



SEAMEC LIMITED

A member of **MMG**
METAL MINING GROUP

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SEAMEC/BSE&NSE/SMO/TRANSCRIPT/1711/2025

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Corporate Relations Department BSE Limited Phirojee Jeejeebhoy Towers, Dalal Street, Mumbai - 400001	The Manager Listing Department National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East) Mumbai - 400051
Scrip Code: 526807	Trading Symbol: SEAMECLTD

Sub: Transcript of Investors/Analyst Earnings concall held on November 11, 2025

Ref:

- Regulation 30 (read Para A (15) of Schedule III -Part A) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')
- ISIN: INE497B01018

Dear Sir / Madam,

In accordance with Regulation 30 read with Schedule III of the Listing Regulations, this is to inform you that the transcript of the concall organized and held on Tuesday, November 11, 2025, in relation to the Unaudited Financial Results of the Company for the quarter and six months ended September 30, 2025 (Q2 FY26) is hereby enclosed.

The above is made available on the Company's website i.e. <https://www.seamec.in/>

This is for your information and record.

Yours Faithfully,

For **SEAMEC LIMITED**

S.N. Mohanty

President - Corporate Affairs, Legal and Company Secretary

Please visit us at : www.seamec.in





**“Seamec Limited
Q2 FY '26 Earnings Conference Call”
November 11, 2025**



MANAGEMENT: MR. RAJEEV GOEL – NON-EXECUTIVE DIRECTOR – SEAMEC LIMITED
MR. VINAY KUMAR AGARWAL – CHIEF FINANCIAL OFFICER – SEAMEC LIMITED
MR. SUNIL GUPTA – VICE PRESIDENT, STRATEGY AND HEAD INVESTORS RELATIONS – SEAMEC LIMITED

MODERATOR: MR. BALASUBRAMANIAN – ARIHANT CAPITAL MARKETS LIMITED

Moderator: Ladies and gentlemen, good day, and welcome to Seamec Limited Q2 FY '26 Conference Call, hosted by Arihant Capital Markets 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 then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Balasubramanian. Thank you, and over to you, sir.

Balasubramanian: Thank you, Trisha. Good afternoon, everyone. On behalf of Arihant Capital, I welcome you to the earnings call of Seamec Limited for Q2 FY '26. From the management side today, we have Mr. Rajeev Goel, Non-Executive Director; Mr. Vinay Kumar Agarwal, CFO; and Mr. Sunil Gupta, Vice President, Strategy and Investor Relations. We welcome the management of Seamec on this call.

Now, I invite Mr. Rajeev Goel, Non-Executive Director, to give his opening remarks, following which we will open the floor for Q&A. Over to you, sir.

Rajeev Goel: Good morning, all. I am Rajiv Goel. I am Non-Executive Director for Seamec. And I would like to extend a warm welcome to all of you to Seamec Q2 and H1 FY '26 earnings call. And I really thank you for taking the time to join us today.

I am joined on this call by our Chief Financial Officer, Mr. Vinay Agarwal, and our Vice President, Strategy and Investor Relations, Mr. Sunil Gupta. Both are veterans in their field and very experienced.

I would like to highlight here that the Indian petroleum and energy sector is undergoing a transformative expansion, poised to play a defining role in shaping the global energy future, India's journey. And this India's energy journey has reflected till date a remarkable progress, which is driven by the visionary policy, rapid innovation, and sustained investments across various sectors of refining, biofuel, and green energy, all undertaken by this government of India and our Ministry of Petroleum and Natural Gas under the leadership of Mr. Hardeep Singh Puri, our Union Minister.

As of now, our capacity stands at about 258 million metric tons per annum. And we are on track to reach 310 metric tons by 2030, with long-term plans to scale it further. As said, this expansion will consolidate India's position amongst the top three refining hubs globally, as around 20% of the existing global refinery capacity faces potential closure by 2035.

So while the global energy market is expected to grow at a slow pace with several refineries worldwide facing closure, India stands out as a bright spot, projected to increase its contribution to nearly 33% of global energy demand in the coming decade.

As far as Seamec was concerned, so this was a very challenging quarter for us, being the monsoon quarter, as we all call it very fondly. And this is a period when the majority of our vessels, they are unable to work because of the weather and there were restrictions on their deployment.

Apart from that, we also faced some operational hazards, especially with regard to our vessel SWORDFISH. And we have discussed about SWORDFISH in the previous investor calls also. Unfortunately, this vessel experienced a technical breakdown in mid-August, after having successfully deployed with the ARAMCO, and which impacted its availability of Charter Higher. But as of now, all those defects are duly rectified, and the vessel is in the field and is fully operational.

Further, I am pleased to announce that our barge Seamec Glorious has entered into a firm Charter Party with L&T, for work in the Mumbai High and Western Offshore region, for a firm period of 150 days. And this barge is already mobilized in the field with L&T.

We have also secured a Charter Higher Agreement worth INR6.3 crores with HAL Offshore for the charter of its vessel GOODMAN. The company signed a Memorandum of Understanding with the DG Shipping to invest approximately almost INR1,000 crores in our maritime business.

Monsoon seasonality continues to be a factor in the offshore segment, impacting mobilization and chartering activity. However, given the new contract secured, we expect the operation to improve as the chartering activity picks up and monsoon impact fades. The next few quarters will be very meaningful to us as we capitalize on the up-cycle and continue strengthening our foundation for sustainable growth.

Thank you for your time and continued trust. I would now hand over the floor to Mr. Vinay Agarwal, our CFO, who will provide you a detailed overview of our financial performance for Q2 and H1 FY '26. Thank you very much.

Vinay Agarwal:

Good afternoon, everyone. Thank you, Rajeevji. I warmly welcome everyone participating in today's Q2 and H1 FY '26 earning call. Allow me to walk you through the stand-alone and consolidated financial performance for the second quarter and first half of FY '26.

Our consolidated top line for the quarter stood at INR108 crores compared to INR110 crores in Q2 FY '25, reflecting a 3% decline year-on-year basis. At the stand-alone basis, revenue stood at INR91 crores versus INR102 crores in the same period previous year.

For H1 FY '26, our revenue at console level stood at INR338 crores compared to INR333 crores in H1 FY '25, up by 2%. At the stand-alone level, H1 FY '26 resulted in revenue of INR314 crores versus INR320 crores in the first half of last year, a 3% decline. EBITDA for the quarter at console level was INR18 crores in Q2 FY '26 against INR38 crores in Q2 FY '25.

On a stand-alone basis, EBITDA stood at INR9 crores in Q2 FY '26 compared to INR37 crores in Q2 FY '25. Consolidated EBITDA for H1 FY '26 stood at INR135 crores versus INR119 crores in H1 FY '25. At the stand-alone level, EBITDA was INR125 crores in H1 FY '26 against INR123 crores in H1 FY '25.

Decline in performance was happened mainly due to unscheduled breakdown of our vessel in the SWORDFISH during the current quarter, which now is perfectly alright and it is working in the field. PAT on consolidated basis resulted in a loss of INR26 crores compared to profit of INR0.2 crores in the same quarter of the previous year. On a stand-alone basis, loss was INR26 crores in Q2 FY '26 versus profit of INR3 crores in Q2 FY '25.

H1 FY '26 resulted in the PAT of INR50 crores same as in H1 FY '25 at the consolidated level. PAT at the stand-alone level was INR54 crores in H1 FY '26 against INR55 crores in H1 FY '25. Both the ROCE and ROE stood at 8% at the consolidated level. Thank you for your continued support. With all our fleet up and running now, we are confident to get back on track in the upcoming quarter.

Now, I would like to open the floor for questions and answers. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question comes from the line of Abu Rafe, who is an Individual Investor. Please go ahead.

Abu Rafe: Thank you for giving me the opportunity. I have few questions. In recent quarters, there appears to be an increase in the frequency of vessel breakdowns. Could you please elaborate on the management strategy and action plan to minimize such occurrences and ensure faster resolution when breakdowns do occur?

Sunil Gupta: You have more questions or we answer one-by-one?

Abu Rafe: One-by-one would be better, sir, for me.

Sunil Gupta: Sure. So, see, as we have been guiding the investors, some of our vessels are already quite old. And with the age, the breakdown is quite possible. We are adding newer vessels to the fleet, which is one solution. Secondly, we are doing a higher focus on the preventive maintenance. And third, we are also taking care of keeping some spares, which can help reducing the downtime. I hope I answered your question.

Abu Rafe: Okay. All right. Sir my next question is, in your previous concalls, you have mentioned that there is a lot of work available in the market, but we do not have enough vessels to meet the demand. So, I wanted to understand, can't we just lease the vessels from other companies and get the work done? Is it not possible for us?

Sunil Gupta: Rajeevji, I would like you to answer.

Rajeev Goel: Thank you for your question. So leasing vessels from other companies and then adding my services to that vessel and then further giving to the customer is not financially feasible. Because, see, please understand. So, this is a capex business. When you go for chartering of a vessel, there are so many conditions involved with that, especially as you have just mentioned regarding the breakdown and maintenance of the vessel, right?

So, we have to ensure that we get a very good vessel with a good track record of being in the field. And then the lease charges have to be financially feasible.

And our experience here has been that whenever we have tried this experiment at the end of the contract, after taking into account all contingencies and everything, the returns are not so attractive to really, outweigh the effort that we put in such contracts.

And as of now, I'm very happy to say that almost the entire fleet is working in the field, fully operational. And yes, we are always looking out for increasing our fleet size, considering the demand option that we have at our disposal. Thank you.

Abu Rafe: All right sir. Sir, one last question.

Sunil Gupta: One thing to add, as Rajeevji mentioned,...

Abu Rafe: Yes.

Sunil Gupta: See, we had almost done a capex of INR500 crores about two, three years back. Okay? This year, we have again committed INR800 crores for expansion of our fleet. So, this is a ongoing journey and we will make sure that the cash flows and the opportunities are aligned in a manner that we don't miss out on opportunities. Okay?

Abu Rafe: Okay. All right sir. So, one last question from my side and I'll join the queue back. So, when can we expect the delivery of Anant?

Sunil Gupta: Rajeevji?

Rajeev Goel: So, in Anant, so we have got finally the shareholder approval, for the RPT transaction that just got, that e-voting just got concluded on 31st of October. And now, the further process of approvals from DG Shipping, ONGC, now we can approach them. And as of now, our plan is to mobilize it by 1st of Feb. And that is what is also part of our financial budget and we are looking forward to meet the timelines.

Abu Rafe: Okay. All right. Thank you, sir. Thank you very much.

Moderator: Thank you. The next question comes from the line of Manhar Rao from Orbit Capital. Please go ahead.

Manhar Rao: Yes. Hi, sir. Am I audible? Good afternoon.

Rajeev Goel: Yes.

Manhar Rao: Am I audible?

Moderator: Yes.

Manhar Rao: Yes. Okay.

Moderator: Yes, you're audible, sir.

Manhar Rao:

Yes. Yes, Yes. Okay. So, my question is, sir, SEAMEC SWORDFISH was almost operational for about 75 days this quarter. And then we also had SEAMEC Paladin almost operational for the entire quarter.

So, if I just take the revenue of these two on a standalone basis, it should have been INR80 crores. On top of that, I had Princess, Diamond, and even SEAMEC II was operational for some point of time.

So, how come we have done only INR82 crores on a standalone basis for this quarter? Because, as per me, these two ships, SWORDFISH and Paladin, should have suffice that revenue which we have done this quarter.

Rajeev Goel:

Request Vinay ji to answer this.

Vinay Agarwal:

Whatever you are saying, sir, in case of SWORDFISH and in case of Paladin, Paladin, we have worked for full quarter, but in case of SWORDFISH, we have worked only for 21, 22 odd days. So, revenue is not sufficient, whatever you are saying.

Whatever we have reported is as per the deployment chart of our vessel. And you are saying -- you are right in saying that had we would have deployed this vessel for entire quarter, revenue would have been much better. But SWORDFISH was deployed only for 22 days. And Paladin...

Manhar Rao:

Sorry to cut in between. Actually, we had only a notification that August 28 to 12 September, SWORDFISH was not deployed. So, how come only 22 days, sir? Even if I remove, you know, from 28 August to 12 September, which is about 15 days from 90 days, from my calculation, it comes about 75 days.

Vinay Agarwal:

No, no. I would like to add just one thing. In this quarter, we have started our deployment for SWORDFISH effective around 15th or 14th or 15th of August. And it remained On Hire for three, four days. Then went off-hire due to some breakdown. Then again redeployed somewhere around 10th or 12th September and worked till quarter end. So, effectively, SWORDFISH has worked 22. There may be some calculation error on your part. But this is how.

Manhar Rao:

Got it, sir. Just a follow-up on this. SEAMEC SWORDFISH, the contract was supposed to start from May of 2022 and this is a 730 days contract. So, sir, just to understand, is this a continuous contract? Because why did we just deploy it from August? I mean

Vinay Agarwal:

Sir, you are right in saying this. SWORDFISH was supposed to be deployed from May -- effectively April 2025. Due to certain visa issues, which we have already notified to the exchanges and in our investor calls to all the investors, due to certain visa restrictions by Saudi government, we could not deploy it for quite some time, say by July.

Then after there are certain operational issues, there are a huge line-up of visa seekers. Then finally, we deployed our vessel, effective August 2025. And it's a long-term contract of two years with Safeen. And it will work for two years effective -- we will need to complete a two-year period of 730 odd days. So, we will continue and we will complete the contract.

- Manhar Rao:** Got it. Sir, my second question is, last year, the barge, you know, it was almost the day rate was coming at US\$75,000 and this time it is almost US\$22,000 per day. I'm not exactly quoting the price, but it is almost one-third of what we contracted last year, the Seamec Glorious. Okay. So, why did this happen, sir? Why such a big drop?
- Vinay Agarwal:** So, sir, in case of Glorious, whatever you are saying is partially right. This year, we have contracted our Glorious only on charter day rate basis. And we have not added any other services. Earlier, whenever we are working with ONGC, this includes diving services as well, - which incur huge cost. So, both the contracts are not comparable at all. In this contract, which we have entered with L&T, we are providing only barge along with crew. That's it. So, this is the difference.
- Manhar Rao:** Okay. Got it. Sir, another last question from my side before joining the queue. On a year-on-year basis, if I compare both H1 of this year and H1 of last year, our employee cost is up by 25% and even this quarter, on an operational cost basis, we have incurred a lot of cost. So, I just wanted to understand, despite revenue almost being flat, why are the employee costs increasing at such a rapid pace, almost 25% is the increase if we compare H1 of this year to H1 of last year?
- Vinay Agarwal:** Sir, if you look at the numbers, when we say employee costs in our case, this includes crew costs. Our crew deployed at the vessel. So, in this quarter, we have added SEAMEC SWORDFISH in our fleet. Earlier, this was not there. Crew was deployed on the vessel, though it was not earning revenue. So, when you compare revenue, there is no growth in the revenue, but vessel is up and running from crew perspective. So we have incurred cost on crew, hence, the overall cost has gone up.
- Manhar Rao:** Okay. So, we have the employees, but the deployment was not there. Hence, the cost has gone up. Is that right understanding, sir?
- Vinay Agarwal:** Crew was there on the vessel SWORDFISH, but due to the breakdown, it couldn't perform.
- Sunil Gupta:** You are right.
- Manhar Rao:** Sir, I'm really sorry. Just one last thing. In Q1, we didn't have any revenue from SWORDFISH. My understanding is right. Correct. Q1 of this financial year, we didn't do any revenue from SWORDFISH because you are telling it is deployed from August.
- Vinay Agarwal:** Sir, in the initial period of May, there was a small revenue. There was mobilization revenue and some 10 odd days of revenue during May. So, there was few revenue.
- Manhar Rao:** Okay. Got it, sir. I'll join the queue. Thank you so much.
- Vinay Agarwal:** Please. Thank you.
- Moderator:** Thank you. The next question comes from the line of Tejas, who is an Individual Investor. Please go ahead.

Tejas: Yes. Good afternoon, sir. Thank you for the opportunity. Just one question is that since we have these breakups and breakdowns on the site as a part of a contract, do we also have some penalty incorporated or is it only the loss of revenue that we have to incur?

Sunil Gupta: Rajeev Ji?

Rajeev Goel: Mr. Tejas, thank you for your question. So, you know when we plan and make the budgets for a particular charter hire contract, we do take into account the budget for maintenance and definitely if the vessel is not operating, we lose that particular period of charter hire from the customer.

In case of ONGC, if that breakdown, there is a clause which says that further penalties are applicable. And if these breakdowns are due to vessel or due to the outside services, accordingly, they are apportioned in the books of accounts. So, yes, penalties are there, but accordingly, the CMR is also part of our budgets. The only issue that we really face is when these breakdowns are like unplanned or there is some accident or something like that, that is where we actually incur loss.

Tejas: And so, as I understand, sir, these penalties are not part of every contract. It will differ from contract to contract. Does that – better understanding?

Rajeev Goel: Yes, it all depends on contract to contract. So, primarily, it is the loss of revenue when the vessel is not working. However, in the case of ONGC, the contract says application of penalties also.

Tejas: And what is the rough percentage of these penalties?

Rajeev Goel: It all depends. When we calculate the breakdown, we calculate it on an hourly basis. Right?

Tejas: Okay.

Rajeev Goel: If out of 24 hours, if the vessel is not working even for 6 hours, and what is the type of breakdown? Accordingly, the penalty varies from, say, 20% of charter hire to up to almost 2.5x of the charter hire. So, there is a slab, there is detailed information that what breakdown constitutes a major breakdown, a minor breakdown, or a vessel not fully operational. All those are part of the confidential agreement that we have done with the ONGC. But we are also accounting for it.

Tejas: Okay. Sir, the last question from my end is, there was a doubtful allowance of INR140 crores. Any status on that? Are we receiving it? Are we taking any action on that? Is it clear or is it still pending, sir?

Rajeev Goel: Request Vinay ji to please answer.

Vinay Agarwal: This pertains. sir, you are referring INR140-odd crores, right?

Tejas: That's correct, INR140.38 crores. Yes, sir.

- Vinay Agarwal:** Sir, this pertains to year '15-'16, and this pertains to Swiber. We have already fully provided, and there are less chances to require anything. But no more impact will be seen in our financials. Everything has been provided.
- Tejas:** Okay, sir. Thank you so much. Okay, Sir. That's all from my side. Thank you.
- Vinay Agarwal:** Thank you.
- Moderator:** Thank you. The next question comes from the line of Keshav Garg from Counter Cycle PMS. Please go ahead.
- Keshav Garg:** Sir, I wanted to understand that if we see pre-COVID, our margins used to be less than 20%. I am talking from 2014 to 2018. But post-COVID, the margins have been above 30%, around 35%. So, what is the reason for this? Is it because the rates have gone up, the charter rates have gone up? Is that the reason, or there is something else?
- Sunil Gupta:** Keshav, there are two reasons. Yes, the charter rates have gone up. Secondly, the mix of the business has also changed. So, there are two kinds of businesses we do. One is EPC contracts, and the other is IMR contracts. The ratio of IMR contracts is going up, where this is higher margin business. And this is our focus as a strategy also.
- Rajeev Goel:** And also, you know, we have upgraded the age of our vessel. So, we have got four relatively young vessels as compared to the vessels we were operating in the period 2015 to 2018. And because young vessels have lesser repair and maintenance as compared to old vessels, that is also one of the factors that has contributed to this.
- Keshav Garg:** Sir, so now to the extent that the margins have gone up due to the higher charter rates. Sir, so now when the charter rates are higher, I am assuming the new vessel cost would also be higher and vice versa. So, the ideal time to expand the fleet is when the charter Hire rates are very low, so that the capital cost is also low and the cost of acquisition is low and vice versa.
- Sir, but now that the charter rates are high, and I am assuming that we must be paying a premium to acquire the new vessel. Sir, so how sound is this strategy? And sir, going forward, since everything is cyclical, then if next time when the charter rates go down, sir, will we not be stranded with high-cost assets?
- Rajeev Goel:** So, I would like to reply here that the type of vessels that we operate are called multi-support vessels. And these are very highly specialized equipments with very limited number available globally. Just to give a broad context here, I am the only multi-support vessel owner with a fleet in India and the biggest in Asia-Pacific.
- Means, it is not up to me that these vessels are readily available for purchase in the market. However, if I plan to construct a vessel, the minimum time that yard takes is almost 2.5 to 3 years to deliver a MSV, fully constructed and new brand. So, the charter hire cycle, as such, it is not fully dependent on the oil prices because this is towards the cost of extraction of oil, which is a continuous activity.

Only thing is when the oil prices are higher, yes, the charter rates do increase. And when the oil prices are lower, they do decrease, but not in the same proportion. That is a very minimal impact. It is more about the type of services that we can provide with the vessel that we have in our hand. So, what we have done, as I said, is that we have got a younger vessel. We have also shifted the type of service mix that we are providing as a service provider to our customers.

And all these efforts have really resulted in increasing the charter rates. And we are very firmly in belief that these kinds of charter rates will prevail for the upcoming next four or five years also. And maybe if we can further add more and more to our service, definitely we can also look at even higher rates.

Keshav Garg:

Sir, so, now, sir, let's assume that if oil prices, if they continue to go down, of which there is a fair chance of, let's say, going to somewhere around \$50. So, ONGC might not immediately cut its capex, but, sir, globally, the private players who are doing offshore activity, they might cut down on at least the offshore exploration part. And, sir, all those surplus support vessels might start bidding for ONGC tenders, resulting in lower charter higher rates. So, is that a possibility?

Rajeev Goel:

No, sir, because when we talk of oil exploration, then we are talking about rigs. When we talk about providing services to an oil field which is already extracting oil, then we talk of the diving support vessels, the offshore supply vessels, and all other things. So, there is vast difference between the type of vessels which are used in oil exploration and the vessels which are used in providing services to the oil field, which is already extracting oil.

And once an oil field becomes operational, then what matters is the cost of extracting that oil, right? So, whatever be the oil price, you don't stop extracting oil. As far as we are concerned, yes, we are fully occupied with ONGC and with the limited assets that we have in our hand.

Only one of our assets is deployed with Aramco. Again, Aramco is such a big company that thinking that when the oil prices will go down, they will stop extracting oil is not possible.

Keshav Garg:

So, one final question, sir. What is our strategy to acquire new vessels, sir? How do we determine that the price X that I am buying this new vessel for? So, basically, what is the IRR that you are expecting when you are buying a new vessel?

Rajeev Goel:

So, whenever we plan a new vessel, the age of the vessel as per the shipping norms is 25 years. In case of MSV, it is even higher, right? So, it has to be a match between the proposed charter where we are going to deploy the vessel, the time period of the charter versus the cost of acquisition.

And suppose I get a charter of 3 years or 5 years, and I know that I am able to almost get 50% of the total capital as a payback during this charter period. Then I know that the value of the vessel left at the end of the contract with its remaining life is a very lucrative proposition. And that is how in this industry we all plan our capex.

Keshav Garg:

Sir, so what would be the replacement cost of our existing fleet if we sell it in the market?

- Rajeev Goel:** Replacement cost, right now, there are at least 3 vessels which are quite old. And a typical new MSV, although it is far more superior with better equipments, upgraded equipments, and its capability to perform is almost 1.5x of these old vessels. But that right now the market is looking at almost like \$100 million for a new vessel.
- Keshav Garg:** Sir, so since we are having old vessels, sir, how can we compare it with a new vessel, sir? We should, sir, I am asking what is -- if we sell our, all our 7 vessels today in the market, sir, what is the tentative price that we can get for them on as is, where is, current state, not the equivalent new vessel of same capacity?
- Sunil Gupta:** May I answer, Rajeevji?
- Rajeev Goel:** Yes, yes, please.
- Sunil Gupta:** Sir, this is a very theoretical question. Let me tell you. You remember there was a time when SEBI asked all the mutual funds that if you have to sell your portfolio, how much time you will liquidate, right? And people said 5 days, 10 days, 15 days. But you think that if all mutual funds come and start selling stocks, they will be able to liquidate the stocks in 5, 7 days, 10 days, 15 days.
- See, as Rajeevji said, a new vessel takes around \$100 million, okay? Today, if you compare our, the entire fleet's theoretical value would be in the range of 1,500 to 1,800. But can I sell that new, all the fleet at one go? Not possible. Okay?
- Keshav Garg:** Okay, sir.
- Sunil Gupta:** We are the buyer of fleet today, we are not the sellers of fleet.
- Keshav Garg:** Right, sir. And, sir, lastly, sir, what would be the debt on our balance sheet on 31st March, 2026? Net debt.
- Sunil Gupta:** Net debt on 26 -- 31st March, 2026 would be roughly about INR300 crores to INR400 crores.
- Keshav Garg:** Great, sir. Thank you very much.
- Sunil Gupta:** Thank you.
- Moderator:** Thank you. The next question comes from the line of Khushi Jain from Trident Asset Management. Please go ahead.
- Khushi Jain:** Thank you so much for the opportunity. So, my first question is, you have taken the delivery of Seamec Agastya. Is the vessel already concentrated for work coming from December '25? And, basically, what is the daily rate and contract duration for its initial deployment?
- Sunil Gupta:** Vinayji?

- Vinay Agarwal:** So, as per our budget proposal, this vessel is all scheduled to be deployed from December 2025. And the contract is hand. Vessel will be deployed for next four years with ONGC through HAL Offshore. And its daily rate is USD25,000 per day.
- Khushi Jain:** Okay. And sir, how does its acquisition cost and expected return portfolio compared to the recent acquisition of SEAMEC SWORDFISH?
- Sunil Gupta:** So, see, the acquisition cost was \$23 million, which is around INR200 crores. And we have about minimum eight years of life for the vessel. This is just the 8 years of life, while the practical life will be much higher. We expect the IRR to be upwards of 20%.
- Khushi Jain:** Okay. Got it. So, my next question is, the MoU with the general shipping of INR1,000 crores in capex is major commitment. So, what is the specific allocation of the capital, sir?
- Sunil Gupta:** So, Rajeevji, take on.
- Rajeev Goel:** Okay. Thank you. Thank you, Sunil. So, we all know that recently the government of India had this maritime conference in Mumbai. And almost everyone in the industry participated in that. And because of the various benefits that have recently been announced by the government for the yards, the shipbuilding yards, and for shipping industry as a whole, so, you know, this becomes a very, like, very attractive for us also now to invest in new vessels.
- So, maybe we are looking at a fleet of MSVs, but we are also open now to look at the options of other vessels, which can give us a similar payback. So, that is why we were participants in this maritime conference. And we offered the government that we are ready to invest. We gave a commitment, sort of, to invest almost as a INR1,000 crores in capex over the next few years.
- And we have also given -- all of us jointly have also given a memorandum of what is our further expectations from the ministry? And we are quite hopeful that the way government is responding so positively to the industry as a whole across various sectors, so this shipping industry will also be a major beneficiary.
- Khushi Jain:** Okay, sir. So, what will be the expected saving for this spend over the coming years and how it will be funded?
- Rajeev Goel:** So, as of now, it's a MoU that we have done with the government of India. And the timelines, the funding patterns. The exact number of vessels we are looking at, the type of vessels that we are looking at. So, we are still in the preparation stage where we will prepare this complete project and then submit to the government. And it is under preparation at present.
- Khushi Jain:** Okay, got it, sir. I have one more last question. So, sir, do you have any strategy to phase out older vessels over the next five years as given these vessels are fully depreciated and have a low cash cost and breakeven?
- Rajeev Goel:** No, that strategy is always there because our present fleet is now almost 10 to 11 vessels. In the last four years, we have bought four new vessels. We have discarded almost one old vessel. In the coming five years, definitely, you know, if we are able to lay hands on new vessels,

definitely, we would like to upgrade the age of the fleet, because that is where then you start higher revenues, better margins, and all those things.

And that is how you grow also. So, these plans are always there. They are always under supervision, under working, that whenever we have an opportunity to buy a new vessel, we will definitely look at it.

Khushi Jain: Okay. So, how do you model the trade-off between high margin of fully depreciated assets and a high opex unreliability of an aging fleet?

Rajeev Goel: No. So in India, basically, this leverage is not available to us because there are age norms. And DG Shipping is very firm about those age norms that when the vessel crosses its age, it cannot continue to operate in Indian waters. So, our total entire working is within the parameters of the various rules and regulations of DG shipping, particularly regarding the age.

So, if my vessel, these old vessels crosses that particular age, then I cannot operate So that trade-off between buying a new vessel and a lesser opex versus a vessel which is fully depreciated and a high opex is actually not available to us.

Khushi Jain: Okay, sir. Got it. Thank you so much. I wish you all the best, sir.

Rajeev Goel: Thank you.

Moderator: Thank you. The next question comes from the line of Aditya from Sarthak Securities. Please go ahead.

Aditya: Thank you for the opportunity, sir. Sir, I see the cumulative losses in overseas operations have reduced from INR56 crores to INR28 crores. So, what is the like any management approved plan to bring these subsidiaries into breakeven or even profitability? So, if you could provide any milestones or time line for that?

Sunil Gupta: So see, we have been telling our investors in various previous calls that we are in continuous focus to ensure reduction in losses and profitable opportunities. This year, we believe that from INR28 crores last year, we should be hardly INR5 crores, INR7 crores. And maybe in next year onwards, it should be breakeven to positive.

Aditya: Okay. Got it. And the next one, like the rationale for Seamec U.K. investments is to access the North Sea opportunities. So like given the project is delayed by almost 10 year, 15 months, so what is the current expected ROIC for this venture? And how does it compare to the company's overall ROCE target of like 11% you said?

Sunil Gupta: Rajeevji?

Rajeev Goel: Can you please repeat the question? It was not audible to me.

Aditya: Yes. So the rationale for Seamec U.K. investments is to access the North Sea opportunities, right? So like the project is delayed by almost 10 year, 15 months. So like what is the current

expected return on invested capital for this? And how does it compare to the company's overall ROCE target of 11%?

Rajeev Goel:

So this particular investment that we did in U.K., so as of now, our plan is to make this office operational. Initial plan was to make this office operational by June 2026. And as of now, what we see is that we should be able to make it operational by September 2026.

And this office is, will act like our Liaison office for the Northern Europe offshore market because sitting here in India with the assets in our hands, although they are fully deployed. But as we see Northern Europe offshore market is a highly lucrative market in terms of charter hire rates.

And this was in our plan. We have earlier ventured into Latin America, into U.S., into Middle East. And this is one market where we are very keen and eager because we are fully qualified. So by September 2026, we hope that this office will be operational.

Not much of the major capex as of now is required for this project because of the total planned capex, we are almost over with 80% of the capex commitment and investment. A balance 20% also at the end of the day, we might be able to save something out of it, but that all depends on the pace of the work. So fully committed to give you good news in the coming years.

Aditya:

And Yes, if there are any questions, I will join the queue. Thank you so much.

Moderator:

Thank you. The next question comes from the line of Mohit Chandnani from Valuewise Advisors. Please go ahead.

Mohit Chandnani:

Hi, sir. Thank you for the opportunity. Am I audible?

Rajeev Goel:

Yes, please.

Mohit Chandnani:

Yes. So, could you please reiterate the dry dock days for the ships, like which ones are coming in next year and then which ones are happening in FY '27 and '28?

Rajeev Goel:

So, for '26, our Seamec-3 and Seamec Princess, both are selected for dry dock. And Seamec Paladin, we had planned earlier the dry dock somewhere in August 2025, but then we got an extension for six months. And this vessel is also going for dry dock at the end of January 2026.

So, these are the three vessels which are planned for dry dock in 2026. '27 and '28, we are looking at dry dock of Seamec-2. And we are looking at a very, very minimal dry dock for Seamec Anant being a new vessel. And we are also looking at dry dock for SWORDFISH and Nusantara. Nusantara will come at 2028 only. '27 is the balance of the vessels. This dry dock happens after every 2.5 years and is typically a 90-day exercise.

Mohit Chandnani:

Understood, sir. Understood. And could you please reiterate the day rates for Nusantara and Anant?

Rajeev Goel:

Vinayji, please answer.

- Vinay Agarwal:** So, Nusantara, we are getting a day rate of 25,000 USD. And Anant, this is agreed is 45,000 USD. And both contracts are for 4 years with ONGC.
- Mohit Chandnani:** Understood, sir. And Seamec-2 is going off contract in January this year, right?
- Vinay Agarwal:** So, Seaemc-2 contract got over by July 2025. But because of some dry dock days and off-hire days, this contract was renewed till Feb '26. But by the new DG shipping norms, the remaining days will be over by August or September 2026. So, it will work till August or September '26.
- Mohit Chandnani:** And post that, sir, will this vessel be available for hire or since it is a very old vessel?
- Vinay Agarwal:** So, we yet to firmly decide on that. Reason being, after 2026, to our understanding, the end situation would be DG shipping allowing this vessel to work till 2028. So, we need to take a call after the contract gets over, looking at the working condition of the vessel, whether it would be feasible to put certain money on dry docking and again go for charter, or should we put it on scrap. But this call is yet to be decided. We are internally discussing and exploring various possibilities on that.
- Mohit Chandnani:** Got it. And are you in the market for new vessels?
- Vinay Agarwal:** Yes, we are exploring all possibility for acquiring new vessel as well as old one, whatever is the best suitable in the market. We are open for acquisition.
- Mohit Chandnani:** And by when can we expect new vessels to be announced?
- Vinay Agarwal:** This all depends when we get any good opportunity in the buying field. Whenever there is a good opportunity to acquire, we will let the market know.
- Mohit Chandnani:** Thank you, sir. That's it from my side.
- Moderator:** Thank you. Ladies and gentlemen, in the interest of time, that was the last question. I would now like to hand the conference over to Mr. Balasubramanian: for closing comments.
- Balasubramanian:** Thank you very much. Thank you, all participants. We conclude the call. Have a good day.
- Moderator:** On behalf of Arihant Capital Markets, that concludes this conference. Thank you for joining us and you may now disconnect your lines.
- Vinay Agarwal:** Thank you. Thanks, everyone.