

# South West Pinnacle

ISO 9001: 2015 Certified Company

South West Pinnacle Exploration Ltd  
(Formerly known as South West Pinnacle Exploration Pvt Ltd)

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**Date: May 11, 2026**

To, Listing Department National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra- Kurla Complex Mumbai 400051 SYMBOL: SOUTHWEST	To, Listing Department Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 Script Code: 543986
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**Subject: Transcript of investor/analyst call held on Wednesday, May 06, 2026.**

**Ref.: Our earlier intimation dated May 06, 2026-Earnings Call on Audited Financial Results for Quarter and Year ended March 31, 2026.**

Dear Sir/Madam,

In continuation to our earlier intimation dated May 06, 2026 and pursuant to Regulation 30 read with Schedule III (Para A) (15) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to submit the transcript of the investor/analyst call held on Wednesday, May 06, 2026, for the quarter and year ended March 31, 2026. The transcript of the earning call is also made available on the Company's website [www.southwestpinnacle.com](http://www.southwestpinnacle.com).

This is for your information and record.

Thanking You,

**For South West Pinnacle Exploration Limited**

**Vaishali**  
**Company Secretary & Compliance Officer**

**South West Pinnacle Exploration Limited**  
**Q4 FY 2026 Earnings Conference Call**  
**May 06, 2026**

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**Moderator:** Ladies and gentlemen, thank you for attending this Conference Call. This call will begin shortly. Please continue to hold. Thank you.

Ladies and gentlemen, good day and welcome to the South West Pinnacle Exploration Limited Q4 FY 2026 Earnings Conference Call.

As a reminder, all participant lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the presentation concludes. Should you need any assistance during this conference, please signal an operator by pressing “\*” and then “0” on your touchtone telephone.

I now hand the conference over to Ms. Purvangi Jain from Valorem Advisors. Thank you, and over to you, ma'am.

**Purvangi Jain:** Thank you. Good evening, everyone, and a very warm welcome to you all. My name is Purvangi Jain from Valorem Advisors. We represent the Investor Relations of South West Pinnacle Exploration Limited.

On behalf of the company, I would like to thank you all for participating in the company's earnings call for the 4th Quarter and Financial Year ending 2026.

Before we begin, a quick cautionary statement. Some of the statements made in today's earnings conference call may be forward-looking in nature. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ from those anticipated. Such statements are based on management's belief as well as assumptions made by and information currently available to the management. Audiences are cautioned not to place any undue reliance on these forward-looking statements in making any investment decisions. The purpose of today's conference call is purely to educate and bring awareness about the company's fundamental business and financial quarter under review.

Now let me introduce you to the management participating with us in today's earnings call. We have with us Mr. Vikas Jain – Managing Director and Chairman and Mr. Piyush Jain – Joint Managing Director.

Without any delay, I request Mr. Piyush Jain to start with his opening remarks. Thank you, and over to you, sir.

**Piyush Jain:**

Thank you, Ms. Purvangi, and good evening to everyone, and a very warm welcome to all of you for joining our earnings conference call. It is a pleasure to connect with you all today and share how South West Pinnacle Exploration Limited has been progressing.

As some of you may be new to our company, I would like to begin with a brief overview about the company, then move to our financial performance for the Quarter 4 of the year under review.

South West Pinnacle is one of India's leading private exploration and drilling service providers offering end-to-end integrated solutions across a broad spectrum of services including coal and non-coal mineral exploration, aquifer mapping, coal bed methane exploration and production, 2D and 3D seismic exploration, seismic exploration using passive seismic tomography, underground drilling and coal business operations.

Over the last 19 years, we have built a strong track record of operational excellence having successfully completed more than 165 projects across India and select international markets as well. We currently operate a fleet of 40 advanced drilling rigs supported by a team of geoscientists and specialized geophysical and logging equipment. We have drilled over 32 lakh meters without a single lost time injury, a record that reflects our strong focus on safety and disciplined execution.

Our marquee clientele includes Reliance Industries, Vedanta, Oil India, ONGC, CMPDI, CGWB, Hindustan Copper and Hindalco among others. We are currently executing 19 ongoing projects across various regions in India. Further exploration activities at our coal block in Jharkhand are progressing at full scale.

During the year, we were also notified as an accredited prospecting agency by the Ministry of Coal, Government of India for carrying out prospecting operations related to coal and lignite operations further strengthening our presence in the mining and exploration segment.

Lastly, on the international front, we continue to strengthen our presence in Oman through our joint ventures. Our first JV with Alara Resources Limited continues to perform well while exploration activities have also commenced at the newly awarded mining block under our second JV in Oman.

With this, I would like to now request our CMD Mr. Vikas Jain to take you through the operational highlights for the period.

**Vikas Jain:**

Thank you, Piyush, and good evening everyone.

Let me first brief you on our financial performance for the 4th Quarter and Financial Year ended 2026, followed by which I will provide you some of the key operational highlights for this period under review as well.

I am pleased to share that FY 2026 was a landmark year for the company wherein we achieved our highest ever annual performance. Further Q4 FY '26 also marked our best ever quarterly performance in terms of profitability, reflecting strong execution and operational momentum.

The operating revenue for the 4th Quarter stood at around INR 78 crores, representing a 5% increase year-on-year. EBITDA stood at approximately INR 20 crores, reflecting a growth of 32% year-on-year, while the EBITDA margin was around 26.25%. Profit after tax for the quarter stood at INR 13 crores, compared to INR 10 crores in Q4 FY '25, representing a strong growth of 30% on a year-on-year basis.

For the full Financial Year 2026, the operating revenue was INR 243 crores, which is an increase of 35% year-on-year. The EBITDA stood at INR 58 crores, an increase of 74% year-on-year, translating into an EBITDA margin of 23.99%. The net profit after tax grew almost 101% year-on-year to INR 33 crores, with a PAT margin of 13.58%.

It is pertinent to mention here that this performance is despite dynamic and often challenging business environment. During this challenging time, we have expanded our footprint, strengthened client relationship and enhanced our capability across multiple domains of mineral exploration and drilling.

The strong performance was driven by consistent project execution, operational efficiency and a diversified order mix during the year. During the quarter, we also secured our largest ever single order worth over INR 300 crores from Hindustan Zinc Limited. Currently, we are executing 19 ongoing projects across multiple regions and exploration domains.

The quality of our order book also has improved significantly with over two-third of the orders coming from private sector clients, resulting in stronger cash flows and improved working capital efficiency. Today, the importance of mineral exploration cannot be undermined. In a world shaped by increasing geopolitical uncertainties, supply chain disruptions and global race for critical minerals, countries are re-evaluating their resources strategies.

India with its growing economic ambitions and infrastructure needs must ensure reliable access to natural resources that power industries, energy transition and technological advancement. Exploration is the foundation of this strategy. Without robust and scientific exploration, there can be no sustainable mining, no resource security and no long-term industrial growth.

Our work directly supports this national priority, helping identify new reserves, improve resource estimation and reduce dependence on import. Over the past year, we have invested

significantly in modern technologies, advanced geophysical techniques and data-driven exploration methods. We have also focused on strengthening our talent pool, ensuring that our team remains at the cutting edge of innovation and execution excellence.

In line with our growth strategy, we operated across the highest number of exploration domains during the year, with a presence across six active domains while also expanding our geographic footprint across eight states in India. We also maintained an impeccable safety record with zero injuries across all operations during the year. We were also notified as an accredited prospecting agency by the Ministry of Coal to carry out exploration activity in coal and lignite.

Currently, our development in coal block in Jharkhand is in full swing. The drilling is about to complete and once it is completed, we shall be preparing our geological report and thereby mining plan.

The overseas operations in Oman, our third business stream is also going on well. As Piyush said, we have two joint ventures in Oman. In the first, we are executing a mining services contract, which is an 11-year contract, and along with we have four rigs, which is currently booked for the next two years.

In the second JV, we have been allocated a mineral block spread across 1,400 square kilometers, having minerals like silver, gold, copper, basalt and chromite. Exploration is going on and we shall keep you updated. Further, including our long-term international growth strategy, we have made a strategic investment in an Australian-listed company with a primary interest in Oman.

All in all, our three verticals of our business are going on well and smoothly with increased impetus on the government on exploration and energy security. We expect to be on an excellent growth trajectory and are confident of achieving around 20% growth year-on-year in short to medium term with a substantial increase in bottom line.

Lastly, our return ratio has also improved significantly during the year, with return on equity improving from 10% to 16%, while return on capital employed increased from 16% to 23%, reflecting improved profitability and efficient capital utilization.

We remain focused on expanding our capabilities, maintaining execution excellence and creating sustainable value for all our stakeholders.

With this, I conclude the opening remarks. We are now open to the floor for question-and-answer session.

**Moderator:** Ladies and gentlemen, we will now begin with a question-and-answer session. The first question is from the line of Maitri Shah from Satya Capital. Please go ahead.

**Maitri Shah:** A few questions. Firstly, on the Hindustan Zinc order that we received of close to INR 300 crores, what sort of execution timeline do we have on that?

**Vikas Jain:** Yes. While we are speaking, the execution is underway and we should be starting the operation any time now. And this contract is for 4 years.

**Maitri Shah:** Okay, 4 years. Okay. So, do we expect the execution to happen quite linearly, like 25% of the order to be kind of added to our revenues year-on-year? Is that what the expectation is?

**Vikas Jain:** No, the client wants us to do it as soon as possible, but the time period given to us is 4 years. So, we shall try to do it within the time frame.

**Maitri Shah:** That is great. And the margins on this order, how are they? Are we getting orders on a much better or higher margins going from now? How do you see this scenario and the margins shaping up?

**Vikas Jain:** Exploration sector, as I have said during my opening statement, the exploration sector is going on well. There is a huge shortage of resources currently in the market. So, the margins are great right now.

**Maitri Shah:** Any quantification on what range of margins are you seeing right now in the market?

**Vikas Jain:** See, we cannot give you quantification as such because we do not work on project to project basis as far as margins are concerned. So, the margins are great as I have told you.

**Maitri Shah:** Yes, no worries. And the total order book we have close to INR 580 crores. Again, on the timeline, how do you see this order being executed over how long of a period?

**Vikas Jain:** See, the contracts range from 3 months to 4 years. The largest contract we have right now is from Hindustan Zinc, which will be ending in 4 years' time. So, this is an ever-going thing. So, we keep on adding contracts and we keep on working at this site. So, yes, and all the contracts which we have received are almost on the verge of execution right now.

**Maitri Shah:** Barring the Hindustan contract, the rest of the 280 million sort of order book, what timeline do you have on that if you could share?

**Vikas Jain:** Yes, so these contracts, they all range from 3 months to long-term basis. Some contracts are for 6 months, one year. So, there is no particular timeframe for each contract. These are all governed by contracts to contracts. The idea is to keep the resources engaged at site.

**Maitri Shah:** Also, the 5 rigs that...

**Moderator:** I am sorry to interrupt, ma'am. Could you return to the question queue, please?

**Maitri Shah:** Yes.

**Moderator:** The next question is from the line of Keshav Garg from Counter Cyclical PMS. Please go ahead.

**Keshav Garg:** Sir, you alluded to in your opening comments that we can expect 20% revenue growth and a disproportionate increase in profitability for FY '26. So, if you could just quantify that from the 24% EBITDA margin last year, what in your mind are you aiming for? What kind of EBITDA margin should we expect?

**Vikas Jain:** See, as you can see our past track record, like if you see Financial Year '25, you will see that if you compare it with Financial Year '26, a growth of 35% revenue has given us a profit almost double the profit, 101%. So, when we say that we grow by 20% year-on-year basis, there would be substantial increase in profitability in the bottom line. And EBITDA should also increase because once you cover your fixed cost, we are a service provider company. So, once you start covering your fixed cost, the profit margin goes abnormally high.

**Keshav Garg:** Understood. And sir, our receivables look quite high. It seems we have a credit period of around 6 months. So, is that understanding correct?

**Vikas Jain:** See, there are a few sectors where the payment takes time. But yes, most of the private clients we have, as I said that more than two-thirds of our order book now consists of private clients where the payment is being given at a much faster rate as compared to the government clients. So, it should improve. And moreover, most of the debtor period which is there also includes retention money. So, that is why it looks higher. But in real terms, it is not that high, the debtor period.

**Keshav Garg:** Understood, sir. And lastly, sir, what is the total CAPEX we need to incur on our coal block and in the Oman joint venture and any other CAPEX that you might be looking at? And are we looking at expanding our rig count from the current 40? And sir, if you could just explain how all these CAPEX.

**Vikas Jain:** Yes, coming to the rigs, as we speak, we have almost four rigs under order which should be delivered to us in the next three to six months' time. So, it is an ever-growing thing. We keep on ordering rigs from time to time. The exploration sector is doing well right now.

As far as coal block is concerned, total CAPEX would be around INR 400 crores, which is in two phases. In first phase, it would be INR 200 crores. In second phase, it would be another INR 200 crores.

As far as Oman operations are concerned, we are committed to spend like our share of investment. Since it is a joint venture company, our share of investment would be anywhere between INR 15 crores to INR 20 crores over the period of next three to five years.

**Keshav Garg:** Understood, sir. And these rigs, sir, we are buying from Apollo Techno or Revathi Equipment or we are importing it from foreign companies?

**Vikas Jain:** No, no, no. These are mixed. We are not buying from these companies. It's a mix, some imported rigs and some local domestic rigs, depending on the capacity and usage.

**Keshav Garg:** Understood, sir. And for these four rigs, what's the CAPEX you mentioned?

**Vikas Jain:** It all varies depending on the size and capacity of the rig.

**Keshav Garg:** I will join the question queue.

**Moderator:** The next question is from the line of Dhruv Rawani from PriceBridge PMS. Please go ahead.

**Dhruv Rawani:** Just one question. So you mentioned about the 40% growth in revenues. So our order book has grown from INR 321 crores to we are currently at INR 581 crores or so for this year. What is your internal target for FY '27 end in terms of order booking? Any visibility that you can provide?

**Vikas Jain:** Currently, we have participated in tenders worth more than 500 to 700 crores. We should be getting new orders in next one to two months. So, as and when we keep on adding our order book, we will be updating the market.

**Dhruv Rawani:** Another thing is, if we look at our total order book size, aquifer mapping has a reasonable share this particular year which will go into execution in FY '27 is what I assume. So that would be accurate due to the margins, you believe further?

**Vikas Jain:** Can you repeat the question again?

**Dhruv Rawani:** So, if you look at the total order book size, this year the aquifer mapping has a good order book as of FY '26 end. So, do you feel the EBITDA margins can go up further from here because of that share or change in mix of the order book specifically because of aquifer mapping?

**Vikas Jain:** Aquifer mapping order we got in Financial Year '24-'25 and we have covered quite a bit. In fact, we have almost executed more than half of the orders. So, yes, this is a good margin and as I know from the market or from our clients that there would be fresh tenders also coming in this segment in which we shall be participating.

**Moderator:** The next question is from the line of Ankur Kumar from Alpha Capital. Please go ahead.

**Ankur Kumar:** Sir, on the HZL, Hindustan Zinc Order, have we started executing or we expect in coming time?

**Vikas Jain:** In next two weeks we shall start the order, executing the order.

**Ankur Kumar:** Sorry, sir. You were not clear?

**Vikas Jain:** I said in next two weeks we shall start executing the order.

**Ankur Kumar:** And you said as in can we expect like 70-75 crore per year or like first year could be more or less, sir?

**Vikas Jain:** See, as I said during my first question-and-answer session that the time given by the client is 4 years and in our history has been that we have always achieved the target much before the timeline given by the client. So, in this case also we shall try to do it as early as possible. So, if you talk about the contract, it is INR 75 crores a year because divide INR 300 crores by 75, but we shall try to do it as early as possible.

**Moderator:** The next question is from the line of Keshav Garg from Counter Cyclical PMS. Please go ahead.

**Keshav Garg:** Sir, if you could just explain to your layman investors that what is the kind of competitive scenario in this industry. Now, I understand in 2D, 3D seismic survey, this Alphageo and Asian Energy are the competitors and, sir, so in drilling side of the business who is our major competitor?

**Vikas Jain:** See, it all depends on the, like we went to multiple domains of exploration of natural resources and everywhere within those domains, there are different, different players depending on the size and the depth and the kind of requirement the client has. So, it is very difficult to come up with the answer as to what all competitors because that would take almost a day to explain you each and every competition in each and every segment. But just to cut it short, we may have two or three competitors everywhere depending on the segment, depending on the contract we are fighting in for.

**Moderator:** Mr. Garg, do you have any more questions?

**Keshav Garg:** Yes, yes. You mentioned INR 400 crore CAPEX in the coal mine. So, how are we going to raise those funds? Any plan to raise equity or debt?

**Vikas Jain:** See, as I said that it would be in two phases. So, the second phase would come out from the revenue and profits of the first phase only. So, roughly the initial investment would be around INR 200 crores and even in that INR 200 crores, most of it would be in the non-fund base means giving guarantees and securities to the government. So, the initial investment in cash would more or less come from the internal profits which we make, the banks and the offtake agreements which we enter into with the potential clients.

**Keshav Garg:** And, sir, any idea about what the cost of production will be or the breakeven price of coal below which this mine will make losses?

**Vikas Jain:** See, we do our projections on coal index price. So, the coal index price for this particular grade currently hovers around Rs. 3,100 per ton. Although the market price is much high right now, but we work on the coal index price right now. And based on the coal index price and the cost, we shall be able to have 40% to 45% IRR coming out of the coal operations.

**Piyush Jain:** Yes, EBITDA will be around 46%.

**Keshav Garg:** And, sir, you mentioned that, what I understood that with INR 200 crore fund and non-fund based investment which we will fund through internal accrual, the Phase 1 of the mining can start.

**Vikas Jain:** Yes. I have said internal accruals, offtake agreements from the potential clients, and banks.

**Keshav Garg:** And, sir, what are the volumes, expected volumes in Phase 1?

**Moderator:** Could you please rejoin the question queue, Mr. Garg?

**Keshav Garg:** Yes, sure.

**Moderator:** The next question is from the line of Saket Kapoor from Kapoor Co. Please go ahead.

**Saket Kapoor:** Sir, when we look at our numbers on a sequential basis, firstly, sir, are December and March quarters comparable? Or any seasonality aspect that kicks into it? Or how should one read when a comparison is drawn between sequential numbers?

**Vikas Jain:** See, we are, Mr. Saket, we are in the service industry. And service industry is very different from manufacturing industry. So, here quarter-to-quarter growth and quarter-to-quarter analysis is not, I believe, this is my personal belief that this is not practical.

But yes, definitely, there are so many factors which leads to a high growth in a particular quarter or a low growth in a particular quarter. You know, we move from contract to contract. The asset demobilizes from one location and it goes to, it mobilizes to the second location.

So, we, as a company, we try to minimize the mobilization and the demobilization time. So, yes, definitely, there is, as far as the quarter is concerned, this is my take. And normally, 3rd and 4th quarters are the better quarters in any financial year.

Last year monsoon quarter was one of the best quarters because the rigs were deployed in locations where rain was not affecting the operation. This year also is going to be the same, most for keeping our fingers crossed. We have contracts to be executed in an area where the

rain will not be affecting the operations. So, all in all, FY '27, we should be able to deliver good results.

**Saket Kapoor:** Okay, because you have highlighted in the business update that the point is mentioned that the present order book contains orders, which you just mentioned, that which will entail company to run operations smoothly even in rainy season, mitigating the risk of revenue loss during monsoon. So, that is what you are trying to address.

**Vikas Jain:** Yes.

**Saket Kapoor:** Yes, sir. Sir, the second point which I am trying to understand is about the opportunity of this cold bed methane business part, sir. When we look at your presentation, the CBM production and the aquifer mapping had the highest share. So, CBM production having 37% and aquifer at 25%.

So, currently, I think so, with this intake of large order from Hindustan Zinc Subsidiary, things have changed materially. So, how is this CBM vertical going to contribute going ahead in terms of the revenue visibility and also in the bid pipeline?

**Vikas Jain:** CBM should well be on course to deliver similar to better results this financial year. Exploration industry should grow well. And along with CBM, there is also a government impetus on underground coal gasification. And we should get phenomenal results from this sector as well in this financial year.

**Saket Kapoor:** I didn't get you, sir. Coal gasification, can you come again?

**Vikas Jain:** Underground coal gasification is a new domain in the exploration segment which has recently been launched by the government of India. So, we should get phenomenal results from this sector as well in the coming years and this year as well.

**Saket Kapoor:** So, as of now, sir, we do not have anything on the order book. Firstly, the company has to come up with the plant.

**Vikas Jain:** We don't have anything on UCG, underground coal gasification right now. But we are talking to different clients on this subject.

**Saket Kapoor:** Right, sir. And one small point and I will join the queue. Sir, when we look at our closing balances for property plant, that has gone up significantly from Rs. 62.5 crores to closer to Rs. 90 crores and looking at the cash flow, we have invested around Rs. 43 crores for the current year. So, if you could just give us some understanding in terms of the assets that we have added with this investment.

**Vikas Jain:** See, we have added multiple rigs in this financial year. We have also bought a warehouse for our stores in central India. And this is why the investment in properties and assets has gone up from Rs. 61 crores to Rs. 90 crores.

**Piyush Jain:** Just let me come in. Mainly, it represents the CAPEX we have incurred for the second phase of Reliance project.

**Saket Kapoor:** Sir, how much has been the Reliance contribution for the last quarter or for the last financial year and how is this going to ramp up for the current financial year?

**Vikas Jain:** So, both the CBM rigs are going to be deployed with Reliance and we expect the same scenario this year as well. And we have ordered for one more rig which should be delivered to us sometime in the month of September-October.

**Saket Kapoor:** Sir, I didn't get you completely. Can you repeat once again, sir?

**Vikas Jain:** I said currently two of our rigs are deployed with Reliance. We have also ordered for one more rig and it should be delivered to us in the month of September-October, this financial year. So, we shall have three operating rigs in this financial year.

**Saket Kapoor:** Sir, I was looking at the revenue number, sir. How much has the Reliance portfolio contributed for the last quarter and if you could just give the yearly contribution. And how will this ramp up?

**Vikas Jain:** It is about 35% of our total revenue.

**Saket Kapoor:** And this will move up to? What percentage?

**Moderator:** I'm sorry, sir. Could you return to the question, please?

**Saket Kapoor:** Yes, ma'am. I will join the queue, ma'am. Only sir is answering me and that is what I am...

**Vikas Jain:** It should remain somewhat same to a little bit higher, 35% to 40% this financial year, you can say.

**Saket Kapoor:** On an improved revenue, that is what you are saying?

**Vikas Jain:** Yes.

**Saket Kapoor:** Sir, okay. I am joining the queue again, sir.

**Moderator:** The next question is from the line of Rahul Gupta from NEEV Advisory. Please go ahead.

**Rahul Gupta:** Sir, my first question is regarding the Jharkhand coal block where you are waiting on the PL cum ML application which is pending with the government. So, I wanted to know the status about it.

**Vikas Jain:** Sir, as I said, now we are notified certified agency. So, we don't need the PL anymore because we are already notified now. And we were notified in the month of November. After the notification, we started our exploration program. In the state of Jharkhand, we are on the verge of completing the exploration part. Once that is done, we shall be initiating the preparation of GR and then mining plan. So, that part is done and over.

**Rahul Gupta:** And the second question that I have is regarding the Reliance contract. Sir, are you expecting the contract to extend for three or more six-month extensions?

**Vikas Jain:** Yes.

**Moderator:** The next question is from the line of Keshav Garg from Counter Cyclical PMS. Please go ahead.

**Keshav Garg:** Sir, what kind of debt we are looking at to close FY '27?

**Vikas Jain:** We should be closing at the lowest level of debt this year.

**Keshav Garg:** So, basically the debt should reduce from the current level of roughly INR 80 crores?

**Vikas Jain:** Yes.

**Keshav Garg:** No, but, I mean, despite funding the INR 100 crore or INR 200 crore coal CAPEX?

**Vikas Jain:** That is not required in this financial year. After the approval of the mining plan, it should take about two years' time to start the production. So, the funding will not be required this year except for a small bank guarantee, which will be given to the Central government once the mining plan is approved. So, that too will be coming in a non-fund base coming from banks.

**Keshav Garg:** Sir, so this coal bed methane which is contributing 37% of our revenue, how is this expected to going ahead, is it expected to increase in our mix or reduce or stay at the current level? And how long is this block with us? What is the life of this block?

**Vikas Jain:** As I told, both our rigs are currently deployed with Reliance. And the third rig is under manufacturing, which will be delivered to us in the month of September. So, revenue should increase from this segment in this financial year.

**Keshav Garg:** So, basically, this coal bed methane production we are not doing. Our rigs are basically in that sector, are deployed in that sector.

**Vikas Jain:** We are instrumental in that. Our assets are deployed and the client is producing coal bed methane.

**Keshav Garg:** So, the coal bed methane block is not ours.

**Vikas Jain:** We are just service providers. We are just service providers to our clients.

**Moderator:** The next question is from the line of Dhruv Rawani from PriceBridge PMS. Please go ahead.

**Dhruv Rawani:** Recently, there were a lot of CBM blocks which were awarded, a couple of them to Reliance and a few of them to other parties. You feel apart from Reliance, you will be able to get orders from other parties also?

**Vikas Jain:** That is why we are also ordering more rigs in this particular segment. So, we are talking to multiple clients as far as CBM is concerned. And also, UCG would require similar assets, underground coal gasification. So, we believe, we expect the fleet in this domain to increase in the coming future.

**Dhruv Rawani:** So, just trying to understand, there were a couple of global companies which were there who have apparently won the tender. Do you believe they can get their own technology or they would have to contact domestic players only for executing it on their own? How do you feel this will work out?

**Vikas Jain:** No, these are all international bidding. So, we are free to participate. But as far as CBM exploration and bidding is concerned, we are the market leaders right now.

**Moderator:** The next question is from the line of Saket Kapoor from Kapoor Co. Please go ahead.

**Saket Kapoor:** Sir, in continuation to the opening remarks, you mentioned about a revenue growth of 40% for the current financial year. Sir, I want to get my numbers corrected.

**Vikas Jain:** 20%.

**Saket Kapoor:** Revenue growth of 20%.

**Vikas Jain:** Yes, but I also said, Kapoor sir, that with a growth of 20%, there is a significant increase in the bottom line.

**Saket Kapoor:** Sir, since you mentioned in the business update part that now there will be more linearity in the quarterly revenue just to have a better understanding of how the business works, so we can take this quarter's revenue as a benchmark for the existing quarters also or there will be vagaries in the reporting as has been earlier also the case.

**Vikas Jain:** No, you mean to say about the first quarter?

**Saket Kapoor:** First quarter, yes, sir. Just to understand and model it out how the profile will look like going ahead for the current financial year.

**Vikas Jain:** See, the operations are continuing. We are adding number of rigs. Large contracts are coming in. So, definitely there should be substantial growth this financial year as well.

**Saket Kapoor:** Sir, just my point was that in many companies we have seen that between H1 and H2, the revenue split is say 55-45, 60-40. So, that was my sense of understanding.

**Vikas Jain:** Generally, Q3 and Q4 is the best half-yearly. But we can say that in this financial year, there will be continuity in the growth across all quarters because we have enough work orders in hand, plus enough to cater in monsoon season as well. We expect the rigs to be working well and deployed in the monsoon season as well. So, we should have an all-around growth this year also.

**Saket Kapoor:** Sir, in the business update part, you did alluded to the fact that we have done a strategic investment in the Australian Limited Company, having interest mainly in the Oman and the Middle East countries. So, can you explain the synergies and tell me, sir.

**Vikas Jain:** See, as I said, we have two joint ventures in Oman. And that Australian company where we have made a strategic investment in Australia are also our joint venture partners. So, that will strengthen our relationship even better with the company, with the joint venture partners in Oman.

**Saket Kapoor:** Sir, this is the same company...

**Moderator:** I am sorry, sir, could you repeat?

**Saket Kapoor:** Madam, just to conclude. Yes, ma'am. I am just concluding, ma'am, and I will join briefly. Sir, in one of the earlier company updates which you did with the Valorem team, you did mention about yourself being a director in one of the Australian...

**Vikas Jain:** Sir, I am also a director in the Australian company.

**Saket Kapoor:** Sir, I will join the queue for my closing question.

**Moderator:** We have the next question from the line of Rahul Gupta, NEEV Advisory. Please go ahead.

**Rahul Gupta:** Sir, actually, I wanted to, about the mining auction problem that the Indian companies are facing, the total blocks auctioned have been around 594, but the amount of non-operational

blocks is around 512. So, can you give a guidance on what is changing right now and how fast will the execution be?

**Vikas Jain:** See, the coal block commercial, first of all, it is not 594. If you talk about specifically coal block, it is around 200 coal blocks. You may be talking about other minerals. So, right now, let us focus on the coal block only. So, it is about approximately 200. And the auction started sometime in 2020, the commercial coal block auction by the Government of India.

And generally, there is a lead time of five to six years, seven years on average for the coal blocks to start. So, right now, you may see a low number, but since we are one of the coal block owners, so we see the kind of follow-ups being done by the Central government, the Ministry of Coal. It is very aggressive. And we shall see a phenomenal increase in numbers of operating coal blocks in the near future.

**Moderator:** The next question is from the line of Mr. Keshav Garg from Counter Cyclical PMS. Please go ahead.

**Keshav Garg:** Sir, so if you could give us some idea that how many total rigs are operating in the country, like we are having 40 rigs. How much would be the total in the country?

**Vikas Jain:** Sir, anywhere between 145 to 150 rigs are operating, hydraulic rigs.

**Keshav Garg:** And, sir, so what is the occupancy of these 40 rigs that we have? Are all of them currently deployed, or some of them are, like, undeployed?

**Vikas Jain:** No, no, more than 100%. In fact, some of them are also working under us as subcontractors, almost more than 10 rigs.

**Keshav Garg:** And, sir, what is the rate of these rigs? Like, how is it determined on a per day basis, or per month basis, or hourly basis?

**Vikas Jain:** The rig deployed in the exploration, mineral exploration sector is on per meter basis.

**Keshav Garg:** Per meter?

**Vikas Jain:** Yes.

**Keshav Garg:** So the more you dig, the more you get.

**Vikas Jain:** The rig in the oil and gas gives you the rates.

**Keshav Garg:** And, sir, like our fixed asset base increased significantly from INR 67 crore to INR 115 crore last year. So, this is on due to the increase in the fleet count?

**Vikas Jain:** Yes, we have increased almost 7 to 8 rigs in the last financial year.

**Keshav Garg:** Sir, so now, do the rigs keep on going up or down, or these are stable rigs like you told us, on a per meter basis?

**Vikas Jain:** Sir, I said earlier also, currently exploration sector is in demand right now, so there is a huge shortage of resources. So, we are seeing a good increase in these rates given by the customers.

**Moderator:** The next question is from the line of Utsav Baheti, an individual investor. Please go ahead.

**Utsav Baheti:** I have a few questions. Like, you had briefly mentioned in your presentation that we are entering into a super cycle. So, can you just touch upon that, like, what is the scenario like, and, I mean, how might we benefit from that?

**Vikas Jain:** There has been, what we can see, since the Ukraine-Russia war, globally, countries are trying to become self-reliant, and with the recent Iran-Israel-U.S. war, the geopolitical tensions and the crisis in the crude oil and other mineral sector and the need for critical mineral and rare earth sectors, we can see that government is putting a lot of impetus on the natural discovery of natural resources, what we are having within our country.

Our country is very good, and we have huge natural resources, be it mineral, be it oil and gas, be it critical mineral, we have a huge shale gas deposit. So, government is giving a lot of incentives, and the policy is directed towards more exploration in these sectors, so that these resources could be undercover and can be taken out of beneath the ground. And this can be seen last one or two years of our operations also, that all our domains are cohesively running well, as a well unit, and we expect the same to continue over next three to five years.

**Utsav Baheti:** And there is one more question, sir. So, like you said that there will be a substantial amount of coal blocks, which will be starting. So, will that kind of open up a new stream for us, a kind of a revenue stream? I mean, apart from the coal block that we have.

**Vikas Jain:** Sir, as I said, we are working on the geological report, and then we will be working on the mining plan. So, once we have these data approved, then we shall be able to know how much we will be able to produce per annum, and how much revenue we shall be getting in from our coal mining business.

**Utsav Baheti:** No, sir. I was asking that, just keeping our coal mining operations apart, there will be a lot of coal blocks that will be active. So, will that generate any revenue for us? I mean, will that open a new...

**Vikas Jain:** Yes. See, the demand for coal production will keep on growing, you know. Currently, we are sitting at about 1 billion tons per annum, and by 2030, we are expecting production of 1.4

billion tons of coal. And so will the demand for power increase, you know. So, coal is not going anywhere now.

**Utsav Baheti:** And, yes, that will be all, sir.

**Moderator:** The next question is from the line of Saket Kapoor from Kapoor Co. Please go ahead.

**Saket Kapoor:** Sir, as we look at our presentation slide number 17, the project and the order book details, we could see that there are 19 projects that are ongoing, and in the order book also, it is the CBM and the aquifer mapping that are more operational will be contributing to the revenue pie for the current year. Is that understanding correct?

**Vikas Jain:** Yes

**Piyush Jain:** Yes.

**Saket Kapoor:** And, sir, when we look at this aquifer mapping part of the story, what is the opportunity that we have currently and how is the bid pipeline currently shaping up for the same?

**Vikas Jain:** This is one of the most important strategic projects for the Ministry of Jal Shakti, Government of India. As we all know that the quality and the quantity of water is depleted, ground water. That is the reason why the government came out with the aquifer mapping project.

So, the idea is to build a water well, put the casing in, and install DWLR. That is the digital water level recorder. The government from time to time, to be precise, Central Ground Water Board, from time to time they draw out samples, they analyze the quality and the quantity of water.

So, it is a very important project, and the scope and the size of the project will be increasing in coming years, and we shall be getting more opportunities to participate in new tenders, in new states, and increase the volume in this segment as well.

**Saket Kapoor:** In terms of the CAPEX that we have done, what kind of..

**Vikas Jain:** There is no CAPEX.

**Saket Kapoor:** I will join again, sir, maybe.

**Moderator:** The next question is from the line of Keshav Garg, Counter Cyclical PMS. Please go ahead.

**Keshav Garg:** So, I am trying to understand that these rigs, drilling rigs, is it a one-time affair or is it a consumable kind of item, like, I mean, for a coal mine, is it..

**Vikas Jain:** Drilling is a one-time affair. Drilling rig is a one-time affair. When we do drilling, we use rods and bits. These are consumables.

**Keshav Garg:** So, let us say for the coal bed methane, we just drill once, and then the gas keeps on coming out till the life of the well is there. Is that understanding correct?

**Vikas Jain:** Yes, yes, yes. So, the drilling rig goes there, drilling well, as per the instructions given by the client, and then once the gas starts or once the client is satisfied, the rig moves from one location to the other location.

**Keshav Garg:** And, sir, are these rigs fungible, like the same rig that can be used in coal bed methane, can be used in coal, can be used in aquifer, can be used in any other copper or any underground mineral?

**Vikas Jain:** No, no, no. Different rigs are for different purposes.

**Keshav Garg:** And what about onshore oil and gas? Do, I mean, these rigs...

**Vikas Jain:** The CBM rig can do onshore oil and gas as well.

**Keshav Garg:** But CBM rig cannot do, let's say, copper or something else?

**Vikas Jain:** No, no, no.

**Moderator:** The next question is from the line of Rahul Gupta from NEEV Advisory. Please go ahead.

**Rahul Gupta:** Sir, as you mentioned previously that the government is becoming aggressive and opening new blocks, so what kind of demand are we expecting? Are we expecting to get more tenders from the government in any kind of mineral segment?

**Vikas Jain:** Government is auctioning the blocks and definitely the new allottee would require more drilling to be done in the block to assess the resources. So, yes, definitely more is in the way.

**Moderator:** Thank you. I now hand the conference over to the management from South West Pinnacle Exploration Limited for closing comments.

**Vikas Jain:** So, thank you all for participating in this earnings con call. I hope we were able to answer all your questions satisfactorily and at the same time offer insights into our business. If you have any further questions or would like to know more about the company, please reach out to our IR manager at Valorem Advisors. Thank you so much.

**Moderator:**

Thank you very much, everyone. On behalf of South West Pinnacle Exploration Limited, that concludes this conference call. Thank you all for joining us, and you may now disconnect your lines. Thank you.