

Ref: AGIL/CS/NSE&BSE/20/2020-21

Date: 10.07.2020

To
The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C-1, G Block,
Bandra Kurla Complex, Bandra (E)
Mumbai- 400 051
Scrip ID: ALPHAGEO

To
The General Manager
Department of Corporate Services
BSE Limited
1st Floor, New Trading Ring, Rotunda
Building, Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai- 400 001
Scrip Code: 526397

Dear Sir,

Sub: Update on the material impact of COVID-19 pandemic on the Company

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, we are herewith submitting an update on the material impact of CoVID-19 pandemic on the operations and performance of the Company.

This is for your information and record.

Thanking you
For **Alphageo (India) Limited**

Sd/-
Deepa Dutta
Company Secretary & Compliance Officer

ALPHAGEO (INDIA) LIMITED

Material impact of CoVID-19 pandemic on operations and performance of the Company

Impact on the Business

Consequent to the outbreak of the COVID pandemic, the Government had issued directives for closure of all business activities. For the seismic survey operations that the Company executes for various clients, the most productive months are March onwards till the onset of the monsoon period. Consequent to the lock down announced by the Government – all operations of the Company have come to a standstill from March 24th.

Ability to maintain operations including field operations Subsequent to the announcement of relaxations and partial opening from lockdown, the offices have been functioning with partial strength while a few employees have chosen to work from home. The field operations continue to be suspended due to the onset of the monsoon.

Schedule for restarting operations

While the typical monsoon season ends in early October, the Company will be assessing its ability to resume field operations based on the COVID conditions prevalent at that time and the regulations that may be issued by the Government and / or Client Companies for safe working. This will lead us to a unique situation where there is a strong likelihood of generating no income for the 1st two quarters of FY 20-21 with the likely resumption of seismic services only post monsoon from October, 2020.

Steps taken to ensure smooth functioning of operations

The Company operations would require the use of large number of unskilled workers at its project sites. The Company is constantly in touch with the registered vendors to assess the situation at its various project locations and is making plans to ensure that operations resume with maximum stress of safe working conditions for all.

Estimation of future impact of COVID-19 on operations

While the immediate impact of COVID has been easier to assess, the future impact is very difficult to assess. As the operations of the Company are spread over large tracts of lands, any adverse developments of COVID is likely to have an impact on the field operations of the Company. While there has been a volatility in the crude oil prices, the impact on seismic business from the private industry may see a negative growth while the National Oil Companies are likely to maintain their activities of seismic data acquisition.

Details of impact of CoVID-19 on the Company –

Capital and Financial Resources – The Company has adequate capital and financial resources to tide over the current crisis. The Company has incurred a substantial impact on its financial resources owing towards contract closure charges, which the Company is contesting. It has additionally put in place measures to preserve its cash reserves to ensure prompt start of its operations post monsoon.

Profitability – The impact of COVID and the subsequent lockdown imposed has substantially affected the profitability of the Company due to continued shut down of all field operations for a likely period of 6 months. A significant matter of concern will also be the availability of unskilled workers for the coming working season starting October. If there arises a situation of increasing



cases post the removal of the lockdown or a second wave, it is envisaged that it could impact our ability to work profitably. The aspects of social distancing and following safe operating procedures may also reduce the profitability.

Liquidity position – The Company's liquidity position is adequate to meet its current obligations.

Ability to service debt and other financing arrangements – The Company has no exposure to any types of fund based debts and avails only non fund based financing arrangements from its bankers which are adequate to meet its current requirement.

Internal financial reporting and control – The Company continues to maintain an adequate internal financial reporting system and control.

Supply chain – Some of the contracts that need to commence operations have been delayed due to the impact of COVID and the stoppage of all international cargo and personnel movement. The Company still needs to import equipment to commence a few of the contract operations. In addition, the Company utilises the services of foreign expatriate workers whose availability would be subject to governmental regulations.

Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the Company – It is likely that there could be impact on the financials of the Company due to non-fulfilment of the obligations of parties in the contracts entered.

The Company shall be constantly monitoring the situation and shall keep its shareholders informed as and when any material developments take place having significant impact.

Date: 10.07.2020

For Alphageo (India) Limited


Managing Director