	28-09-2015	27-09-2022
March 31, 2016	29-09-2016	28-09-2023
March 31, 2017	29-09-2017	28-09-2024

19. Pursuant to the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, notified by the Ministry of Corporate Affairs, the companies are required to transfer the shares in respect whereof the dividends remain unpaid /unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. The details of shares transferred to IEPF are displayed on the website of the Company at http://www.alphageoindia.com/pdf/Shares%20transferred%20to%20IEPF.pdf. The shareholders whose shares are transferred to the IEPF Authority can claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority http://iepf.gov.in/IEPFA/refund.html.

20. The requirement to place the matter relating to the appointment of auditors for ratification by the members at every annual general meeting has done away vide Notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, Government of India. Consequently, no resolution is proposed for ratification of the appointment of the Auditors who were appointed in 30th Annual General Meeting of the Company.

21. **The information pertaining to Director seeking reappointment at the Annual General Meeting is furnished below:**

Mr. Rajesh Alla is a graduate of Carnegie Mellon University, Pittsburgh, USA – a premier institute for Artificial Intelligence Research. He is specialised in Image Processing, Computer Vision and Robotics. He is an alumnus of Indian Institute of Management Ahmadabad and Osmania University, Hyderabad.

An engineer-entrepreneur at heart, he worked in the Robotics Institute, Carnegie-Mellon University, developing automated Printed Circuit Board inspection systems for production use. He is one of the pioneers of Automated Digitizing and

Recognition of documents. He has developed numerous Pattern Recognition and Artificial Intelligence Algorithms.

Mr. Rajesh Alla is a director of the Company since 30th September, 1992. He is member of Audit Committee, Nomination and Remuneration Committee and Chairman of Stakeholders' Relationship Committee of Board of Directors of the Company.

Mr. Rajesh Alla is the Founder and Managing Director of IIC Technologies Limited and Director of IIC Geo Surveys Private Ltd, IIC Academy Private Ltd, Transducers and Controls Private Ltd and Palnadu Infrastructure Private Ltd. He is holding 1,26,567 Equity Shares of the company in his individual capacity.

Mr. Rajesh Alla is interested in the resolution set out in Item No. 3 of the Notice. Mr. Dinesh Alla, being related to Mr. Rajesh Alla may be deemed to be interested in the said resolution.

The other relatives of Mr. Rajesh Alla may be deemed to be interested in the said resolution, to the extent of their shareholding, if any, in the Company.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board recommends the resolution set forth in Item No. 3 of the Notice for approval by the Members.

By Order of the Board

Hyderabad
06.08.2018

Deepa Dutta
Company Secretary

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 for the items of business set forth in the Notice as Special Business:

Item No. 4

Mr. Raju Mandapalli has done his graduation in Science in Botany, Geology & Chemistry from Government College, Rajahmundry and Masters in Geology from Andhra University, Waltair. He has an employment record of 37 years in Geological Survey of India in various positions from Engineer (Geology Div.) to Director General and has specialization in the fields of Mineral Investigation, Engineering Geology, Landslide Hazard Projects, etc. He has authored many technical reports, journals and publications etc in these areas.

Mr. Raju Mandapalli (DIN: 08014543) has been appointed as Additional Director of the Company by the Board on December 4, 2017 and hold office till the conclusion of 31st Annual General Meeting.

The Company has received a notice in writing pursuant to Section 160 the Act from a Member proposing the candidature of Mr. Raju Mandapalli for the office of Director of the Company.

The Company has received declarations from Mr. Raju Mandapalli confirming that:

- He meets the criteria of independence as prescribed under the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").
- He is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company.

In the opinion of the Board, Mr. Raju Mandapalli fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations and he is independent of the management.

A copy of the draft letter of appointment of Mr. Raju Mandapalli as an Independent Director setting out the terms and conditions for his appointment is available for inspection by the Members at the corporate office of the Company during business hours on any working day.

Mr. Raju Mandapalli is not related to any other Director and Key Managerial Personnel of the Company.

Mr. Raju Mandapalli is interested in the resolution set out in item no. 4 of the Notice. The other relatives of Mr. Raju Mandapalli may be deemed to be interested in the said resolution of the Notice, to the extent of their shareholding, if any, in the Company.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The ordinary resolution as set forth in Item No. 4 of the Notice is accordingly commended for the approval of the Members.

Item No. 5

Mrs. Savita Alla is a Post Graduate in Management Studies from BITS, Pilani. She served in various Managerial Positions in corporate sector and has multifaceted experience in quality management systems, customer relationship management and entrepreneur skills.

Mrs. Savita Alla (DIN: 00887071) is Director of the Company since May 29, 2014. She has been appointed as Joint Managing Director of the Company for a tenure of 3 years on May 25, 2015 and approved by the Members as such at the Annual General Meeting held on September 28, 2015.

Mrs. Savita Alla is also Member of Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Securities Issue Committee of the Board of the Directors of the Company.

Taking into consideration the job responsibilities and based on the recommendation of the Nomination and Remuneration Committee of the Board, the Board of Directors at their meeting held on May 18, 2018, accorded its approval for the reappointment of Mrs. Savita Alla as Joint Managing Director of the Company for a further period of THREE years from May 25, 2018 to May 24, 2021 at such a remuneration set out hereafter, subject to the approval of the Members at the ensuing general meeting.

Remuneration:

a) Salary: Salary of ₹3,00,000/- per month.

b) Perquisites and Allowances:

   i) **Accommodation:** House Rent Allowance @ ₹50,000/- per month. Reimbursement of expenses for gas, electricity and water not exceeding 5% of the salary.

   ii) **Medical Benefits:** Reimbursement of Actual Medical Expenses for self and family not exceeding one month's salary for a year or coverage under Medical Insurance Policy of the Company.

   iii) **Personal Accident Insurance:** Personal Accident Insurance coverage with the premium not exceeding ₹12,000/- per annum.

   iv) **Club Fees:** Reimbursement of actual club fees.

   v) **Contribution to Provident Fund:** Contribution to Provident Fund not exceeding 12% of the salary.

   vi) **Gratuity:** Gratuity at the rate of half months' salary for each Completed year of service, subject to the provisions of the Payment of Gratuity Act, 1972.

   vii) **Leave Encashment:** Encashment of un-availed leave at the end of the tenure as per rules of the Company.

   viii) Provision for use of Company's car for official purposes and telephone at the residence.

c) **Commission:** In addition to salary, perquisites and allowances, commission not exceeding 5% of the net profits of the Company in a financial year computed in the manner laid down in section 197(8) of Companies Act, 2013.

d) **Minimum Remuneration:** Notwithstanding anything to the contrary herein contained, where in any financial year, during the current tenure of Joint Managing Director, the Company does not have profits or its profits are inadequate, the company shall pay remuneration by way of salary, perquisites and allowances, commission not exceeding the maximum limits as prescribed under Section II, Part II of Schedule V of the Companies Act, 2013 as amended from time to time as minimum Remuneration to the Joint Managing Director.

e) **Aggregate Remuneration:** The aggregate of remuneration, commission, perquisites and allowances payable to the Joint Managing Director individually or to all Whole Time Directors, if any, of the Company taken together during any financial year respectively shall not exceed 5%/10% of profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act 2013.

Mrs. Savita Alla is interested in the resolution set out in Item No. 5 of the Notice. Mr. Dinesh Alla, being related to Mrs. Savita Alla is deemed to be interested in the said resolution.

The other relatives of Mrs. Savita Alla may be deemed to be interested in the said resolution of the Notice, to the extent of their shareholding, if any, in the Company.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board accordingly recommends the Ordinary Resolution set out in Item No. 5 of the Notice for approval of the Members.

By Order of the Board

Hyderabad
06.08.2018

Deepa Dutta
Company Secretary

Instructions for Remote E-Voting Forming Part of Notice Convening 31st Annual General Meeting

E-voting

Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ALPHAGEO (INDIA) LIMITED (the Company) is pleased to provide its shareholders remote e-voting facility to cast their votes electronically on all resolutions set forth in the Notice convening the 31st Annual General Meeting scheduled to be held on Friday, 14th September 2018 at 11.00 A.M. The remote e-voting facility is being provided by Karvy Computershare Private Limited (KCPL).

E-voting Event Number and Timelines for Voting

The E-voting Event Number and the timelines of E-voting detailed below:

E-voting Event Number (EVEN)	Commencement of remote e-voting	End of remote e-voting
4062	10th September, 2018 (11:00 A.M. IST)	13th September, 2018 (5:00 P.M. IST)

General Information:

i. Shareholders of the Company holding shares either in physical form or in dematerialised form, as on the cutoff date, may cast their vote electronically. The voting rights of the shareholders shall be ONE VOTE PER EQUITY SHARE registered in the name of the shareholder / beneficial owner **as on the cut-off date i.e. 4th September, 2018.**

ii. Every shareholder requires User ID and Password/ Pin for casting their votes electronically. In case of physical folio, User ID will be EVEN number followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID.

iii. For Shareholders receiving Notice of AGM in physical form, the initial password will be intimated along with the Notice of Annual General Meeting and for Shareholders receiving Notice of AGM electronically, password will be provided in the email forwarding the electronic notice.

iv. Any person who becomes a member of the Company after the dispatch of the Notice of the AGM and holds shares as on the cut-off date may obtain PIN and Password by contacting Karvy Computershare Private Ltd.

v. The Remote E- voting period commences on 10th September 2018 (11.00 AM) and ends on 13th September 2018 (5.00 PM). During this period, Shareholder of the Company holding their shares either in physical form or in dematerialised form, as on the cut-off date 4th September, 2018, may cast their votes electronically. The E-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is casted by the shareholders, the shareholders shall not be allowed to change it subsequently.

vi. Shareholders who have not casted their votes electronically, may only cast their vote at the Annual General Meeting.

vii. M/s. D. Hanumanta Raju & Co., Practicing Company Secretaries, Hyderabad will act as Scrutinizer for scrutinizing the E-voting process in a fair manner.

viii. The scrutinizer shall, immediately after the conclusion of voting at the AGM, first counts the votes cast at the meeting, thereafter unlock the votes cast through remote e-voting in the presence of at least two witnesses, not in employment of the company and make a Consolidated Scrutinizer's Report of the votes cast in favour or against, if any of each of the resolutions set forth in the Notice of the Annual General Meeting, not later than 48 hours of the conclusion of the meeting, to the Chairman of the Meeting or a person authorised by him in writing who shall countersign the same.

ix. Resolutions shall be deemed to the passed on the date of AGM subject to receipt of requisite number of votes in favour of Resolutions.

x. The results of voting along with the scrutinizer's report shall be placed on the website of the Company www.alphageoindia.com and on Karvy's website https://evoting.karvy.com and shall be intimated to the stock exchanges immediately after declaration of results by the Chairman or by a person authorised by him.

Instruction and Step for E-Voting:

Shareholders are requested to read the instructions/steps detailed below before exercising/casting their vote:

i. Launch internet browser by typing the URL: https://evoting.karvy.com.

ii. Enter the login credentials (i.e. User ID and password/Pin). However, if you are already registered with Karvy for e-voting, you can use your existing User ID and Password/Pin for casting your vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (az), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the E- Voting "EVEN" i.e., Alphageo (India) Limited.

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR / AGAINST" taken together not exceeding your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Shareholders holding multiple folios / Demat accounts shall choose the voting process separately for each folio /Demat accounts.

ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit". A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on all the Resolution(s).

xi. Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI etc.,) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email Id: dhr300@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Alphageo (India) Limited 31st Annual General Meeting".

xii. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote electronically shall not be allowed to vote again at the Meeting.

xiii. In case of any queries, you may refer Help & Frequently Asked Question (FAQs) section of https://evoting.karvy.com (Karvy Website) or call KCPL on Toll Free No.1800 3454 001 or email: evoting@karvy.com.

By Order of the Board

Hyderabad
06.08.2018

Deepa Dutta
Company Secretary

ALPHAGEO (INDIA) LIMITED

CIN: L74210TG1987PLC007580
Regd. Office: 802, Babukhan Estate, Basheerbagh, Hyderabad – 500001
Corporate Office: 1st Floor, Plot No.1, Sagar Society, Road No.2, Banjara Hills, Hyderabad 500034
Tel: 040-23550502/503, **Fax:** 040-23550238, **Email:** info@alphageoindia.com
Website: www.alphageoindia.com

Attendance Slip

(Please fill Attendance Slip and hand it over at the entrance of the Meeting Hall)

Regd. Folio. No./ DP ID & Client ID*:

No. of Equity Shares held

Name of Shareholder

Name of Proxy

I/We hereby record my/our presence at the 31st Annual General Meeting of the Alphageo (India) Limited, held on Friday, 14th September 2018 at 11.00 AM at Sundarayya Vignana Kendram, 1-8-1/B/25 A, Baghlingampally, Hyderabad – 500 044.

SIGNATURE OF THE MEMBER OR THE PROXY ATTENDING THE MEETING

______________________	______________________
If Member, Please sign here	If Proxy, Please sign here

*Applicable for investors holding shares in electronic form.

ALPHAGEO (INDIA) LIMITED

CIN: L74210TG1987PLC007580

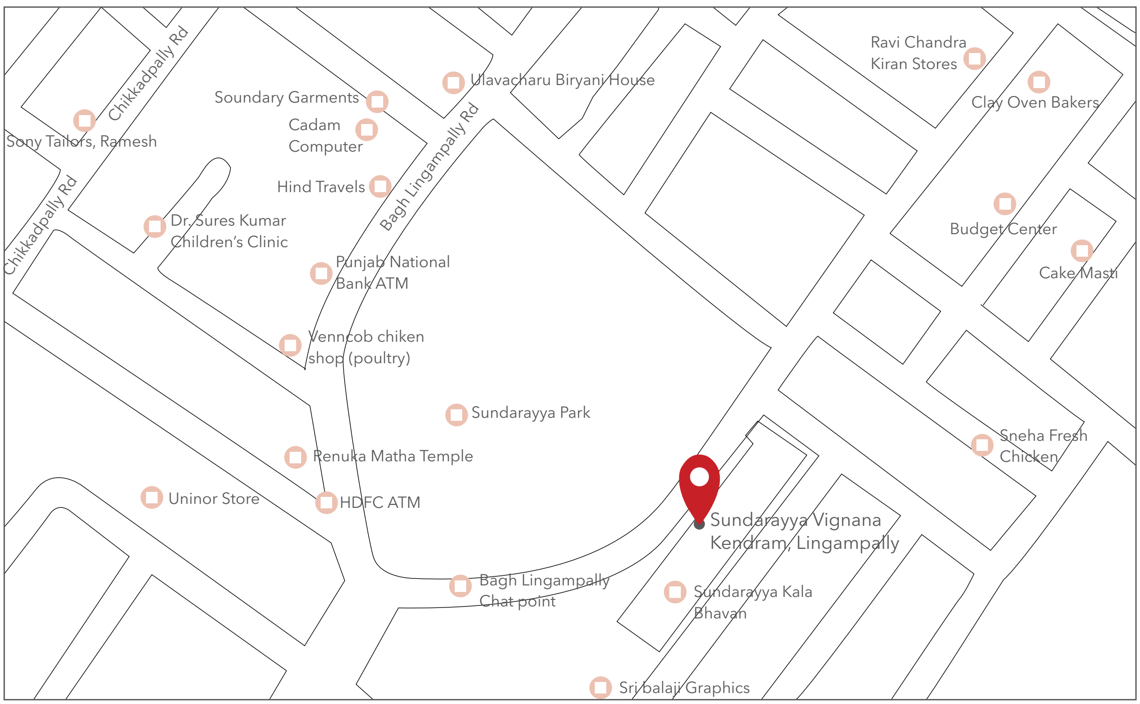
Regd. Office: 802, Babukhan Estate, Basheerbagh, Hyderabad – 500001

Corporate Office: 1st Floor, Plot No.1, Sagar Society, Road No.2, Banjara Hills, Hyderabad 500034

Tel: 040-23550502/503, **Fax:** 040-23550238, **Email:** info@alphageoindia.com

Website: www.alphageoindia.com

Route Map of venue of 31st Annual General Meeting



ALPHAGEO (INDIA) LIMITED

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Tel: 040-23550502/503, **Fax:** 040-23550238, **Email:** info@alphageoindia.com
Website: www.alphageoindia.com

31st Annual General Meeting – September 14, 2018

Proxy Form

Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014

Name of the Member(s): ………..

Registered address: ……

E-mail id: ………

Folio No/Client ID: ……………………………………………DP ID: ………………………………………………………………

I/We, being the member (s) of ………………………………………… shares of the above named company, hereby appoint:

1. Name: ………

   Address: ……

   E-mail Id: ………; or failing him

2. Name: ………

   Address: ……

   E-mail Id: ………; or failing him

3. Name: ………

   Address: ……

   E-mail Id: ………

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31st Annual General Meeting of the Company, to be held on Friday, 14th September 2018 at 11.00 A.M. at Sundarayya Vignana Kendram, 1-8-1/B/25 A, Baghlingampally, Hyderabad-500 044 and at any adjournment thereof in respect of such resolutions as are indicated below:

** I/We wish my above proxy(ies) to vote in the manner as indicated in the box below:

Resolution No.	Resolutions	Vote (Mention Number of Shares)	
		For	Against
Ordinary Business with Ordinary Resolutions:			
1. a.	Adoption of Audited Financial Statements of the Company for the Financial Year ended March 31, 2018 together with the Reports of the Directors and Auditors thereon.		
1.b.	Adoption of Audited Consolidated Financial Statements of the Company for the Financial Year ended on March 31, 2018 together with Report of Auditors thereon.		
2.	Declaration of Dividend on Equity Shares for the year ended March 31, 2018.		
3.	Re-appointment of Mr. Rajesh Alla (DIN: 01657395) as Director of the Company, who retires by rotation, and being eligible offers himself for re-appointment.		
Special Business with Ordinary Resolutions:			
4.	Appointment of Mr. Raju Mandapalli (DIN:08014543) as Independent Director of the Company		
5.	Re-appointment of Mrs. Savita Alla (DIN:00887071) as Joint Managing Director of the Company and approve her remuneration		

Signed this……..day of …….. 2018 ……………………………………….
Signature of shareholder

Affix ₹1/- Revenue Stamp here

…………………………………………… Signature of First proxy holder

…………………………………………… Signature of Second proxy holder

…………………………………………… Signature of Third proxy holder

** This is only optional. Please put a '✔' in the appropriate column against the resolutions indicated in the Box. Alternatively, the number of shares may be mentioned in the appropriate column in respect of which the shareholder(s) would like his /their proxy to vote. If all the columns are left blank against any one or all the resolutions, the Proxy will be entitled to vote in the manner as he/she thinks appropriate.

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Corporate Office of the Company, not less than 48 hours before the commencement of the meeting.
2. The proxy need not be a member of the Company. Appointing a proxy does not prevent a member from attending the meeting in person if the member so wishes.
3. In the case the appointer is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorised by it and an authenticated copy of such authorisation should be attached to the proxy form.
4. A person can act as proxy on behalf of such number of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
5. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
6. This form of proxy will be valid only if it is duly completed in all respects, properly stamped and submitted as per the applicable law. Incomplete form or form which remains unstamped or inadequately stamped or form upon which the stamps have not been cancelled will be treated as invalid.

Notes

Notes

Corporate Information

Board of directors

Mr. Dinesh Alla	Chairman and Managing Director
Mrs. Savita Alla	Joint Managing Director
Mr. Rajesh Alla	Director
Mr. Ashwinder Bhel	Independent Director
Mr. Mohan Krishna Reddy Aryabumi	Independent Director
Mr. Raju Mandapalli	Independent Director

Chief financial officer

Venkatesa Perumallu Pasumarthy, B.Com, FCA

Company secretary

Ms. Deepa Dutta, B.Com, ACS

Auditors

M/s. Majeti & Co.,
Chartered Accountants
101, Ganesh Siri Sampada Apts, 6-3-347/17,
Dwarakapuri Colony, Sai Baba Temple Road
Punjagutta, Hyderabad – 500082, Telangana

Bankers

State Bank of India

Axis Bank Ltd

Punjab National Bank

Registered office

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

Corporate office

First Floor, Plot No. 1, Sagar Society
Road No. 2, Banjara Hills,
Hyderabad – 500 034, Telangana
Phone: 23550502/23550503

Registrar and share transfer agent

M/s. Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District, Nanakramguda
Hyderabad - 500 032, Telangana
Phone: +91 40 67161500
Toll Free: 1800 3454 001, Fax: 040-23420814
E-mail: einward.ris@karvy.com
Website: www.karvycomputershare.com

Alphageo (India) Limited
First Floor, Plot No. 1, Sagar Society
Road No. 2, Banjara Hills,
Hyderabad – 500 034, Telangana

www.alphageoindia.com