ANTELOPUS SELAN ENERGY LIMITED

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Scrip Code: Antelopus (Equity)

November 02, 2026

Dear Sir,

Sub: Earnings Call Q2 FY 2026-27 - Transcript

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the Earnings Conference Call held on October 26, 2026, in connection with the Unaudited Financial Results of the Company for the quarter and half year ended September 30, 2026.

Kindly take the above on record.

Thanking You,

Yours faithfully

Yogita
Company Secretary &
Compliance Officer

“Antelopus Selan Energy Limited Q2 FY’27 Earnings Conference Call”

October 26, 2026

MANAGEMENT: **MR. SUNITI BHAT – MD & CEO, ANTELOPUS SELAN ENERGY LIMITED**
MR. SIVA KUMAR POTHEPALLI – DIRECTOR & COO, ANTELOPUS SELAN ENERGY LIMITED
MR. RAAJEEV TIRUPATI – CFO, ANTELOPUS SELAN ENERGY LIMITED
MODERATOR: **MS. KHUSHBOO BALANI – EQUIRUS SECURITIES**

Moderator: Ladies and gentlemen, good day and welcome to the Antelopus Selan Energy Limited 2Q-FY27 Earnings Conference Call hosted by Equirus Securities Pvt. Ltd.

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 this conference call, please signal an operator by pressing "*" and then "0" on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Khushboo Balani from Equirus Securities Pvt. Ltd. Thank you and over to you ma'am.

Khushboo Balani: Thank you Sagar. Good evening, everyone and thanks for joining in. Also, thanks to Antelopus Selan Energy's management for giving the opportunity to Equirus for hosting the call.

We have with us from Antelopus Selan Energy, Mr. Suniti Bhat Sir – MD and CEO, Mr. Siva Kumar Pothepalli – Director, COO and Mr. Raajeev Tirupati – the CFO of the company. I would request Mr. Suniti to give his opening remarks on the quarterly performance and outlook for the industry. Thank you and over to you sir.

Suniti Kumar Bhat: Thank you so much Khushboo. Thank you very much for joining our First Investor Call. It is one step in our outreach that we had been promising our investors for last sometime. We have finally managed to have an investor call, and we promise to keep it a regular occurrence at the end of quarterly board meetings, pretty much most hopefully the same day.

We would also be very happy to hear any feedback you have on these calls and our Investor Packs. The idea of these packs and these calls is always to get you up to speed about what we have done and how do we see this business as we go forward. It is to create more transparency around the information that we have of our business to pretty much all our stakeholders as we go forward.

With that said, I just want to take a step on how we look at the business, how we see us growing over the next three years which we call a short term and then we will focus a little bit on this Quarter's numbers and results that Raajeev can go through in detail.

What I want to start out with, I think you guys already must have had some looked at our pack that got uploaded on the Stock Exchange websites.

We start with pretty good news. We want to start out with telling that we have finally signed the RSCs or Revenue Sharing Contracts with the Government of India. These contract areas are two large ones, one on East of India in KG Onshore, one on the West Coast in the Cambay Basin. These were substantially large contract areas compared to the contract areas that used to get offered in the previous bid rounds. So, finally those are officially, We signed them on 22nd of October, we got those contracts with us. So, that has really invigorated the team to look for the growth opportunity as we go in.

If I take a step back and look at what has happened in the growth of Antelopus over the last few years and I want to look at it with a lens of production growth, with a lens of putting capital into the business, with a lens of maintaining EBITDAs in spite of us having seen a down cycle as well as an up cycle in the commodity price and how we see ourselves what we did over the last few years and how we have learned from what we did in the last few years and carry forward that into next three years and probably create a company that is at least 5,000 barrels or so in production over the next two to three years.

In Fiscal Year '23, we did an average production of around 511 barrels, then through consistent understanding our resource and reserve base and trying to exploit it and basically doing capital deployment projects. We ramped it up to 740 in Year '24. 740 became around 1,200 in the Year '25. Last year we were at around 1,355. We are hoping that this year we will exit at around 2,500 that is the guidance we are reasonably sure that we should be able to deliver on our promise to you of ramping up to 2,500 barrels of oil gas equivalent production from our portfolio.

Our thought process has been pretty simple that your resource is what is underground. So, we try and focus with what I call a world-class technical team on understanding the resource and unlocking it. While we are doing it, we generate surplus cash and we have been consistently ploughing back the surplus cash into the business, growing it further. While we did it, we are also creating a portfolio of opportunities for all our stakeholders within the Antelopus portfolio of assets that will help us grow multiple over the next 5, 10 years.

While we did so, we have remained a debt-free company, which is growth-focused and also year-on-year is showing a growth and the potential of growth and learns from things that work and learns from things that don't work as well and is nimble enough to keep on moving its strategic focus as the geopolitics has changed or will change in our industry.

If I look at the exit rates that we did, I just talked about the average numbers. In Fiscal Year '2024, we exited there at around 982 barrels. The next year, we exited around 1,200 barrels. That went up to 1,758 barrels. We are hoping that will go to 2,500 barrels this year. Next year, that should be around 3,500 barrels. Thereafter, that should be 5,000 barrels.

What it is going to be beyond 2029, we have some idea. We will share those numbers with you once we understand our KG Onshore a lot better. We should be able to give you a lot better news as we go forward. While we did it, we started out by spending around Rs.51 crores of capital in Year '23. Then we went to Rs.160 crores. Again, we went to Rs.87 crores, then Rs.220 crores, hopefully Rs.250 crores this year. The idea is we are also understanding and learning fiscal discipline as a group. As we go through it, we are learning that, okay, we are able to spend money, get it back within a year, year and a half, while you generate a lot more cash, then deploy it, and hopefully give you a return on equity, which is much, much better than the peer group that we have in this country.

While we do it, we are also keeping a strong focus on the EBITDA margin that we generate, because unless and until our costs are under control, we can actually go on a growth path and

just keep on eroding our margins. That also does not help. You can see our EBITDA margins historically have stayed around 50% mark even in the low oil prices. Currently, they are much better. I think last year's EBITDA margin was around 58%. We are expecting this to be substantially better this year, largely due to commodity prices being good, but also because we have maintained fiscal discipline. So, hopefully, Raajeev will say it, but I think it should be around 70% mark, if I am not wrong, the EBITDA margin.

So, while this is happening from a strategic perspective, what we are also doing is we are trying to rather than focusing on everything that is in our kitty that will dilute the outcome, we start focusing on one or two frontier areas every year or every couple of years. The last few years have been a huge focus on the Cambay Basin and the Bakrol-Karjisan assets, which are the backbone of that basin for us as of now.

Then, we started understanding the Assam-Arkan Basin with our Duarmara drilling that gave us some interesting results, what we thought was gas turned out to be probably oil, and we got a little bit of KG production going. As we will get into the remaining part of this year or next two years, we think that given the portfolio that we have developed in KG Basin, a lot of our strategic focus or thinking caps will get onto the KG Onshore, because we pretty much think that the Cambay Basin core assets of Bakrol and all are on what I call a factory mode. We understand them reasonably well. We are a lot more comfortable having a multi-year drilling program in our Bakrol-Karjisan field going. So, we think those fields will keep on providing a solid ground for us to stand on and we will keep on churning a healthy profit and cash flow towards our further growth over the next few years.

We will also basically provide the seed money that we will need to leapfrog into unlocking substantially larger reserve bases at KG, and if everything goes well at offshore as well over the next few years.

At an operational level, we just finished the 10-well drilling campaign that we had done in Bakrol. The drilling is done. The fracking is finished.

There was a little bit of operational delays in fracking, primarily due to supply chain constraints with what is happening with the world, but that is all sorted. We have started to see actual full impact of the fracking and the 10-wells in Bakrol. Bakrol itself is set around October average production was around 950 barrels of oil equivalent plus. So, that is pretty good on the mark as far as we thought Bakrol was, but more importantly, it is telling us that Bakrol is one of the fields where if you keep on drilling wells, it will keep on giving you production increase. Maybe one to two wells every year will go towards offsetting the decline. The rest is going to add towards the incremental production.

So, that is going to be a backbone at least for the next three, four years in terms of generating net revenues for growth.

Karjisan, I think the rig is currently drilling wells and Karjisan has already drilled two wells which look very interesting on the log. Hopefully, we will perforate over the next week one of the first wells and start seeing some of the results, but by the looks of it, Karjisan again is opening up areas towards the Western Frontier, West-North of the field and we will keep on pushing these frontiers.

So, hopefully, Karjisan, we will be able to finish all the seven wells that we had planned to drill in Karjisan in this fiscal itself and that should give us a reasonably substantial boost in our production as we go through the remaining part of the year and end of the next year. As we enter next year, hopefully, by that time, the rigs will be ready to start drilling Bakrol back and some of the other fields in the Cambay Basin.

Going to our third operating field, which is Cambay itself, it is an optionality field for us. We want to drill one to two wells this year and depending upon which way they lean in terms of oil or gas, we will take a view on what to do next year for these ones. It is a large field. That is why we like it from an option perspective, 160 square kilometers.

One or two successful wells or both successful wells could mean that it will become, if not larger, definitely equal to Bakrol in terms of its potential as we will go. We should have that with us towards the end of this fiscal year, the potential of the Cambay field itself. Then we can take a call on whether or not to keep our PI the same or increase our PI or whatever we want.

The most interesting or the most exciting thing for us is that in the bid rounds that we got, we basically tried to increase our position in both KG Onshore and Cambay. In Cambay, we managed to get a couple of fields which are next to Bakrol. Pasunia-1 and Pasunia-2 is next to Bakrol. We also got Oganj back, which we had relinquished but because it was a package, we got it back. We will figure out what to do with it. It was our relinquished field, but we also got a field called Uber, which is close to our Cambay field. It is a small little gas field, we think, that has shown a good potential and it is something like Karjisan in terms of sand quality, but we need to see how much oil and gas is there but we are excited about the Cambay piece because we have existing operations, so it should not take us long to start production from these Cambay discoveries.

In KG, we have gotten seven new discoveries added to our kitty, so we have around nine new fields in KG. Only one of them is producing, which is Mukkamala, but some of these fields in KG are substantially large, fields like Bantumilli. Bantumilli is there, Dangeru is there. I still need to learn to pronounce the names, but all I know is that we are trying to understand. We must be definitely within the top three acreage holders in KG Onshore as of today. We think that over the next year or so, we will formulate an overall exploitation plan of KG. There will be a short-term exploitation plan, which will look at existing wells and getting some opportunistic early production out of KG discoveries, but the long-term plan would be just like we did in Bakrol. We will go with a rig, drill a couple of wells across the portfolio there, and then de-risk it.

Just to put it in context, potentially KG onshore has more resource base than the offshore portfolio that we have today. So, if it works, we have a large enough portfolio to unlock the production over the next four to five years for us.

Remaining what you would see is that this quarter, compared to last quarter, has been flattish. If anything, the production is a little lesser than last quarter. Primarily, that has been due to Karjisan, which we knew would start coming on decline, and Bakrol took a little bit longer to complete and frack.

So, Bakrol has increased, Karjisan has dropped, but that is a temporary blip that you see this quarter, because the rig is back in Karjisan, and with seven wells that will come in there, we should start seeing a large uptick in production. Actually, the October production itself, we are at around 2,000 barrel oil equivalent and this is what this month's production across the portfolio has been. So, with seven more wells to add to the kitty, and if we get some good results in the Cambay drilling this year, we are pretty confident on the 2,500 barrels exit as we go through this month.

Duarmara, we are still looking at, we are basically looking at an integrated view. We are looking at old and new wells together. What I can add to this is that twice so far, we have gone into the well, we have recirculated back the well, the TS-1 zone, and every time we have gotten oil out of the well. So, we are now trying to figure out what should be our next steps to look at potential oil development, fracking, not fracking, it is not straight to get fracking organized in Assam. So, we are putting a full plan together. We will then discuss with our joint venture partner and hopefully figure out what is next for Duarmara. Because as far as gas development in Duarmara is concerned, I think the transportation issues and all will take its own time. We are going to focus if we can monetize oil quickly and start getting some returns from Duarmara itself. That sort of sums where we are.

I will now hand over to Raajeev to tell us a little bit more around the numbers of this quarter compared to previous quarter and then after that we can open for questions. Thank you.

Raajeev Tirupati: Thank you, Suniti. Good evening, everyone and thanks for joining our first investor call. Let me now take you through the numbers starting with the P&L.

Our realized oil price averaged $88.2 per barrel in Q2 against $95.3 per barrel in Q1. It moved sharply within this quarter. About $76 is what we realized in July. $84 is what we realized in August and around $100 plus is what we realized in September. Gas realizations which move in line with the oil prices also fell from $10.33 per MMBtu which was our average realization in Q1 to $8.84 per MMBtu which was our average realization in Q2. The rupee was broadly stable at about $95 to the dollar. Volumes on the other hand, as Suniti mentioned, remained flat.

So, to sum it up, revenue from operations stood at around Rs.121.7 crores. The total income including other income was Rs.127.2 crores. EBITDA was Rs.90 crores, almost 3x to what we reported in Q2 last year with a margin at about 71%.

In the interest of clarity, I would want to add that in this quarter, our other income includes one-off Rs.6.5 crores refund which we had intimated to you guys in the last quarter presentation as well. Now, that amount we have realized in cash. So, even if we exclude that, the EBITDA was about Rs.83 crores. So, that takes the margin to about 69%.

Cost stayed tight. Our OPEX and handling costs came down to Rs.6.1 crores from Rs.7.5 crores in Q1. Royalty and Cess remained stable at around 16% of the revenue which totals around Rs.20.5 crores. Because they move along with the price, so they cushion our margins when the oil price falls.

Depreciation rose to Rs.13.2 crores as the new Bakrol Wells came into production. So, to sum it up, the net profit for the quarter stood at Rs.57.3 crores, which is nearly 5x the Rs.11.8 crores of Q2 last year.

So, our first half sales averaged about Rs.1700 BOEPD giving a revenue of around Rs.254.8 crores with an EBITDA of around Rs.180 crores and net profit at around Rs.112 crores.

So, moving on the balance sheet, as of 30th September, shareholder equity currently stands at around Rs.780 crores. We have no borrowings. We hold roughly about Rs.100 crores in cash and bank balances and liquid investments. So, the balance sheet remains debt-free. So, we continue to demonstrate strong cash generation which aids us to fund our drilling program through our own cash flows.

So, to sum it up, the three key takeaways are:

- Firstly, oil prices swung through the quarter, but our volumes and margins held.
- Second, our growth engine continues to run. The Bakrol campaign is complete. Karjisan Drilling is ahead of plan, and October production is already about Rs.1950 BOEPD.
- The third one is what Suniti updated on DSF IV. It gives us a second growth hub and in addition to the Cambay barrels which add to our cash flows.

So, therefore, we remain confident and on track for 2,500 barrels of oil equivalent exit this year and we are building towards 5,000 barrels business hopefully by FY29, with fiscal discipline remaining our key focus area as well.

Thank you for time. For any follow-up questions, you can reach out at our investor's email ID. We are now happy to take your questions.

Moderator: Thank you very much. We will now begin with the question-and-answer session. Ladies and gentlemen, we will wait for a moment while the question queue assembles. Your first question comes from the line of Raman K. V. with Sequent Investments. Please go ahead.

Suniti Kumar Bhat: Yes, we can hear you, Raman.

Raman K. V.: I have a few questions. First of all, congratulations on a very good set of numbers and a very strong quarter. Starting off on the margin aspect, on a quarter-on-quarter basis, despite a decline in the average crude prices on a quarterly basis, our margins have improved drastically. When I see it on a YOY basis also, our operating expense did not increase despite our production and revenue increasing by 50%. So, going forward, our operating expected to remain the same. Can you guide whether we will be operating at the same margins for the coming quarters?

Suniti Kumar Bhat: I think there are two parts to it. I will try to attempt it and whatever I cannot attempt, I would like Raajeev to address it. I think, look, one thing we have been saying consistently to all of you guys is that a lot of our costs are fixed costs and we have good handle on them.

The way we have structured ourselves, it is a company that is poised for growth. So, therefore, whenever production increases, we have said this time and again, the incremental barrel cost is lesser than our base barrel cost because our fixed costs start getting distributed to a larger volume. So, you will start seeing the impact that you are seeing.

On how long will it continue, We are hoping for long in terms of our cost efficiency and fiscal display. As far as the margins, cost is one part of the margin.

The second piece for us is always going to be the oil price. So, oil price, we have no control. it is mostly net of royalty and Cess, it basically flows into our bottom line. But cost, what we have said is all incremental barrels, at least in Cambay and KG, we will start getting a good feel on it. In the Cambay Basin, every incremental barrel is going to cost lesser than the previous barrel because fixed costs start getting distributed. Raajeev, you want to add something to it?

Raajeev Tirupati: I think you pretty much covered it. So, Raman, in addition to that, what Suniti was mentioning, he was right about in terms of the fixed costs contributing down 70% to 75% of our cost base. And if you have been tracking our numbers, the cost has been staying put right across, over the last couple of years. In addition to that, if I can take you to the royalty and Cess, which contributes to around 15%-16% of the topline, and moves along with the oil price, which we realize. So, basically, as Suniti was saying, we are pretty much poised to ramp up our operations at almost a similar cost base, if you look at Cambay Basin. But having said that, if you are looking at opening up a new front, you must appreciate the fact that there are certain establishment costs which need to be taken into consideration, especially in KG. So, you may see the numbers increase, but not drastically. So, the flow through in terms of our margins will remain the same.

Raman K. V.: So, can we expect this margin to be continued, like more than 65% for the whole year?

Raajeev Tirupati: So, our endeavor is to maintain those numbers.

Raman K. V.: Okay, understood.

Raajeev Tirupati: Yes. Our endeavor is to keep the numbers in line

Raman K. V.: And so, my second question is, with respect to Karjisan, we are planning to drill seven wells by April 2027. And you also mentioned that O2 wells will be drilled by Q4. So, how much incremental revenue are we expected from this basin?

Suniti Kumar Bhat: I think, look, there are two aspects to it. Let me just clarify. In Karjisan, we are planning to drill around seven wells. Two wells have already been drilled, , but they have not come into production yet. So, we hope we will start some production from them over the next 5 to 10 days as we go through it. And we are expecting to finish this seven-well drilling campaign in this fiscal year itself.

Karjisan is an interesting field for us because Karjisan has the best fiscals in our portfolio as of today, because it has concessional Cess and royalty rates to it, because it is still in its primary term as a production-sharing contract. So, Karjisan will end up having a lopsided positive impact on our P&L. Actually, every barrel of Karjisan adds 2x the barrel of Bakrol.

So, it is built into the 2500 exit as far as we are concerned. So, watch out for the space in terms of how the growth is going to be. Karjisan wells tend to be pretty good. We are hoping that we have a good positive pleasant surprise coming through this one. The one to two wells I was talking about, in the Cambay Field, which is towards the Southern part of our Cambay Basin, we are planning to drill them in this fiscal year, probably late Feb or early March. Those two wells will tell us success, whether it is an oil play, whether it is a gas play, how big is the play.

Even if one of them works out, then the Cambay Field itself for us could be as big as Bakrol, if not larger, is what I meant. But, early days, those two wells will be drilled. It is a 50% joint venture partnership between us and Synergia. So, we need Synergia also to be aligned with the way we are looking at drilling wells and everything else. But that is a growth optionality that we have in front of us as of today.

Raman K. V.: So, if my understanding is right, for example, during this quarter, as of October, the Bakrol production is around 750 barrels per day. So, you are saying that this Bakrol two wells will be delivering 2x of the Bakrol capacity, which rounds off to around 1500 barrels per day.

Suniti Kumar Bhat: So, what I said was, Bakrol is already flowing. I think Bakrol is doing around 950-odd barrels oil equivalent production per day. Karjisan, by the end of this fiscal year, we should have all the seven wells of Karjisan, adding all the seven new wells of Karjisan adding into production. That all should take us to at least 2500 barrels of oil equivalent exit. So, just with our current production levels from other fields and the new wells of Karjisan, which absolutely will come, we do not have any ambiguity on Karjisan adding, we are going towards 2500 plus barrels of production. It is the Cambay field, not the Cambay Basin, which is towards the South, near Khambat, whereby we are 50% partners in it. There we are hoping to drill one to two, what I call optionality wells, as a part of our farm-in agreement with our partner. And if they do work, then in future, not this year, in future, maybe next year or maybe the year after, the Cambay Field itself potentially has a possibility of becoming as large as Bakrol, if not bigger. The details

on how we will get to that large will depend upon those two wells and how we will get to those two wells. So, that is going to help us probably deliver beyond the 5000, if it works, as we go.

Raman K. V.: Understood, sir. And, sir, just a follow-up on another oil field, the KG Onland, which you mentioned is one of the promising portfolios. So, you have added seven new fields with respect to the KG Onland portfolio. How are you planning? You also mentioned that the incremental CAPEX required, like the recovery with respect to KG Onland is very quicker and faster. So, how will you ramp up the KG Onland basins going forward?

Suniti Kumar Bhat: I think KG Onland is a little bit different than what we have tried to in the Cambay Basin. Now, KG Onland, what I said is we got seven new fields. We are excited because these are large fields. The resource base in these fields is larger than the offshore portfolio we have. So, we are getting access to a resource base in an onshore setting that we traditionally would have to go offshore for. So, that is the positive piece.

KG is a high-pressure, high-temperature basin. So, the wells in KG are going to cost substantially more than wells in Cambay Basin. On the average, if I spend a million and a half dollars per well in Cambay Basin, I will end up spending, we are estimating, we have not done the full costing. But based on previous life experience, I think the wells in KG will be around $10 million above compared to one and a half million, roughly speaking. What we are now going to do is we are going to understand this resource base fully, then come up with a strategy of deploying one rig across, at least the first phase of it. I mean, you guys have seen us how we do.

We do not go and get five rigs and start drilling randomly. We will get a rig, drill a couple of wells, fine-tune our understanding before we then start opening up the purses and going for an aggressive drilling campaign in KG. But with KG coming in, if KG works, even let us say 50% of how Cambay has worked for us, again, this opens up a large production potential for us going forward over the next three, four years.

Whatever we might then start exploiting and running out in the Cambay Basin, KG is going to start replenishing it at a much, much faster pace, that is the KG story as of now. Now, you need to watch out for KG announcement from us as we go through, because the first thing that you will see us coming up at some point, hopefully not too out in the future, is going to be a resource estimate of KG. We will tell all of you guys what the resource estimate of KG is after we do our analysis and get a third-party reserve estimate done on this basin.

Raman K. V.: And all of this drilling, including all the three basins mentioned earlier, will be funded via internal accruals, right?

Suniti Kumar Bhat: Too early to say. I think it will depend upon our appetite of ramp-up. I mean, you can always fund any sort of a growth through internal accruals. That takes long. Now, we will have to then decide that how much of a debt or a balance sheet or new capital raise do we want to do, given the need and our understanding of reservoirs and how we feel like spending the capital. we will come to you guys with answers around that. But as of today, we are not committing on either

way. I think the single-rig KG is going to be substantially more capital into the ground compared to what we see in the Cambay Basin. But then I also know that once we will do it, we will also have something in place so that the revenues that are getting generated are also faster and in order of magnitude higher than what we get in this part of the world in the Cambay Basin.

Raman K. V.: Yes, but at least the production plan which you have for the next...

Suniti Kumar Bhat: So, the 5,000 barrel plant that you have has a very subdued KG or the Cambay optionality in it. Okay.

Raman K. V.: Okay. Understood. Understood. Thank you. I will just join back in the queue.

Suniti Kumar Bhat: Thank you.

Moderator: Thank you. The next question comes from the line of Shubham Jain from NV Alpha Fund. Please go ahead.

Shubham Jain: My name is Shubham Jain from NV Alpha Fund. Congratulations, firstly, on your maiden call and on a fantastic set of numbers. I wanted to understand two pieces. One was on the cost part. When we had last interacted, what we were expecting was broadly of 1500 per barrel of oil equivalent of cost structure, and we are spending far lower than that. Just wanted to understand how you look at this from a variable cost ex royalty, and what number should this trend at as we ramp up in both our Cambay Onshore as a portfolio and KG.

Suniti Kumar Bhat: I think we lost substantially your question, but the part we could hear was that you were saying, how would we maintain our cost structure? The last time we talked about we were at 1500 barrels. We wanted to get to 1500 barrels of sort of production now that we are targeting much higher numbers. How will it impact the cost base? Was that the question in the context of Cambay?

Shubham Jain: Correct. So, we are trending lesser than our 1500 per barrel oil equivalent number that we had initially guided for. So, how will this trend, because this seems to be giving us quite a bit of operating leverage?

Raajeev Tirupati: Yes. Shubham, hi. I think you are right in terms of the trend you are witnessing. But like how we had interacted in the last conversation as well. bulk of our costs are fixed,and you are seeing those operations leverage play out. because the same cost base is getting spread over a larger production base And secondly fiscal terms of Karjisan, are much better than the other Cambay blocks we have, wherein the statutory levies, in say Bakrol or Cambay are around 30% of top line vis-a-vis Karjisan, which is less than 5%. Given that Karjisan is significantly contributing to our production base, so you see those numbers average out to around 15%-16% of our top line, as statutory levies. And that is one of the reasons why you are seeing our entire operational cost base trending around Rs.35 - Rs.40 crores. Because if you look at our operating expenses, which includes OPEX plus handling and processing charges and other expenses. They pretty

much stayed flat over the last couple of years. And that is because, as Suniti was mentioning, we are stacked up for a larger operation. And that is one of the reasons why we are trying to accumulate assets, because it gives us an ability to spread out our costs over a larger base. And you will definitely see these operating leverages play out in the quarters to come.

Suniti Kumar Bhat: I think this was also a conscious call we took long back in terms of how we build the organization and organizational capabilities, even when we started out as a 400 barrel company. The idea was that we know that we need the right skill sets and the right kind of people to position us for growth. And 1500 or even 2000 or 5000, at least in my head, is just an intermediate number. We are hoping to be a much larger player in the energy landscape of this country. And we think we have the team already plugged in that will take us there.

Shubham Jain: Understood. So, just to follow up to this. So, I understand on the royalty bit, this mix will change and the 16%-17% will start inching up as we do sort of Bakrol and KG Onshore. But just on the fixed cost and the handling and other operating expenses, is it fair to assume that this will grow much slower than what our volumes are going to increase?

Raajeev Tirupati: You are right, Shubham. Because on the OPEX part, I have answered in my previous reply. With regards to our handling and processing charges are given to the ONGC through which we toll our oil sales. So, we produce in our fields, we truck it to an ONGC system from where there is an onward sale to IOC. This is the model we operate in the Cambay Basin. So, the costs are pretty much fixed because it is a combination of fixed and variable costs. So, the fixed costs now are spread over a larger base, as we toll through ONGC. And the incremental cost is only the variable cost, which is $1, $1.5 for every barrel we produce. So, you will see an increase on that front, on the variable piece. But the fixed costs pretty much are going to be the same. And that is one of the reasons why I was mentioning that operational leverages cost will start playing out as we ramp up through the Cambay Basin. But again, a line of caution is, once we open up KG, it is going to be a completely new different operation wherein you will see a temporary ramp up in the operating expenses, but which will eventually get offset with the production base we have.

Suniti Kumar Bhat: I think in KG, we have really not much in front as of today. So, hopefully we will get KG into the same cost structure and the execution structure and operating structure as we have our Cambay operation. And once that is done, then again, you will see briefly we will have spent money and you have rated fixed cost. But then as the production is going to ramp up from there substantially, it will have a repeat of what we are seeing in Cambay as of now.

Shubham Jain: Understood. My second question was on both CAPEX and how we are seeing growth in the sort of FY28-29 that we have built out in terms of the mix. there is a significant portion that is coming from KG Onland and offshore. So, just wanted to understand what is the timelines of CAPEX that we are planning and the quantum of CAPEX that we are planning to reach these numbers on the Onland and the Offshore bit specifically.

Suniti Kumar Bhat: I think, look, if you look at the chart we had, the 5000 barrel forecast that we are talking about, right, that is onshore. So, this is onshore, there is really no offshore capital expenditure or

production involved in this 5000 guidance we are giving you guys. we are saying we are still treating offshore as an optionality that we will execute. But the other thing that we will do in FY28-29 is we will start focusing management and technical teams time into that as a strategic priority because we think by that time in terms of understanding the basin and maturity of understanding KG Onshore will also be at the same place that Cambay Basin is today. So, we, for us, Cambay Basin is more like an operating mill now and therefore we are getting all our thinkers and all to go into the KG Onshore. So, in the next year, year and a half, we should probably be in a place whereby these guys can start trawling through and digging an opportunity set within offshore that is how we look at life across our portfolio today. It is not the production and capital that we are showing you in strategic focus area. Even for the 3500 or 5000 barrel, how much capital we need, we will come at the right time and give you full capital guidances as we put in the field development plans for them with the regulators.

Shubham Jain: Understood, understood. That was helpful because I assumed that the strategic focus was on in terms of production but it seems to be in terms of CAPEX.

Suniti Kumar Bhat: It is more in terms of strategic management focus on opening up the optionality for us.

Shubham Jain: Got it. Just a follow-up on this across Cambay and KG, is it fair to say that we can get to about 7000 plus of barrel equivalents per day in terms of production?

Suniti Kumar Bhat: I am committing 5000 to you guys as of today. let us just understand KG a bit more. We will talk about any changes to this guidance as we go through these calls every quarter.

Shubham Jain: Okay, that is perfect. Thank you so much.

Suniti Kumar Bhat: you are welcome. Thank you.

Moderator: Thank you. The next question comes from the line of Venkatesh Subramanian with LogicTree Consultants Private Limited. Please go ahead.

Venkatesh Subramanian: Hi Suniti. Hi Raajeev. Good evening. Thank you very much for hosting this call and I really liked your introductory thing. It came out very refreshing, very clear, lots of clarity. So, I have two questions as told by the moderator.

I want to understand the pricing formula because how do you actually fix something for the customer? Is it on the spot or is it an advanced contract say three months, two months, one month before? And is it pegged to the Brent crude price plus a discount or something like that? That is my first question. And second question is when you have this kind of a formula in place, when you are doing the next three to five to seven years kind of growth plan, in your sensitivity analysis blueprint, what is the worst-case scenario you assume for crude and possibly a blue sky scenario over a five-year period in your experience say a range of $50 to 120 or what could that range be that we can work out our sensitivity?

Suniti Kumar Bhat: Thank you Venkatesh. First question I will let Raajeev answer and then on the second question I will give you my take. Raajeev, why do not you take the first question?

Raajeev Tirupati: Hi Venkatesh. On the pricing formula, so our contracts are pegged to an international crude oil marker. So, it depends on the contract because each contract is governed by their own pricing. But it is safe to assume that across Cambay Basin, I mean, which is Bakrol, Lohar, Karjisan and Cambay all put together, we sell somewhere around 10% discount to dated Brent.

Venkatesh Subramanian: So, 10% discount to?

Raajeev Tirupati: Dated Brent. So, just to add a small caveat to that was in our sales mainly are to Indian Oil, who is a public sector buyer, but part of our volumes are also being sold to private buyers, who constitute around 20% of our sales. Of late, what we have seen is that their ability to purchase crude oil at higher prices is limited. And that we have witnessed over the last couple of quarters when crude oil started inching towards $100 a barrel. So, pretty much we are selling everything to Indian Oil at these prices and some portion of our volumes to private buyers, in order to manage our working capital, at a slightly higher discount to the dated Brent.

Venkatesh Subramanian: Okay. All right. And dated price, is it an average?

Raajeev Tirupati: So, the price which I mentioned in my opening remarks, Venkatesh, that is the average price realization we have realized in the quarter, which is somewhere around $88 to $90 per barrel for Q2, because if you look at the July, August, September prices, the prices bottomed out around July and August before they rose back to $100 in September. So, we have seen a Q-on-Q decline of around 7 to 8% in our price realizations in comparison with Q1. Just to refresh, now we understand that the prices are north of $110, but if you looked at July and August so they were trending around $75 and $85. So, in July and August, we realized around that. September sort of was the month where we realized north of $100.

Suniti Kumar Bhat: So, Venkatesh, just to pick up from there, I think, so this 10% discount to dated Brent, the guidance that Raajeev is giving you, I mean, for us, it is not arbitrary. The way it works, typically, is it is based on different cuts. So, basically, what happens is that they take our crude and then they basically figured out the products from it. You do it physically in a third-party lab. And then based on the yield of our products, compared to benchmark crude, I mean, we typically tend to say Brent because Brent is probably the easiest benchmark to say to people from a modeling perspective. And then we figured out that, okay, if this was our crude, what is our product mix that comes from our crude? And depending upon the product mix, the discount gets calculated. So, it is not so much of a negotiated term. The only negotiation in it is which is the closest crude that matches my crude that we decide whether it is crude A, crude B, crude C.

But eventually, it becomes much simpler rather than get into the complexity of it to tell you guys, take dated Brent (-10%). That on the average, should give you good enough numbers for your modeling purposes. So, it is a pretty long, thought-out process that determines the price of a crude. The key tagline is that our pricing is tied to international benchmarks. So, it is not

controlled by government or anyone else. Nobody mandates a price. it is the market that does it for us. I think we could say President Trump mandates the prices for pretty much everybody in the world today. But apart from that, we think it is the market that drives it.

Then comes the second piece. it is a very tricky question of how we look at this one. But I have always said, and between me, Raajeev, Siva, we maintain that we take a view at investments in terms of that, look, the only thing we cannot predict and have any control on is the commodity price in our business. So, at $65-$70, if a project gives me double-digit return and gets me back my cash within year to year and a half, that is a go project for me. If anything more happens, I am happy. But I also want to make sure that at $50 of oil price, I get my cash back. If at $50 of oil price, I am losing money, I will think twice about executing that capital project. So, those are some basic rules that we apply. The fiscal capital allocation that we apply, that seems to have helped us. And this is not an outpacing. This is something that over the last 30 odd years that I have been in this industry, I have learned that, look, this you cannot control. As long as you get back your money within shorter time frame, when you have some sort of certainty on prices, that is why the one and a half, one to one and a half years becomes important for us.

Venkatesh Subramanian: That is very helpful. I think that is very helpful that $50 to $60 at the bottom range to break even and produce cash flows. Yes, basically.

Speaker: Thank you so much. Thank you.

Moderator: Thank you. The next question comes from the line of Pavan Kumar with Ratna Traya Capital. Please go ahead.

Pavan Kumar: Hi, team. I just wanted to understand what is the potential in terms of the Assam field that we have? I understand there is a joint venture partner also. So, if you could also give us an idea of CAPEX per well, as you stated in the Cambay and KG Basin that you expected, what can that be there? And what is the potential you see there? And by what time can we scale up? What is the overall expectation your expectation?

Suniti Kumar Bhat: Okay, this is around our Duarmara field. I think what I said is, we have already drilled one well in that field. And so we know what typically costs to drill a well in there. The well cost was around Rs.70 crores, give or take, is what it costs us to drill a well. Having said that, that is a well that was looking and targeting three different reservoir zones at different depths in this basin. We were looking at TIPAM-1, TIPAM-2 and TIPAM-3 reservoir zones. Actually, we were looking at TIPAM-2 and sTIPAM-3 as gas bearing zones. We saw some indications of gas, definitely in TIPAM-2, some in TIPAM-3. But what we found out is we saw oil, which we had not factored into our plans in TIPAM-1. So, currently, our team is putting its heads together, looking at not only the well that we drilled, which is Duarmara-4Z, but we are also looking at some of the old wells that Oil India had drilled, which might be accessible. We are wanting to see how to access them safely, which is Duarmara 1 and Duarmara 2. And look at a collective plan of entering 1, 2 and 4, if we can, to try and understand the potential of the TIPAM-1 zone. The reason we are focusing on TIPAM-1 zone, rather than TIPAM-2 and TIPAM-3, is because

TIPAM-1 zone is an oil zone, it does not involve the same dependence on gas evacuation infrastructure out of Assam that the gas has. Oil, I can truck, like you have seen in us doing in the whole Cambay Basin. That is where we are. What is the potential of an oil production from these wells? Early days, all we know is that we have managed to circulate out oil twice through the wellbore. We have seen oil come out in both times. We are now going back and looking at whether we want to flow it, whether we want to frack it, to understand that potential. And we will tell you, not just based on one well, we will look at all the three wells together. But the capital per well will be of the order of around Rs. 60 crores to Rs.70 crores. Even if I shorten the well, make it simpler, if I am just targeting this one. We are hoping to formulate a full plan to do what to do over the next five to six months as far as Duarmara is concerned. And we will come up with a concise plan for you guys about how we look at Duarmara going forward. We have to take our partner's views also into account in this one. So, typically, wherever these are joint venture operations, whether that is our Cambay field or Duarmara field, we will have to get everybody along. 100% of the operative field, it is just us as a management team making a call on what to do.

Pavan Kumar: Okay. And once the CAPEX per well is done, my understanding would be the OPEX could almost be the same for all the sites, right or is that also very different?

Suniti Kumar Bhat: No, the OPEX is not fundamentally large in this one. it is not going to be drastic. There might be a little bit of Assam element in there because the cost structures are fundamentally different in Assam than the Gujarat, which is a lot different as far as oil and gas operation is concerned. But OPEX is not going to be an order of magnitude number like Rs.70 crores or so. that is more of a CAPEX issue because that too, because the wells are deeper. These are 3.5 kilometer wells, unlike 1.5, 1.6 kilometer wells that we drill in Cambay Basin.

Pavan Kumar: So, we would be able to have meaningful contribution only some, maybe, I mean, estimate only next year.

Suniti Kumar Bhat: Next fiscal is when we will give you good estimates in and around Duarmara, not this year, yes. This year is back to scratching our heads and figuring out what kind of oil did we find out. it is a light oil, we know that. How to get it, how much is there and the technology that we might need to take it out and sell it.

Pavan Kumar: Got it. Thank you.

Suniti Kumar Bhat: All right. Thank you.

Moderator: Thank you. Our next question comes from the line of Manprit Arora with the Northern Lights Wealth. Please go ahead.

Manprit Arora: Yes, thank you. So, just following up on the previous participant's question on Duarmara, you mentioned that, you know, we found our oil instead of gas, which we were not expecting. And then the decision is on whether we want to flow oil or not. So, my question is if we decide to

flow, then it means that we will be able to monetize it earlier than if we had found gas there because we had to set up evacuation pipelines, etc. Is that the right way to think?

Suniti Kumar Bhat: Just a little bit of clarity around that. In a simplistic answer would be yes, but I just want to give a little bit more color to it. I think, look, even in a gas system, we would have been able to develop a facility and monetize earlier as well because gas through pipelines. The challenge in a gas evacuation and monetization in Assam as of today, not for us, but for a lot of other people as well, is that Assam is not connected yet to the National Grid. So, therefore, even if you have capacity to produce gas, all the gas that Assam has capacity to produce does not get sold in the market. So, therefore, you end up selling gas at a discount to APM prices in Assam as of today. that is the story there. I mean, and it is not in our hands to connect that grid to the National Grid. there is a lot of other things happening in terms of the Duliajan–Numaligarh gas pipeline and all that that is going on.

So, gas in Assam is easy to monetize in terms of putting up a facility, but it has its own challenges, which are more to do with structural in terms of your ability to ramp up, even if you have gas capacity in your well and there is other private players in that field that you can look at that they are shutting in their existing production. So, therefore, gas will always in Assam specifically, as of today, is delayed in terms of its revenue generation capacity.

Now, oil is an interesting piece because oil does not need pipeline infrastructure. Oil I can just put into a truck to haul across 300 kilometers and sell to refiner somewhere, right? So, therefore, oil gives us a lot more flexibility and oil infrastructure also, that is correct, is somewhat simpler and easier to execute and construct than a gas infrastructure. So, that is where we are as of today.

Now, if we find oil, our time from flowing it sustainably to surface to selling it is not going to be large, it is going to be months only, right? Gas is not always, the gas takes its own sweet time because you are putting compressor, you are putting some gas treatment packages, in oil it is a lot more simpler.

Manprit Arora: Thank you for that, sir. Just clarification, yes, on Duarmara, is it dependent on the Duliajan–Numaligarh pipeline or it is a separate-

Suniti Kumar Bhat: It is all dependent. It is all dependent on exactly, you have picked up the exact piece that is causing problems to everybody in that part of the world, yes. Till that is not sorted, everybody is in the same boat in Assam, as far as gas evacuation is concerned.

Manprit Arora: All right, and that is another clarification, sir, on the KG Onland.

Moderator: Sorry to interrupt Manprit sir, if we can request you to return to the Q&A for follow-up questions, please.

Suniti Kumar Bhat: We can, anything you have, you drop us an email, we will answer it over email, no problem.

Moderator: Sure, thank you. Thank you. Your next question comes from the line of Priyankar Sarkar with Square 64 Capital Advisors, LLC. Please go ahead.

Priyankar Sarkar: One basic question, while I understand that you do not have the 2P reserve as yet for the new field that we have won in the DSF round 4, I just wanted to get a sense in terms of, let us say, the existing portfolio had X amount of reserve. What is the kind of reserve that we are talking about that we have won in DSF? I am sure you must be having some estimates, like 2x of that, 2.5x. Any kind of sense that would be helpful to you?

Suniti Kumar Bhat: I think, Priyankar, in my introduction, I did say that potentially KG Onshore has reserve base that is bigger than, if not equal to our offshore reserve base. I said, I already made that remark. Beyond that, I think would be premature. We would like to understand it a little better ourselves, but it potentially is equal to, if not bigger than our offshore reserve base. Our offshore reserve base, we have already declared, Priyankar.

Priyankar Sarkar: Okay, sure, sir. And, sir, any specific update you have on the pipeline connectivity in Assam? I know you touched upon this in the last question, which you answered, but any more specific update on the pipeline connectivity in Assam? Has there been a push from the government due to the ongoing crisis in the Middle East?

Suniti Kumar Bhat: Priyankar, not that I am aware of. We really do not have any update to it. This is something that is between stakeholders sitting at a different table to resolve. There is a regular Northeast pipeline connectivity, the group thing that happens, which we are always invited to, and we go in, but it has not yet been untangled, is the simplest way to say it, as far as we are aware.

Priyankar Sarkar: Sure, sir. Thank you. that is it from my end. I wish you all the best.

Suniti Kumar Bhat: Thanks, Priyankar.

Moderator: Thank you. The next question comes from the line of M. N. Kumar, an Individual Investor. Please go ahead.

M. N. Kumar: Congratulations on a very good result, and I definitely appreciate the cost control that you have put into place for the last three years, and the way the assets are being used for this. I have two questions related to balance sheet. Why does CWIP has been so high because most of our assets are in production, right?

Raajeev Tirupati: So, Kumar, thanks for the question. So, on the CWIP, we have close to around Rs.190 crores. I think pretty much Rs.100 crores is towards Duarmara. You are right, all the Cambay assets are being put on to production, but we have spent some capital towards Duarmara and our two offshore assets which included connectivity studies, marketing studies. So, out of the Rs.190 crores which you are seeing in CWIP, Rs.100 crores is towards Duarmara, which you will see getting capitalized once the field is put on production. And the other ones are towards the other fields, as of 30th September, because we are in a continuous drilling campaign, you will see

some of it get capitalized as and when the wells are being bought into production. But around Rs.100 crores will get capitalized once Duarmara is put on production. I hope that answers.

M. N. Kumar: Yes, that answers. The second one that I have is that why is our tax liabilities are growing substantially?

Raajeev Tirupati: So, I presume you are referring to deferred tax liabilities? Correct. So, on the deferred tax liabilities, the way it works Kumar is that we are entitled to expense all the CAPEX which we are incurring towards drilling of a well in the same year itself. So, if you look at the cash part of the tax expense, so on the tax books, we are able to claim 100% benefit in terms of whatever is the expenditure incurred. And as of last year, our sort of CAPEX more or less matched with our PBT. So, and that is what has resulted in accumulating our deferred tax liabilities. And you will see this continue because this is an incentive which is not only given to us but it is given to us as an industry as a whole. So, people who heavily invest in drilling of wells are given this benefit and you will see this accumulating even as we continue to drill the wells.

Moderator: Mr. M. N. Kumar, we request you to return to the queue for the follow-ups, as there are several participants waiting for their answers.

Raajeev Tirupati: So, maybe I will just answer that in brief. See, as long as we are continuing to drill the wells, you will see the tax liabilities sort of getting at least partially netted out, given that we are in a growth trajectory. The intent is not to do a match, the policy was to give certain tax incentives to invest in capital expenditure, towards drilling of wells. And if in case we are not finding enough opportunities to put back the capital in, you will see these numbers get reversed to a certain extent.

Moderator: Thank you. The next question comes from the line of Sashwat Jalan with NV Alpha. Please go ahead.

Sashwat Jalan: Hi, sir. Thank you for the opportunity. I just have a couple of questions. So, firstly, as we are guiding for 5000 BOPD number for FY29, I just wanted to check within the Duarmara field, are we assuming the gas offtake as well in that number, or is this purely Cambay plus Duarmara oil offtake largely?

Suniti Kumar Bhat: So, I think from an offtake, let me address that one. As I said, 500 plus in these numbers, as of now, we have very minimal contributions from the new fields of KG and Duarmara as well, very minimal. This is a number we are committing to you guys. Till I understand the Duarmara oil potential or gas potential and how that offtake will happen, we will not give numbers typically in terms of our forecast. So, there is very little very little contribution from what I call not fully matured projects into these numbers for us as a company.

Sashwat Jalan: Yes, I understand. Just because the gas pipeline in the Duarmara is something that is still not completely sorted out. And so, are we confident of achieving this number despite that it is something that I was trying to get to?

Suniti Kumar Bhat: Yes, we are reasonably confident to put this number in public domain for us.

Sashwat Jalan: Thanks.

Moderator: Thank you. Ladies and gentlemen, we will take that as our last question for today. I now hand the conference over to the management for closing comments. Over to you, sir.

Suniti Kumar Bhat: So, thank you very much for staying with us till late today and asking some questions. I know there will be a lot of people who must have wanted to ask questions during your time today because this was our first call so therefore, there will be a lot of backup questions. Please feel free, as Raajeev has said, do reach us at our investor email. And we commit that we will get back to you with our responses within a week . So, thank you for that. We hope this will be more interactive as we go in and make it a regular feature for us in terms of an outreach to our stakeholders and investors. So, thank you very much and look forward to speaking with you at the end of next quarter.

Moderator: Thank you, members of Management. On behalf of Eaquirus Securities Private Limited, that concludes this conference. Thank you everyone for joining us and you may now disconnect your lines. Thank you.