

JINDAL DRILLING & INDUSTRIES LTD.

INTERIM CORPORATE OFFICE : PLOT NO.106, SECTOR-44, GURGAON-122 002 HARYANA (INDIA)
TEL : +91-124-4624000, 2574326, 2575626 • FAX : +91-124-2574327
E-mail : contacts@jindaldrilling.in Website : www.jindal.com
CIN : L27201MH1983PLC233813

CORPORATE OFFICE : PLOT NO. 30, INSTITUTIONAL SECTOR-44, GURGAON-122 002 HARYANA (INDIA)

E-Communication

JDIL/SECT/SE/2025-26

04 August 2025

BSE Limited

25th Floor, P.J. Towers,
Dalal Street, Mumbai-400001

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block-G,
Bandra - Kurla Complex
Bandra (E), Mumbai-400051

Security Code: 511034

Security Code: JINDRILL

Sub.: Transcript of earnings conference call held on 01 August 2025

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find below the link of transcript of earnings conference call held on 01 August 2025.

Link to access above transcript is as under:

<https://www.jindal.com/jdil/pdf-new/Transcript-of-Conference-Call-Q1-FY26-Earnings-Call.pdf>

You are requested to kindly take the same on record.

Thanking you,

Yours faithfully,

For **Jindal Drilling & Industries Limited**

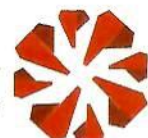
Binaya Kumar Dash
Company Secretary

JINDAL
DRILLING & INDUSTRIES LTD.

OPERATIONS OFFICE : 3RD FLOOR, KESHAVA BUILDING, BANDRA - KURLA COMPLEX, BANDRA (EAST), MUMBAI - 400 051
TEL : +91-22-26592889, 26592892, 26592894 • FAX : +91-22-26592630

REGD. OFFICE : PIPE NAGAR, VILLAGE- SUKELI , N.H. 17, B.K.G. ROAD, TALUKA ROHA, DISTT. RAIGAD - 402126 (MAHARASHTRA)
TEL : +91-02194-238511, 238512, 238567, 238569 • FAX : +91-02194-238513

MEMBER : INTERNATIONAL ASSOCIATION OF DRILLING CONTRACTORS, HOUSTON, TEXAS, USA



IADC
MEMBER



Jindal Drilling & Industries Limited
Q1 FY26 Earnings Conference Call
01 August 2025



MANAGEMENT: **MR. RAGHAV JINDAL – MANAGING DIRECTOR – JINDAL DRILLING & INDUSTRIES LIMITED**
 MR. KAUSHAL BENGANI – DEPUTY GENERAL MANAGER, INVESTOR RELATIONS & FINANCE – JINDAL DRILLING & INDUSTRIES LIMITED

MODERATOR: **MR. VARATHARAJAN SIVASANKARAN – ANTIQUE STOCK BROKING LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to the Jindal Drilling discuss Q1 FY '26 Results Conference Call hosted by Antique Stock Broking Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star and then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Varatharajan. Thank you, and over to you, sir.

Varatharajan S: Thank you, Nidhi. A very good afternoon to everyone. It's my pleasure to welcome all the participants and the management represented by Mr. Raghav Jindal, Managing Director and Mr. Kaushal Bengani, Deputy General Manager, Investor Relations & Finance for this call.

I hand over the call to the management for their initial comments, and we can move on to the Q&A after that. The floor is yours, sir.

Kaushal Bengani: Thank you, Mr. Varatharajan. Good afternoon, shareholders, and thank you for joining our earnings call. We've had a very good quarter as was expected. Revenue and EBITDA improved due to recent acquisition and full quarter operations of Jindal Pioneer.

Further, one of our rigs, Jindal Explorer, was dehiored in May 2025 and is currently under refurbishment. It will be redeployed in October 2025. However, this dehiring has not impacted our profitability.

I will briefly summarize key financial indicators. On comparison of Q1 FY '25 -- sorry, on comparison of Q1 FY '26 with last quarter Q4 FY '25, total revenue was similar. However, EBITDA increased by 23% from INR87 crores to INR107 crores. PAT increased by 5% from INR53 crores to INR55 crores and EPS increased from INR18 to INR19 per share.

These figures are stand-alone figures. The consolidated figures are even better at the PAT and EPS level. The increase in profitability was on account of income from owned rig Jindal Pioneer. Whilst revenue from

operations increased from INR245 crores to INR254 crores, there was a decline in other income due to forex fluctuation, leading to similar total revenue as last quarter. The improvement in earnings was communicated in our earlier calls, and we have managed to live up to the guidance given.

I would now like to take you through our earnings presentation. The first slide talks about Jindal Drilling & Industries. We are the leading offshore drilling services contractor in India's oil and gas sector. We have more than 35 years of experience in the sector of offshore drilling. We are supported by an efficient and experienced operational and management team who ensures that our efficiency is not compromised and we achieve highest levels of safety.

We have 6 rigs in our fleet and are currently operating 4 with ONGC. One rig Jindal Explorer is under refurbishment for next ONGC contract and 1 rig is currently engaged overseas. In addition to offshore jack-up rigs, we also provide mud logging and directional drilling services.

The rigs that we have are detailed on the next slide. In addition, we have also put out the total order book of the company bifurcated rig-wise and we have further bifurcated the order book year-wise so that the amortization of order book is easily understood by interested individuals. The quarterly highlights and detailed financials are on the next 4 slides.

A key point to note is on Slide 11, where you would see that our net cash position has not changed despite the acquisition of rig, Jindal Pioneer, which only indicates strong operational profitability. Our shareholding structure is given on the next slide.

That concludes our brief, and we would now request Mr. Varatharajan to open for questions.

Varatharajan S: Nidhi, please pick it up. Yes.

Moderator: Thank you very much. The first question is from the line of Apoorv Bandi from White Stone Financial Advisors Private Limited. Please go ahead.

- Apoorv Bandi:** Yes. Congratulations for the good set of numbers. So my first question is on the -- what is the book value of our rigs? Like, the book value is currently INR795 crores in the books, but what is the market value I want to ask?
- Kaushal Bengani:** Market value fluctuates depending on the availability of rigs in the market and the crude oil price. The most recent rig purchase and sale was that of Jindal Pioneer, which was done for \$75 million. That is a rig which was manufactured in 2015.
- Apoorv Bandi:** Okay. Sir, but this Jindal Pioneer is the one which we have bought recently, right? I want to ask that the old rigs which we have, for example, Jindal Supreme or Discovery one, right, what is the market value for those rigs and the book value? I just wanted to understand that the value which we depreciate, right, the current value of the rigs is less in book value or it's more in the book value than the market value?
- Kaushal Bengani:** Market value is generally higher for old rigs because of depreciation. And the fact that these rigs are participating in the same tenders in which new rigs are also participating. But if you're looking for a figure, we cannot provide that to you right now because we have not undertaken a valuation exercise.
- Apoorv Bandi:** Okay. Okay. And sir, my next question is like I understand that we have done a new acquisition like in the recently. But like when are we planning for the next acquisition or like how we are headed for the new growth in the company?
- Raghav Jindal:** We are actually based on the ONGC tenders. ONGC tenders have been a little sluggish. If there are new tenders coming up, we will be looking at further rigs, other than the ones which we have in our fleet. Jindal Pioneer is going to be bid in the ONGC contract whenever they come out with a tender. And other than the rigs, we are not really looking at anything more as of now.

Apoorv Bandi: And sir, according to you, that currently, demand is sluggish, right, as you have mentioned. So the charter rate also depends on that.

Raghav Jindal: We saw a few tenders by ONGC, which were either delayed or canceled. So this is also because there is some work going on in ONGC with BP and which is supposed to end this year, and they will be coming out with new plans for 2026.

Moderator: The next question is from the line of Faisal Hawa from H.G Hawa and Co.

Faisal Hawa: Sir, 3 questions. What is the current per day hiring rate of rigs in the international market? Second question is that Mr. Raghav Jindal in a previous con call had mentioned that this USD 40,000 per day rig that we hired out to ONGC was more like a one-off, and we expect much better rates in coming ONGC auctions also and particularly when we have another rig coming up for auction in October, I think.

So does that statement still hold true or there are some situations which have changed again? Third question is, sir, that there are some rigs in one of our sister concerns also. So is the management thinking in terms of consolidating all this in balance sheet?

Raghav Jindal: The international rig rate currently is upwards of, between USD 80,000 and USD 90,000. Yes, the statement that the last tender went for a very low price was a one-off, and we expect the rates to become better again, holds true because it was due to competition that one of our competitors bid a very low rate because they had 3 rigs idle and they wanted to desperately get one into action.

So it was a one-off, and we hope to achieve the international market prices or slightly lower what ONGC usually gives back again. Consolidation, nothing as such in mind, but eventually, we would prefer to have all the rigs in one balance sheet with no time lines for that.

Faisal Hawa: And sir, continuing from the previous participant's question regarding the present value of the rigs. I know for a fact that these rigs would be valued

at much higher than book value. But most of the rig owners all over the world are at present not even making like a simple interest on the current value of the rigs. So what could change from here on? Do you feel that many of these people would grow tired and sell the rigs or maybe the rates will further go up to really justify the capital investment of such rigs?

Raghav Jindal:

See, if you have to buy a new rig today, it is upwards of USD 250 million. And only the new generation rigs are really which have value. And if there is no contract, then people are selling it. People are selling it as low as USD 60 million, USD 70 million as well.

And if there is a demand for one particular rig and it is being seen, we have been offered rates of more than USD 130 million also. So like what Kaushal said, we don't have a -- it's very difficult to estimate the market value of these rigs. It all depends upon supply and demand at that particular time for a particular aspect.

Faisal Hawa:

So sir, can you give some estimates as to what our profitability will look in the coming year, given that most of the rigs are hired for longer time? And what kind of capex that we will probably also have in this coming year, particularly this FY '25, '26?

Kaushal Bengani:

In FY '25, our revenue was INR884 crores and EBITDA was INR237 crores. In FY '26, we estimate that revenue will be in excess of INR925 crores and EBITDA will be between INR360 crores to INR380 crores. Going forward, in FY '27, even though there are a couple of rigs getting de-hired in FY '27, our revenue will be almost INR900 crores in FY '27 and EBITDA will again be in the range of INR360 crores to INR380 crores for financial year FY '27. This is assuming that Jindal Pioneer gets deployed at a very low rate of USD 40,000 per day. These are very conservative projections.

I want to stress this repeatedly that these are conservative projections based on a assumption that Jindal Pioneer would be deployed on the next contract at USD 40,000 per day. I am not saying that Jindal Pioneer will get deployed at that rate. We expect the rates to be much higher. But, so

that our projections are not overstated in any shape or form, we have taken a conservative view.

In summary, the profitability that we will achieve in FY '26 will be replicated in FY '27. And if rates go up in that interim period, then profitability in FY '27 will be higher than the profitability in FY '26.

Faisal Hawa: And is it a good assumption to make that our depreciation will be quite higher now and interest outgo will be almost 0. So basically, cash PAT will almost mirror the EBITDA?

Kaushal Bengani: That is correct. If you see our finance cost has continued to decline, and it is only INR2.5 crores in June 2025. This will further decline as and when the gross debt is paid. And depreciation will also increase when more rigs are acquired, not before that.

Faisal Hawa: Okay. But our operating profit in the first quarter was around INR107 crores. So I mean, do you think that this INR380 crores is being a little conservative?

Kaushal Bengani: Sir, these are reasonable estimates because Jindal Pioneer is a profit-making center, and it is expected to be de-hired in September of this year. And then it will go into refurbishment. So, for the third and fourth quarters of this financial year, we do not expect any income from Jindal Pioneer. That is why we -- yes.

Faisal Hawa: I understood. I understood. So basically, will we also play contrarian and if we get some rigs at very good rates, try to buy them out now that we can easily raise debt at a very good rates?

Raghav Jindal: Yes. So like I told you, if a contract in ONGC is there and we have more rigs that we can provide, we would definitely be looking at acquiring them.

Faisal Hawa: And even renting them?

Raghav Jindal: Whatever is available, either a bareboat charter is one option or the other option, which is more feasible for us to be -- is to just buy them out.

- Faisal Hawa:** Sir, is the management doing anything to improve the liquidity on the stock in terms of -- because our equity also remains quite low. And I mean, the dividend payout so far have been not very high. So now that the cycle has turned for us, are we looking at doing anything on that front?
- Raghav Jindal:** I mean I really can't comment on that.
- Faisal Hawa:** But we will definitely not put in any funds into equity mutual funds or anything of that kind or if we have extra liquidity?
- Kaushal Bengani:** Mr. Hawa, can you please repeat your question? We missed it.
- Faisal Hawa:** Will we -- are we on record to say that we will not put the liquid funds into any kind of equity mutual funds or this thing going forward?
- Kaushal Bengani:** We will not invest operational surpluses in equity mutual funds. We want to retain the operational surplus because we have to incur refurbishment expenditure as and when rigs will get dehiired.
- Faisal Hawa:** Okay.
- Kaushal Bengani:** And then amortized over the duration of the contract.
- Faisal Hawa:** Okay. And can you give some light as to what the ONGC projects -- projections are for capex or something or these are things which are not really very reliable to even take any kind of strategy on?
- Raghav Jindal:** We know that they have another tender coming out by September. And other than that, we don't know much on...
- Faisal Hawa:** So is there any connection between new oil being discovered in various regions and kind of the rigs being deployed or there is no such connection?
- Raghav Jindal:** Like I told you, drilling will go up because they are working with BP right now for the last 1.5 years, another 6 months to go. They will come out with a more aggressive and a better plan on how to drill. So we can expect them to become more active.

- Faisal Hawa:** And do we have any connects with Aramco also or these are again open tenders and anyone get participate in?
- Raghav Jindal:** Yes, it's open tenders and we can participate, but we are not really wanting to look at Aramco as of now.
- Moderator:** The next question is from the line of Adarsh Hinduja, an individual investor.
- Adarsh Hinduja:** A lot of my questions were answered in the previous question. But I wanted some more clarity on Jindal Pioneer. Assuming ONGC tender does not go through for some reason, do we have a backup plan for that rig?
- Raghav Jindal:** We are already speaking to some international companies as well as in India. So yes, we do have a backup plan.
- Adarsh Hinduja:** Okay. Great. And out of curiosity, any reason why you wouldn't want to work with Aramco?
- Raghav Jindal:** Aramco is quite uncertain. Like you must have heard that they dehiired about 20 rigs in the previous years. So the tender is very volatile as they can cancel or amend the rates at any time. And it's usually not a very long-term period contract, though the rates are higher. So we prefer stability. That's why we were with ONGC. Saying that, if there is an opportunity and if we have a rig available, we would not shy away from bidding in their contracts.
- Moderator:** The next question is from the line of Apoorv Bandi from White Stone Financial Advisors Private Limited.
- Apoorv Bandi:** Yes. So I just have one follow-up question. Is it fair to assume on the depreciation side that INR38 crores per quarter run rate would be there for the year? Or we should expect more depreciation than this?
- Kaushal Bengani:** INR38 crores is a fair figure for the rest of this financial year.

- Apoorv Bandi:** Okay. And similarly, interest rate which we have got for this quarter is -- would be the same run rate for the following years, right?
- Kaushal Bengani:** It will be lower because interest rates have come down in the June quarter, and our debt is also gradually reducing. But we are net cash. Our net cash position will improve.
- Apoorv Bandi:** Okay. And my second question is on the Pioneer side that you have mentioned that in Q3 and Q4, there will be no income for the Jindal Pioneer, right? So the revenue increment, which we are assuming for this year, like INR985 crores plus. So this completely revenue increase would be from our old rigs?
- Kaushal Bengani:** So revenue increase will be because in previous financial year, Jindal Supreme was operating for less than 6 months. And in this financial year, Jindal Supreme will be operating for 12 months.
- Apoorv Bandi:** Got it. And in the FY '27, we assume that the almost same figures in revenue around INR900 crores. So -- but in the next year, Pioneer would be contributing to the revenue. So we have not added that contribution to the revenue, is it? Is my understanding right? Or where I'm missing?
- Kaushal Bengani:** I already mentioned that we have taken a very conservative rate.
- Moderator:** The next question is from the line of Maitri from Sapphire Capital.
- Maitri:** Yes, so the last time Explorer was taken on a very low per day contract. And now we are again bidding for an ONGC contract. So what sort of confidence do we have that another competitor won't bid just as low as the last time it happened?
- Raghav Jindal:** I believe they must have learned their lesson. They left USD 20,000, USD 30,000 on the table. That was the difference between L1 and L2. I just hope that they have the brains not to bid as low as that.
- Maitri:** Okay. And why not take Pioneer for the international contract because we have a better...

- Raghav Jindal:** It also does not affect the international market prices. So definitely, they will have learned that.
- Maitri:** Okay. And why not take Pioneer to the international market rather than taking it to ONGC?
- Raghav Jindal:** So we are open, like I told the gentleman before, we are looking at some international operators as well as other Indian operators in India as well.
- Maitri:** Any names you could -- you would say?
- Raghav Jindal:** No, I would not divulge that.
- Maitri:** And any -- yes, that makes sense. And any recently rig that has been contracted, any prices do you have that currently in the market what's going on?
- Raghav Jindal:** With ONGC was our last contract and internationally, a few have been around USD 80,000 to USD 90,000.
- Moderator:** The next question is from the line of Jitendra Hiru Panjabi from EM Investco Capital Advisors Private Limited. Please go ahead.
- Jitendra Panjabi:** Yes. I have 2 broad questions, right? Beyond the next 12, 18 months where a lot of the discussion has been, can you articulate how do you think about the business? How do you intend to allocate capital? And what's the high-level thinking on adding new capacity or diversifying differently?
- Raghav Jindal:** We do expect, like I said, ONGC had a little interim period of these 2 years where the demand was sluggish. We expect -- and that's what the ministry also wants India to produce more and more oil. So we see this market quite bullish in the coming times and the rig counts to go up.
- We would like to invest in more rigs when the opportunity is right and the tenders are there and provided we get available rig in the international market. So yes, in terms of increasing the rig fleet is going to be one area where we increase our capital. And diversification, there are certain thoughts, but nothing to really come forward with a plan right now.

Jitendra Panjabi: Okay. And the second question is what is the net cash position today? And how are we keeping that cash?

Kaushal Bengani: Cash is invested in liquid mutual funds.

Jitendra Panjabi: And what is the amount today, as on today roughly?

Kaushal Bengani: As on 30th June, the net cash position is INR112 crores. The way we arrived at that figure is by deducting INR121 crores from the total liquidity of INR233 crores. The debt is INR121 crores and total liquidity available to us is INR233 crores.

Jitendra Panjabi: Okay. Understood. And if I may sneak in one more question. So we've been seeing some of these actions on some of the Russian-linked companies by the U.S. in recent weeks, okay? I know we don't have anything directly connected there, if it is my understanding. But I'd just love to understand if there's any second level impact or damage or any implication of what's happening in terms of these policy actions on us?

Raghav Jindal: I don't see any reason for ONGC or any other company to do badly or better because India is only looking at improving its oil production in the coming future, and it will only benefit us with the operations in India.

Moderator: As there are no further questions, I would now like to hand the conference over to the management for closing comments.

Kaushal Bengani: Thank you, shareholders, for participating in the earnings call. We are growing as a company. As and when there is an update, we will ensure same is provided to you. Thank you to Mr. Jindal for taking time out from his schedule. And thank you to Mr. Varatharajan for organizing the call. Thank you.

Moderator: Thank you very much. On behalf of Antique Stock Broking Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.