



ABS MARINE SERVICES LIMITED

(FORMERLY KNOWN AS - ABS MARINE SERVICES PRIVATE LIMITED)

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To,
The General Manager,
Listing Department
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Mumbai — 400051.

COMPANY CODE: ABSMARINE

Sub: Transcript of Earnings Conference Call held on 03rd June,2026 at 03:00 PM (IST)

Dear Sir/Madam,

This is to intimate you that, pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we have submitted the Transcript of Earnings Conference Call held on June 03, 2026, at 03:00 PM (IST).

Kindly take the aforementioned details on record.

Yours faithfully,

For ABS MARINE SERVICES LIMITED

GANESH

SAIKRISHNA

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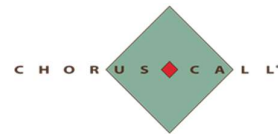
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“ABS Marine Services Limited
H2 FY26 & FY26 Results Conference Call”

June 03, 2026



MANAGEMENT: **CAPT. P. B. NARAYANAN – CHAIRMAN AND MANAGING DIRECTOR – ABS MARINE SERVICES LIMITED**
MS. ARATHI NARAYANAN – DIRECTOR – ABS MARINE SERVICES LIMITED
MR. V. V. ANANTHA NARAYANAN -- CHIEF FINANCIAL OFFICER – ABS MARINE SERVICES LIMITED

MODERATOR: **MR. HARSHIL GHANSHYANI – KIRIN ADVISORS PRIVATE LIMITED**



Moderator: Ladies and gentlemen, good day and welcome to the H2 FY26 and FY26 Results Conference Call of ABS Marine Services Limited, hosted by Kirin Advisors Private Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Harshil Ghanshyani from Kirin Advisors. Thank you and over to you, sir.

Harshil Ghanshyani: Yes, thank you. On behalf of Kirin Advisors, I welcome you all to the conference call of ABS Marine Services Limited. From the management team, we have Captain P. B. Narayanan, Chairman and Managing Director; Ms. Arathi Narayanan, Director; and Mr. V. V. Anantha Narayanan, Chief Financial Officer.

With that, I now hand over the call to Ms. Arathi Narayanan for the opening remarks. Over to you, ma'am. Thank you.

Arathi Narayanan: Good afternoon, ladies and gentlemen. On behalf of the Managing Director, Captain Narayanan, I would like to welcome all of you to ABS Marine Services Limited earnings conference call to discuss the financial and operational performance for H2 and the full year ended FY26. On behalf of the management team, I would like to sincerely thank our shareholders, investors, customers, partners, bankers, and all stakeholders for their continued trust and support.

FY26 has been an important year for us as we continue to enhance our capabilities, expand our owned fleet, and build a stronger foundation for long-term growth across the offshore and maritime segments. Founded in 1992 in Chennai, ABS Marine has evolved into one of India's integrated maritime service providers with operations across ship management, vessel ownership, marine services, and port services.

Over the years, we have built a diversified maritime platform catering to offshore energy, port operations, oceanographic research, and coastal logistics, while maintaining a strong focus on reliability, safety, regulatory compliance, and service excellence.

Today, we operate a diversified fleet with offices in Mumbai, Kochi, Singapore, and Kakinada, supported by over 2,000 seafarers and shore-based professionals. With strong execution capabilities, ISO-certified processes, and compliance with the DG Shipping, we continue to deepen our relationships with government institutions, offshore service providers, port authorities, and private sector clients.

On the operational front, we remain focused on enhancing our offshore capabilities and expanding our owned fleet to improve operational control, service delivery, and long-term revenue visibility. As part of this strategy, during H2 FY26, we successfully inducted the offshore support vessel, Artemis, into our owned fleet, expanding our vessel ownership portfolio and improving our ability to participate in higher-value offshore projects. The acquisition has also improved fleet flexibility and enhanced long-term revenue visibility for the business.

Further enhancing our offshore capabilities, we are also scheduled to take delivery of an offshore supply vessel in Q1 FY27. This addition marks a key milestone in our fleet expansion strategy and is expected to significantly improve offshore service capabilities, increase execution capacity, and reduce reliance on third-party vessels. The addition of this vessel also positions us better to cater to increasing offshore demand and execute larger, more complex offshore assignments.

Alongside fleet expansion, we continue to focus on improving vessel utilization levels and execution capabilities across projects. Improved fleet deployment, stronger charter realizations, and disciplined cost management contributed positively to the company's overall business momentum during the year. At the same time, our continued emphasis on compliance standards, operational reliability, and customer service quality has helped us further strengthen relationships with key clients across offshore, marine, and port service segments.

These operational advancements translated into a strong financial performance during FY26. On a consolidated basis, total income stood at INR322.64 crores, registering a robust growth of 75.05% year-on-year. EBITDA increased significantly by 179.17% to INR152.55 crores, while the EBITDA margin expanded sharply by 1,763 basis points to 47.28%.

Profit after tax rose by 196.45% to INR80.80 crores, with a PAT margin improving by 1,026 basis points to 25.04%. Earnings per share for the year stood at INR32.59, reflecting a strong growth of 184.88% compared to the previous year.

During H2 FY26, consolidated total income for the period stood at INR183.11 crores, registering a growth of 78.93% year-on-year. EBITDA surged by 164.64% to INR94.23 crores, while EBITDA margin expanded significantly by 1,667 basis points to 51.46%. Profit after tax increased by 158.22% to INR49.46 crores, with PAT margin improving by 829 basis points to 27.01%. Earnings per share for H2 FY26 stood at INR19.96, reflecting a growth of 146.42% over the corresponding period last year.

The strong H2 FY26 performance highlights the benefits of the company's continued focus on owned fleet expansion, disciplined execution, operational efficiency, and effective cost management across offshore and marine services.

Looking ahead, we remain optimistic about the opportunities emerging within the offshore and maritime sectors. India's maritime industry is witnessing strong momentum driven by initiatives such as the Maritime India Vision 2030, which outlines over 150 strategic initiatives with projected investments of INR3 lakh crores to INR3.5 lakh crores, along with the recently announced INR69,725 crores support package for shipbuilding. These initiatives, coupled with increasing investments in port modernization, coastal infrastructure, and offshore energy, are expected to create significant long-term opportunities across the maritime ecosystem.

Additionally, favorable demand-supply dynamics in the offshore vessel market, supported by an aging global fleet and limited new vessel additions, continue to improve utilization levels and charter rates across segments. With our expanding owned fleet, operational expertise, and

integrated maritime capabilities, we are well-positioned to capitalize on these opportunities and enhance our presence across the offshore and marine services.

Going forward, our strategy remains focused on disciplined fleet expansion, prudent capital allocation, operational excellence, and enhancing our offshore capabilities to support sustainable long-term growth. We also continue to focus on improving productivity, elevating service delivery standards, and leveraging our integrated maritime platform to create long-term value for customers and stakeholders alike.

Before I conclude, we would like to sincerely thank our employees, seafarers, customers, partners, and shareholders for their continued confidence and support. Their trust and commitment continue to inspire us as we enter the next phase of growth and expansion.

Thank you, and we are open to the floor for questions.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Rahil Dasani from MAPL. Please go ahead.

Rahil Dasani: Yes, hi. Am I audible?

Moderator: Yes, you are.

Rahil Dasani: Yes. Good afternoon and thank you for this opportunity. First of all, congrats on a great set of results and it is really good to see how well the company is managing its working capital and generating strong cash flows. So, kudos for that. My first question is, I want to understand our contracts better. For these short-term contracts, we shifted both our vessels, Diamond as well as Emerald, to a different vendor in October. Same we did with Anokhi and Celestial last year.

So, is renewal with the same clients an issue for us whereby we lose the repeat order? Otherwise, in this industry, customers would be very sticky with vendors like us, as I believe moving ships from one location to another again and again is not very efficient for both parties, especially since the customer needs the vessel continuously to maintain the oil well. So, why are these contracts not repeating for us?

P. B. Narayanan: It is not that we are not repeating the contract. We just wanted these vessels to embark on a long-term charter with ONGC and also keep the option if ONGC rates are much lesser with other. We are already negotiating contract deals with the parties who had already taken these vessels.

Last year it was with L&T and we had about four or five inquiries and we are just dealing with them because that particular job will come up only after the monsoon, that is usually around October. So, we are in talks with them. They are very much in requirement of these vessels because these are very fuel-efficient vessels and they know how we have performed last session.

Rahil Dasani: Okay, got it. And if I were to specifically get onto Emerald and Ocean Diamond, I believe both of those contracts have ended recently. One, I believe, in Jan and one in April. So, have we got new contracts and they are in use, or are these two vessels idle for now, if you can share what is the update here?

- P. B. Narayanan:** Okay. As far as Diamond is concerned, they are still continuing and they will continue for probably one more month before the real monsoon sets in, or probably a little less. The workload is there, but monsoon would be the criteria for it to stop work. Whereas Emerald, we had to pull out because the dry docking was coming up, so some jobs were to be done. So, we have pulled out and as of now, she is at the anchorage and we are negotiating with various people for the next contract.
- Rahil Dasani:** Okay, got it. And when did Emerald get idle, in which month?
- P. B. Narayanan:** It got idle in May 10th or 15th or something around that time.
- Rahil Dasani:** Got it, sure. And I believe the value of the L&T contract was very high. Previously, when these two vessels were with ONGC and Alphard, the rates were INR13 lakhs per day, but with L&T, the rates were INR17 lakhs and INR22 lakhs per day. So now, when we repeat both these contracts, since you said Ocean Diamond would come off in maybe a month and Emerald is already off, so will we see these rates repeating or will these rates go down much more?
- P. B. Narayanan:** We hope to get at least this kind of rate or better because the availability of vessels is very less. At the same time, these vessels have proved to be very fuel-efficient. Most of the vessels they have been getting, ideally, it would be about 8 to 9 kilolitres per day, whereas these are doing it at 5. So, you know, today, only about before the Iran war started, the diesel prices were around INR90,000 per liter. Today, it is more than INR2 lakh. So, you see, people are going to look at that more strongly than any other thing. As it is, these vessels have performed well.
- Rahil Dasani:** Got it. So, the point is at least these rates would repeat, if not increase.
- P. B. Narayanan:** That is true because we have this huge advantage in fuel.
- Rahil Dasani:** Makes sense, got it. Coming onto the new vessel additions, we have been going very aggressive there and have been acquiring a lot of vessels. So, if you can share some pointers as to doing such a large expansion after such a long time, we would be having some visibility or demand idea from the customers, right? So, if you can just speak on that in relation to these two new vessels that we have added, AHTS and the Hades.
- P. B. Narayanan:** Yes, this one vessel which is already in Chennai, going through her routines to get the clearance from the Ministry of Defence. We are just waiting for that. We have already got a charter with Hardy Oil for a five-year contract and...
- Rahil Dasani:** You were saying this vessel is already in, that is where I stopped hearing you clearly.
- P. B. Narayanan:** Okay. This vessel is already in Chennai and she is going through various processes of making her an Indian flag. And at the same time, oilfield demands that we should get clearance from the Ministry of Defence, MoD. That takes normally one month. So, from the time we have come, we have been doing all the processes for getting the MoD clearance and Naval clearance. In the

meantime, we also have a contract already signed with Hardy Oil for a five-year term for the same vessel.

Rahil Dasani: Okay. So wait, you said you are doing work on one of these for Defence. So, that is AHTS or Hades? And the second you said that you have already signed a contract. So, if you can specify?

P. B. Narayanan: No, I am talking about Hades. I am talking about Hades, at the moment. She is being called Artemis.

Rahil Dasani: Okay, Artemis.

P. B. Narayanan: The other vessel has just come into India, we are just going through the process. We have a lot of inquiries. We are not doing anything because she has to go for a dry dock and then conversion to Indian flag and other things. Only then we will start looking for a charter.

Rahil Dasani: Got it, got it. Perfect. And what would be the charter rates possible for this? Would it be in the range of INR10 lakhs to INR15 lakhs or would it be INR16 lakhs to INR20 lakhs and above per day?

P. B. Narayanan: No, no. I think it should be in INR10 lakhs to INR15 lakhs.

Rahil Dasani: Both of these vessels, AHTS as well as Artemis?

P. B. Narayanan: The AHTS I know, but the other one we are hoping to get much better rate.

Rahil Dasani: Okay, Hades would be much more. Got it. And are we converting any of these two into a stimulation vessel?

P. B. Narayanan: There has been a few inquiries by SLB for conversion of one of the Emerald or the Diamond and taking it to the Gulf because she is also draft sensitive. So, we are still waiting for them. Like we said, we have been talking to various other charterers and we are looking into the best what we can get under the circumstances.

Rahil Dasani: Got it, very clear. And what would be the fleet expansion plan further for this year? In December, the call that we had, you indicated that we want to add 7 to 10 more vessels. From that, we have added two. So, are we still on the same plan or are we getting more aggressive or has there been a change there?

P. B. Narayanan: No, as of now, we will be adding in the same thing once we get these vessels also in line with our charters and other things. And then we will look. Expansion is something the way -- only way to grow the company.

Rahil Dasani: So, we should be adding five more new vessels, you are saying?

P. B. Narayanan: We are thinking of about a couple of vessels, but we are -- all the time we are looking for a bargain. If we get something good, we will of course inform.

- Rahil Dasani:** Of course, got it. And one last question. AM Passion was initially OSV and was to be upgraded to a stimulation vessel. And in the last con-call, we said that charter rates increase further post an upgrade versus initially when a contract is signed. So, is that right in AM Passion? Has that upgrade been done? Will we see a charter rate increase here?
- P. B. Narayanan:** Well, AM Passion, when she was bought, she was converted in Dubai as a well stimulation vessel. And then as of now, we are getting about \$16,000 per day and that is fixed for three years. And then the next three years, it will be at \$19,000. That is, I am talking about Passion.
- Rahil Dasani:** Okay. So, for two years you said at \$16,000, two years after that at \$19,000?
- P. B. Narayanan:** No, no. Three years, of which one year already, I think on 18th of last month, we completed one year with Schlumberger, SLB they now call as SLB, and they are very happy with the vessel. And now we are on the second year operation with them.
- Rahil Dasani:** Okay. So, in the third year, which is in FY28, we will be seeing these rates increasing to \$19,000?
- P. B. Narayanan:** That is correct.
- Rahil Dasani:** Got it, got it. And would it be right to say that in stimulation vessels, we would be making higher margins since crew management would be done by the customer? Is that right to say?
- P. B. Narayanan:** Yes, we are handling our own vessels. We are not giving it to any third-party. So, we know how to restrict our expenses. So, probably as and when -- see, one thing is there, the vessels have to go through various maintenance schedules, so that will take some cost. Otherwise, I think we should do a pretty good job of restricting our operation.
- Rahil Dasani:** No, so what I was trying to ask is comparing the stimulation vessel to the offshore vessel that we are doing. For example, compare Ocean Diamond to AM Passion. Do we see a margin difference, and maybe the margins are higher in AM Passion being a stimulation vessel?
- P. B. Narayanan:** No, no. Here what happens is the requirement by the charterers are slightly more higher. They need more people and more qualified. They are very strict about the number of years they have spent in the offshore vessel and all those kind of things increases our cost in the manning part. Of course, technical, we are quite confident that it will remain the same.
- Rahil Dasani:** Okay. And just one last question from my side, if I may ask. What kind of sales and purchase team do we have? That part being the most important in our business, if you can share what is their previous background, roles, and how big is the team?
- P. B. Narayanan:** No, we don't have a separate team, but we are in contact with many brokers all over the world and they keep us updated. And between all these things, we also try and get the best and we have been managing till now.
- Rahil Dasani:** Got it, got it. And how to think about the current market? Are we paying heavy premiums and buying at the peak of the cycle? Are we worried at all about that, or do you think that this is the right time to buy and go more aggressive?

- P. B. Narayanan:** The premium is only because of the exchange rate. Other than that, I don't see much change in this because from what we were paying INR82 per dollar, it has gone up to INR96. So, that is playing on the cost of the vessel. But other than that, I think if we can identify the correct vessel in the correct place, we can get bargains.
- Rahil Dasani:** Got it, very clear. I have a few more questions, but I will get back in the queue. Thank you very much, sir. Thank you.
- P. B. Narayanan:** Thank you.
- Moderator:** Thank you. Next question is from the line of Apoorv Bandi from Whitestone Financial Advisors. Please go ahead.
- Apoorv Bandi:** Yes, thank you, sir, for the opportunity and congratulations on the excellent set of numbers. So, I just missed in your previous commentary that you mentioned about Hades and MPSV, these two are the two new vessels. So, regarding Hades, you mentioned that the vessel is already in Chennai and we are making it to Indian flag and we are waiting for clearance. And you also mentioned that we are having a five-year contract already signed. So, I want to know at what rate we have done this contract?
- P. B. Narayanan:** This contract, see, this contract can happen only once we get the vessel approval and the charterers have already come on board and they have had a look at it and they are quite satisfied. That is when we sign the charter party. So, that has happened only last week.
- Apoorv Bandi:** Okay. So, you mean that the price has not been fixed yet, is it?
- P. B. Narayanan:** Please repeat, I didn't get that.
- Apoorv Bandi:** Yes. Sir, does this mean that we have not fixed the price yet, which you mentioned regarding some five-year contract for the Hades?
- P. B. Narayanan:** That is already done.
- Apoorv Bandi:** Okay. Okay, and sir, for MPSV, you mentioned that it has just come in India, and it will go for dry dock for a few months and then it will be -- then only chartering will be done. Is my understanding right?
- P. B. Narayanan:** That is correct. So, my CFO just informed me that they are already putting it up or this thing about the Hardy charter. It should be coming up in the NSE website.
- Apoorv Bandi:** Okay. Okay. Okay, and sir, my next question is, I want to understand that when a vessel is idle, how much does it cost us per day? And also want to understand, like, the majority of the charges would be of docking charges, right? We have to take some space where the ship -- where the vessel would be kept there. I want to understand that part.
- P. B. Narayanan:** See, usually when the vessel is idle, the charges that actually incur is the people who are on board, their wages, the port charges, which we normally don't -- if it is in the berth, it is more expensive. We keep her in the anchorage, so which is much lesser cost at the moment, like

Emerald is in the anchorage. And of course, the oil that we are burning for giving the -- keeping all the machineries on.

Apoorv Bandi: So, approximately what would be the cost?

P. B. Narayanan: You want per day cost?

Apoorv Bandi: Yes, yes.

P. B. Narayanan: I am not -- I mean, it all depends on number of people we keep on board and how much we are burning. So, let's put it as a ballpoint figure, it's about \$1,700 a day.

Apoorv Bandi: Got it, got it. And sir, is there any revenue guidance and EBITDA margin for the year?

P. B. Narayanan: No, I am not able to hear you.

Apoorv Bandi: Okay. Sir, am I audible right now? Is it better?

P. B. Narayanan: Yes.

Apoorv Bandi: Yes. So, I am saying that what is the revenue guidance and EBITDA margin guidance for the current year, financial year '27?

P. B. Narayanan: Let me put the CFO on the line, probably he will be able to answer you more explicitly.

V. V. Anantha Narayanan: Hello. Can you repeat the question, sir?

Apoorv Bandi: Yes. Sir, my question is, what is the revenue guidance and EBITDA margin guidance for the current financial year FY27?

V. V. Anantha Narayanan: As regards the guidance on the top line is concerned, we can expect a 10% increase -- assuming that all the vessels will be running in the second half. We can expect on the turnover front a 10% increase from the current levels. As regards the EBITDA is concerned, I am sure that currently it is in the band of 45 to 50. I am sure that that will continue.

Apoorv Bandi: Got it. And sir, so by the year-end, are we planning to add more vessels?

V. V. Anantha Narayanan: Are we going to add?

Apoorv Bandi: More vessels, would we be the increasing vessels?

V. V. Anantha Narayanan: I think Captain has already told that the vision is to expand and to go forward for seven to eight vessels over a period of two to three years. So, that question I think he has answered already.

Apoorv Bandi: Okay. Okay, and my last question is regarding the MPSV. I think the MPSV, have we purchased that vessel or have we taken it on charter?

P. B. Narayanan: One minute. Could you please repeat the question about the MPSV?



Apoorv Bandi: Yes. Sir, MPSV vessel is chartered by us or we have purchased that vessel?

P. B. Narayanan: No, no. We have purchased the vessel and she was lying in South Africa. She has just made the journey to Laugon, where the vessel's certificates are going to be -- I mean, going to expire. So, we need to dry dock the vessel before we can put her on charter.

Apoorv Bandi: Okay. Actually, in the presentation, MPSV is mentioned as chartered, that's why I had that confusion.

P. B. Narayanan: No, no. Only the anchor handling AHTS has been chartered. MPSV, we still have a lot of work to do because she has just come into Laugon. She has to go in the -- we are waiting for spares to come so that a proper dry docking can be done.

We had an option of getting the vessel dry docked in South Africa and bring her, but then we thought that we will be in -- we will not be in control because the costs there are much higher. And by bringing her here, we will save at least 50% of the cost that we would have normally incurred in South Africa.

Apoorv Bandi: Got it, got it. And sir, these two vessels, Hades and MPSV, are both in our parent company ABS Marine or we have taken it in the subsidiary Epsom company?

P. B. Narayanan: No, both are in the ABS Marine Services Limited.

Apoorv Bandi: Okay. Okay, and sir, what are the cost of acquisition for both the new vessels, Hades and MPSV?

P. B. Narayanan: Just a moment. We have totally, we have spent about \$15 million for both the vessels.

Apoorv Bandi: Okay, okay. Got it. Thank you, sir, and all the best. Thank you.

P. B. Narayanan: Thank you.

Moderator: Thank you. Next question is from the line of Yogansh Jeswani from Mittal Analytics. Please go ahead.

Yogansh Jeswani: Hi. Am I audible?

Moderator: Yes, you are.

Yogansh Jeswani: Yes. Thank you for the opportunity and congratulations on a great set of results. Sir, just one question. Like the CFO sir mentioned that the growth guidance for this year would be conservatively around 10%. So, just out of curiosity, why are we considering this 10% because I think from the kind of vessels that we have given on charter, the kind of rupee depreciated, that could be just the, you know, conversion of that.

While we have two new vessels and then we'll be having Emerald and the other vessel coming into production as well which has gone idle now, which you guided would be on a higher charter rate most likely. So then, why are we thinking of a lesser number for growth?

- P. B. Narayanan:** Sir, let me put it this way. We always try to be very conservative and like to perform better than what we have given, and that has been our trend right through. So, we are giving this, this is definite, but definitely we'll do much better than this as the. So we can see that second half-yearly results will come out, we can see better, you know, numbers and other things. But as of now, like we have always been very conservative on our numbers and we would like to perform better than what we have given.
- Yogansh Jeswani:** Got it. And sir, like you were mentioning that Hades would be a long contract and since it's a higher value like you said, so can it be a INR25 lakh to INR30 lakh per day contract for a vessel like this?
- P. B. Narayanan:** No, no. Hades is a, you know, it was bought at a \$5 million, so it will be about INR6 lakh, I think, around ₹6 lakh per day.
- Yogansh Jeswani:** Okay, it would be lesser then.
- P. B. Narayanan:** Yes. The other one we hope to get much better because they have huge number of accommodation and this kind of vessel is a little difficult to get and it is a requirement from most of the EPC contractors in Mumbai for not only for repairing all those rigs, pipelines, diving, all those this vessel can do. But first we have to get through her certification, that means the dry dock and other things. That will take some time.
- Hopefully, we'll be ready before the time the monsoon set is already over and people will be. Already people are asking us, but we are not making any commitment because we still want to bring her certificates and everything for next five years. So, that is what we are concentrating on.
- Yogansh Jeswani:** Okay. So, safe to assume that maybe in H2 some part of few months we might get to see some revenue from MPSV.
- P. B. Narayanan:** That is correct, absolutely.
- Yogansh Jeswani:** And given the shortage of this vessel like you mentioned, this could be higher charter. Broadly what range should it be like, INR15 lakh to INR20 lakh or INR25 lakh to INR30 lakh kind of?
- P. B. Narayanan:** Should be around INR15 lakh to INR20 lakh. Like I said, we are very conservative on whatever we say, but INR15 lakh should be the ballpoint figure.
- Yogansh Jeswani:** Got it. And sir, one more question. So, like we are seeing that ONGC, Reliance, all of these are coming up with a lot of projects, you know, several development wells also by them. So, given all of this, how are you seeing the demand for, you know, vessels coming up and how are you looking to, you know, capitalize on this demand?
- P. B. Narayanan:** Well, if you look at the government policies, it has been that we must increase the production of the vessels. That is why earlier they used to have only one well stimulation vessel, now they have about four, of which two of them are owned by us. So, the government itself is trying to push all the vendors, I mean like their ONGC,

Oil India and other things to get, you know, more surveys done and drill more wells and try and enhance the oil production.

One war has, you know, the thought process has changed. As you know that Iran war has really caused a huge kind of problem for our government. So, looking at that, we feel that the demand for all these kind of any oil drilling program or production program, you need vessels. And that is where we come in. So, we hope that the demand will be always there quite strong.

Yogansh Jeswani: Got it. And sir, like you were telling about the dry docking of MPSV, similarly I think all our vessels need to go for a dry dock every five years or so, right? So, in terms of our overall vessel fleet, where are we in this cycle? Are you expecting any large off-period this year or maybe next year?

P. B. Narayanan: No, for that the technical department is looking at it. They are staggering in a way that, you know, not many vessels are off-hired at the same time. At the same time, they are very, I mean, you must get all the spares in line, you must have a dry dock space and all these has to be looked into. So, we don't want to bunch all of them together as one expense in any quarter. So, we'll be doing a staggering thing, but this is already taken into account well in the operation of the vessels.

Yogansh Jeswani: Understood. And sir, one question on your taxation part. So, in previous calls you have shared about the tonnage tax benefit, while still in this second half we paid 8% tax. So, if you could just broadly help us understand why was that so? And for FY27 what kind of tax rate should we think of?

P. B. Narayanan: Okay. If you look into tonnage tax, it is something which the government has brought in to encourage Indian ship owners to buy more tonnage. So, what they do is they tax not as per the earnings, they tax on the tonnage of the vessel. So, this what we do is whatever is, you know, between the corporate tax and the tonnage tax is used as for purchasing of another vessel. And that is mandatory, within 10 years you have to do so much purchase. So, this is a scheme which has been not only in Indian government, but it is worldwide, it is quite popular.

Yogansh Jeswani: Got it. And sir, on the competition, just wanted to understand from you how easy or difficult it is for any new incoming peer to buy these vessels and start competing, or is there some long approval process? I think you mentioned about some MoD and Naval clearances and some flag change certifications. So, how long does it take and how difficult or easy will it be for a new player in terms of complexity and, you know, getting these engagements with the clients that we serve? If you could just broadly help us understand that.

P. B. Narayanan: In fact, if you look at it, we have gone through, all vessels have gone through the same process. MoD clearance normally takes one month, but we start the process much earlier. And we, since we have been in this business for a long time, we try and keep the cost as low as possible. But we always take it as one month within which we do the flag conversion and change of, you know, registry, all that we do within that one month.

Yogansh Jeswani: Okay. And sir, you based on the FY27 tax percentage that we should think of, what should that be?

- P. B. Narayanan:** Just one moment.
- V. V. Anantha Narayanan:** Repeat the question, sir.
- Yogansh Jeswani:** Sir, what kind of tax rate should we think of for FY27?
- V. V. Anantha Narayanan:** Around maximum of 1.5% to 2% in that range.
- Yogansh Jeswani:** Okay, 1.5% to 2%. And just one last question, sir. Given the demand that we are seeing in the number of new vessels that we want to add and again on the balance sheet we have debt, so how do you think about balancing the expansion plans that we have and then finding the same, maybe, you know, the debt reduction that you might want to look at? So, if you could just broadly share your thoughts on that?
- V. V. Anantha Narayanan:** At this point of time with our debt-equity ratio the banks are also comfortable. I don't think we have overshoot on the debt side. With adequate reserves and all, I think bankers are comfortable for lending at this point of time. With Bankers comfortable with the current debt-equity ratio ,we don't see funding will be a problem at this point of time.
- Yogansh Jeswani:** So, do you have a figure like a peak debt in your mind while planning these or nothing as such?
- V. V. Anantha Narayanan:** No, see the team plans in such a way that a vessel with the right price and the right charter rates and all available, each vessel is, will make the adequate PAT and cash flows to generate its own revenue. So, as long as that continues, as Captain said, the acquisition process for expansion and will continue, sir.
- Yogansh Jeswani:** Fair enough, sir. And just one last feedback from my end, sir. Doing these con calls is really helpful, like the one which we are doing today. It gives us a lot of insights into the business and how things are faring out for you. So, if you could just increase the frequency of it from, you know, once a year to maybe two calls a year, that would be really, really helpful. And I'll seriously suggest that the management considers this feedback.
- V. V. Anantha Narayanan:** Noted, we will take that.
- Moderator:** Thank you. Next question is from the line of Keshav Garg from Counter Cyclical PMS. Please go ahead.
- Keshav Garg:** Sir, firstly I wanted to understand that hypothetically if we liquidate all the full fleet that we have, so how much approximately will be the value of our fleet at current market prices?
- V. V. Anantha Narayanan:** Currently we are in the process of expansion and that liquidating sort of things we have not calculated, but at least for the market value guidance, maybe Captain MD will be able to give a guidance on the market value of the vessels?
- P. B. Narayanan:** That question is very, very, you know, fluid because everything changes with time. As of now, the markets are doing well. A vessel like the Passion would fetch you about \$20 million and similarly Celestial would also fetch around \$20 million. The others probably in the range of \$10 million to \$15 million. So, I mean, this is a general ballpark figures that we would like to inform

you. I mean, this is what we find, you know, when we go for buying vessels, these are the kind of numbers that come to us.

Keshav Garg:

Now, sir, who would be our major competitors and sir, what would be our market share and what is the possibility of a glut happening in this industry because sir, if we see there is a competitor Seamec, I'm not sure whether it is a like-to-like competitor, but sir, their margins have also increased from like 30% to 50%, the same trend as we see in our company.

So, if this is an industry-wide phenomena that the charter rates are very lucrative and margins of existing players are very high, so everybody is doing aggressive capex and adding new vessels. So, if there is an oversupply situation, then I mean, sir, what are the chances that the vessels might be basically unoccupied and then we have to, we have the burden to service the debt?

So, I mean, that's obviously the worst-case scenario, but sir, I mean, since things move in cycles and as of now the charter rates are high, so I mean, and a related question is that considering high charter rates lead to high ship vessel prices, is this the best time to add new vessels?

P. B. Narayanan:

Like we said, we don't buy vessels without having considered all these things, whether the charter hire is going to take care of it or the, you know, the kind of vessel that we get is, and we have always been focused on long-term charters, so we were really not worried about that utilization part. And especially the as far as the supply and demand concerned, the supply is very low.

There are a lot of years where no new bid was made in offshore sector. So, now suddenly the offshore sector has started looking up and by the time somebody like a vessel like, I mean, if you take Passion, I am saying \$20 million because she is built in '22. Okay, if you want to build a vessel like Passion in China, it will not cost you less than \$35 million. That \$35 million would anybody invest to kind of come to the kind of charter rates that we are enjoying? So, will it work for them? Those are the questions that we ask ourselves before we do any further purchase.

Keshav Garg:

Understood, sir. And the first part of the question that what would be our market share?

P. B. Narayanan:

Market share, see, at the moment in offshore, most of the vessel owners are like big companies like Greatship and Shipping Corporation. Other than that, most of the smaller -- bigger companies have liquidated last time when there was a glut, there was a -- I would say there was a problem when the charter hire had come down, so like Great Offshore. Other than that, I think we would come in a medium range because after Greatship and after SCI, I think the number of vessels we are owning is probably the third or fourth or fifth, probably third.

Keshav Garg:

And sir, what about Seamec? Is it our competitor...

Moderator:

I'm sorry to interrupt, Mr. Garg. I am really sorry, you may please rejoin the queue for more questions. Thank you. Next question is from the line of Shubham, an Individual Investor. Please go ahead.

Shubham:

Hi, sir. Sir, congratulations on good set of numbers. I have two questions, sir. Sir, the first question is of all the owned vessels that are there currently in our fleet, sir, how many are

operating under long-term contracts and how many are under short-term, and currently how many are parked because of no contracts?

P. B. Narayanan: Okay. Out of the eight vessels that we own, five of them are on long-term charter, three of them -- two of them have just come out of charter, and third one is just we have acquired, so it has to go into the dry dock and then only come out and then only we put her in the market.

Shubham: Sir, so I think in the presentation you mentioned that we have 12 vessels as of now. This includes the two that we newly inducted. And sir, is that 12 number correct or is that not?

P. B. Narayanan: No, 12 number is correct. The other four vessels are smaller vessels, they are on long-term charter. They are pilot boat and security boat. Four of them, two of them running in Chennai Port and two of them are running in Ennore Port. So, totally we have a, you know, 12 vessels. Those vessels are on 7 plus 2 year charter.

Shubham: Understood,. So, the three vessels which are currently in idle state, like by when could they be also on charter, like on contracts, either short-term or long-term?

P. B. Narayanan: I thought this was answered earlier, like we are talking about only two vessels, not three, actually two vessels, that is one is the Emerald and the other one is the Serenity, what we are going to call as Serenity, which has to just come into Indian Port and she has to go for dry dock. Diamond is already on charter, but she will be finishing her charter probably in another 1 month's time. Rest all on long-term charter.

Shubham: Got it, sir. And sir, the second question is, what is the current annual debt that we have to pay and for the debt, how much will be the annual interest expense that we'll be paying in FY27 and the depreciation?

V. V. Anantha Narayanan: See, the as regards the depreciation policy is concerned, we evaluated the economic life of the asset around 25 to 30 years and that is the industry practice, so we follow the straight-line method of depreciation. So, we are amortizing the cost of the assets over a period of 25 years from the year in which it is made.

Shubham: 20 years you're saying, sir?

V. V. Anantha Narayanan: SLA method of depreciation with a lifespan of 25 years. Even though a couple of vessels are permissible to be operated up to 30 years, we conservatively use 25 years as the the figure.

Shubham: And sir, how much will be the annual interest...

Moderator: I'm sorry, Shubham, you may please rejoin the queue for follow-up questions. Thank you. Next question is from the line of Achuth, an Individual Investor. Please go ahead.

Achuth: Hello, am I audible now?

Moderator: You are audible. Can you use your handset mode, please?

- Achuth:** Yes, yes. I am using handset only. So, sir, I want to understand how much revenue is recurring revenue, sir, like -- so we made around INR180 crores in 2025 and INR319 crores in 2026, right? And you are saying we might be doing 10% conservatively in 2027. So, I want to understand how much revenue is recurring revenue from this. I mean, are you getting the same recurring from the same contract?
- V. V. Anantha Narayanan:** Recurring revenue comes from the long-term contract. So, almost five, six of our vessels are in long-term contract. So, it will continue, almost 60% to 70% of the revenue is recurring only. At least as regards 2026, '27 is concerned, 100% , 60% of the revenue is recurring only.
- Achuth:** So, like next year we are being conservative, sir. So, what is the reason for it, sir? Like, is the...
- V. V. Anantha Narayanan:** No, the vessels will get operational as Captain MD said. With one or two vessels have just entered the Indian port, so we have to tie up the contract and by the time monsoon gets over and we start working, only the H2 will get the revenue clocking. So, H1, even quarter one is almost getting over, right? So, when he says that chartering is happening, don't multiply the charter rate with 365 and arrive at some calculation, sir.
- Achuth:** What is the current order book, sir? If you can quantify it, what is the current order book?
- V. V. Anantha Narayanan:** Current?
- Achuth:** How much order book we have, the current?
- V. V. Anantha Narayanan:** Order book in the sense, that you can separately address here, we will calculate and mail you on that question.
- Achuth:** I mean, if it is possible like...
- Moderator:** I'm sorry to interrupt, sir. You may please rejoin the queue for more questions. Yes, thank you. Next question is from the line of Umang Adatia, an Individual Investor. Please go ahead.
- Umang Adatia:** First of all, thank you for giving me opportunity and congratulations for a good set of numbers. Sir, I want to ask on specific regarding two vessels, that is Ocean Diamond and Emerald. Sir, they are 17 to 18-year-old vessels. So, my question is, if ONGC's preference in future tenders shifts to new vessels, what is the company's concrete plan for these two assets over the next 2 to 3 years? Is retirement and replacement with younger tonnage already being evaluated, or does management expect to continue chartering them through FY28, '29 or more?
- P. B. Narayanan:** See, as far as ONGC, since you particularly mentioned that company, they have a policy that when the opening of the tender, the vessel should be 21 years. Okay, so from 21, it can go for another three years, that is 24. But these vessels are DP2 vessels and Government of India has given a life of 30 years.
- So, we are not depending only on ONGC. Like these vessels have worked with L&T, they are very happy with them. And we were, I mean, looking at L&T what we were getting for 9 months was much better than what ONGC was paying, the recent, tender values, we're getting much better than that.

And the vessels are not being used the way ONGC were using it. So, we are looking at all those formulas before, this -- but of course, the bankers and the investors would like a long-term charter in place, but at what cost? That is something we evaluate, only then we will put her in ONGC or put her outside.

And these vessels, although they are 18 years old, are in high demand, like I earlier mentioned, that today the oil price was more than INR2 lakh a kiloliter, which was only about 4, 5 months before the war started, was only about INR90,000. And these vessels can run at a whole day for 5 kiloliters, whereas a normal other vessel would take about 8 to 9 kiloliters per day. Just think about it. You're any charterer who gets an advantage of 4 kiloliters into INR2 lakh, wouldn't they prefer this vessel?

Umang Adatia: Sir, but sir, the motive behind the question was only that if we consider, I am not saying that these vessels are useless or will be useless after 2 to 3 years. Sir, after, for example, if after 3 to 5 years, take a long-term duration, if there is an incremental cost of replacing a new vessel, so that's what I am asking, if the -- if our incremental revenue is greater than incremental cost, then we shouldn't have problem. But as we are a growing company, that's why I am asking?

P. B. Narayanan: Okay, I would like to answer it in a different way. Shipping is also trading. We always look at opportunities when we get a good price for a vessel, we will sell and if you get a good price for a better vessel as far as age is concerned, we'll always buy it. It doesn't -- so we are always looking at both the opportunities. We are not looking at only one thing, like chartering is the only thing. We always trade the vessel. We have been buying and selling vessels whenever it was -- whenever we had a good opportunity or good pricing which was coming for that kind of vessel.

Umang Adatia: Thank you, sir. I will join back in the queue.

P. B. Narayanan: Thank you.

Moderator: Thank you. Next question is from the line of Chintan Parikh from Vyom Capital. Please go ahead.

Chintan Parikh: Yes, thank you. I hope I am audible.

P. B. Narayanan: Yes, you are.

Chintan Parikh: Yes. First of all sincere request to the IR partner to please limit all the questions to two because it takes very long. And to the management, sir, thank you for posting such amazing numbers. Sir, my question is with respect to the conversion of our ABS Anokhi from DP1 to DP2. So, I am assuming that Anokhi was roughly reaching the 25-year age at DP1 and the conversion to DP2 was to extend and get five more years out of this. How many other vessels which are reaching 25 years age in our current portfolio then?

P. B. Narayanan: No, the oldest vessel is Anokhi and as of now she is 20 years old, not even 20, going to be 20. So, we can go in for one more charter with ONGC, so that should not be a problem. And being a DP2 vessel, like I said and it has got a lot of accommodation and it will be utilized in other

charterers also are very interested. But at the moment, since she is in ONGC, we are not really doing anything, we are trying to put her back in ONGC because they are very comfortable with this vessel.

Chintan Parikh: So, my question was that how many other vessels which are reaching 25 years age mark besides Anokhi?

P. B. Narayanan: All the vessels, this thing has been given in the brochure, we have given all the age of vessel and everything. So, I think other than that the next vessel is 2008, I think, it is Diamond and then Emerald and that is 17 years, and Emerald is 2008. Those are the older vessels. Rest all are like 14, 16 years etc.

Chintan Parikh: Okay. So, any plan for this two vessels to go to from DP1 to DP2 conversion in next 12 months?

P. B. Narayanan: Which vessel?

Chintan Parikh: The one which you said Diamond and the other which are 2003 and 2008 something.

P. B. Narayanan: They are already DP2 vessels.

Chintan Parikh: Okay. All right. Thank you, sir.

Moderator: Thank you. Next question is from the line of Kiran, an Individual Investor. Please go ahead.

Kiran: Yes, thank you for taking my call. I have two questions. First question is, is it possible to get a rough breakup along our revenue streams? On page number 13 of the presentation, we mention the revenue stream sources as vessel charter, ship management, marine service, port service, and onboard services. Will it be possible to get some rough percentage of our top line broken into these five sectors?

V. V. Anantha Narayanan: Yes, sure. You can broadly categorize the revenue stream to two broad categories, sir. One is chartering, that is owning the vessels and getting the charter and the other one as ship management. Under ship management, you can include the port services also. So, if that is the broader line, then approximately in 2024-25 it was 55 versus 45.

Now, because of new acquisition of vessels, it's almost 75 to 25. That is 75% comes from chartering, that is the income recognized from charter hire of owned ships comes to 75%. From ship management and other port-related services, it's 25%. And within that, any breakup like port services contributes hardly only 4% to 5% of the total revenue.

Kiran: Okay. Thanks. And my next question is related to your tax rate. To an earlier participant, you mentioned that the FY27, we can assume estimated tax rate about 1.5% to 2%, whereas if we look at our current financial year, our tax rate was much higher, about 4% to 8%. So, just wanted to understand the reason for it dropping in the next year.

V. V. Anantha Narayanan: So, with the new vessels, everything we will be putting it in the tonnage tax scheme because of which the 75% of the revenue will be taxed at much lesser rate, only the balance 25% will be coming under the normal taxation scheme.

- Kiran:** Okay, so tonnage would be 75%, you mean to say, right?
- V. V. Anantha Narayanan:** Correct.
- Kiran:** Okay. Thanks. That's all from my side.
- Moderator:** Thank you. Next question is from the line of Rahil Dasani from MAPL. Please go ahead.
- Rahil Dasani:** Yes, thank you, moderator, for the opportunity again. Sir, one question regarding Erin. The charter hire charges we paid to Ocean Deep Energies for Erin in FY25 was INR55 crores based on the annual report, while charter income from Erin shown is INR52 crores only based on the investor PPT. So, it seems that Erin is not generating any profitability for us, for ABS particularly?
- V. V. Anantha Narayanan:** Come back again on that question, sir.
- Rahil Dasani:** Yes, I'll just repeat. So, the charter hire charges that we paid to Ocean Deep Energies, which is our related party entity, for Erin was INR55 crores in FY25. This data is based on the annual report. While the charter income from Erin that we showed in the investor presentation was INR52 crores. So, we are paying Ocean Deep INR55 crores and we are earning from Ocean Deep's vessel only INR52 crores. So, instead of making a profit on Erin, we are making a loss of INR3 crores?
- V. V. Anantha Narayanan:** No, actually, to give more clarity on the related party transaction, we generate around 10% to 15% on the Erin thing as a ship management fee, what we generally maintain on the ship management, that is at an arm's length price of 15% to 20% is being recognized on the Erin also.
- I would look into that whether there is any misrepresentation or any on the factual fact that has been put up on the investor presentation thing. Whatever has been done is because it's approximately around \$17,000 to \$18,000, of which ABS gets the manning income of around 15% to 20%. That remains because this agreement has been from before IPO also. So for last 2 years, 2.5 years the same continues. So, the same trend only continues.
- Rahil Dasani:** Got it. So, maybe if you can let me know about this later, because I had this confusion?
- V. V. Anantha Narayanan:** Yes, definitely. Please write to us with the pages where you have mentioned, definitely I will reply on that.
- Rahil Dasani:** Got it. And just regarding the upcoming demand that the previous participant was asking on, so as we know that ONGC is right now digging 10 development wells, the PRP-9 project, Reliance has the KG-D6 project. So, how should we think about existing tenders and bid pipeline? If you can quantize it in some way, sir, as to what sort of tenders are we seeing, where have we bid, how big of a demand, how many vessels are being required, if you can give us some quantum on the demand?
- P. B. Narayanan:** See, demand is as of -- as we talk now, ONGC is asking for about 20-vessel tender is going to come. I don't know when, they have been talking about it for last 4 months. But our inside

information is it should come anytime soon, I would say anytime soon, but I can't give any commitment. So, there is a demand from that.

As far as the other EPC contracts are coming up, they are, like I said, it is a seasonal thing. During the monsoon, they cannot work. Considering risk of there was a huge loss of life and all that, so they are very careful that they should not work with during the monsoon time.

So, we are looking, like I said, we are looking at both ONGC and other charterers and seeing what best we will get for the company and we will work according to that only. Even if for eight months if we get better price than what ONGC's long-term 3 years, I think we'll take the 11-month, I mean, 8-month contract.

Rahil Dasani: Got it. And similarly, last time we said that Aramco, Adnoc, Dubai and Saudi orders, we were also planning to bid for those international orders and here the realizations are to be even higher. And I believe we have gotten the approval here, which is very difficult to get. So, if you can share what is going on in these markets right now?

P. B. Narayanan: As of now, you know the war is there. We had already given our vessels to Adnoc, they had this thing and now we are, I mean, everything is at stop. We are looking, we are not looking only in India, we are also looking at West Africa, East Africa and also in the Mediterranean. But of course, we have worked with Saudi Aramco before, long time back before we went public. So, we are not losing any opportunities by not tendering in these places also. We are keeping our eyes open. If we get a contract, a long-term contract, normally it is 3 plus 1 plus 1, so we'll be interested and at a good price.

Rahil Dasani: Got it, very clear. And just one last question from my side. How many operational days., so you talked about the docking period in this year as to we will not have any large docking periods in this year, I mean, it will be split across quarters and no particular set of ships will all go together for docking. But if I were to understand out of the 365 days, how many days should ABS be operational, if you can give me some sort of a number on an average?

P. B. Narayanan: A ballpark figure is that the vessel doesn't operate 360. An optimum would be about 330. So, we normally calculate everything on the basis of 330 days working in a financial year or a normal year. That takes care of our maintenance and other other issues.

Rahil Dasani: Got it. Okay. That would be all from me. Thank you for answering all my questions and also thank you for the moderator for the opportunity. Thank you.

Moderator: Thank you. Ladies and gentlemen, due to time constraint, that was the last question for today. I now hand the conference over to Mr. Harshil Ghanshyani for closing comments.

Harshil Ghanshyani: Yes, thank you. Thank you everyone for joining the conference call of ABS Marine Services Limited. If you have any queries, you can write us at research@kirinadvisors.com. Once again, thank you everyone for joining the conference call.



Moderator: Thank you very much. On behalf of Kirin Advisors Private Limited, that concludes this conference. Thank you all for joining us today and you may now disconnect your lines.

P. B. Narayanan: Thank you very much from ABS too.