



On the move: with Jindal Drilling & Industries having taken delivery of its first newbuild rig, managing director Naresh Kumar is hungry for more

Photo: PER STAAL BUGJERDE

Engineering success

JINDAL Drilling & Industries managing director Naresh Kumar has steered the New Delhi-based outfit to the top tier of the Indian drilling game and is now plotting its course overseas.

Kumar explains how India's domestic scene has shifted dramatically from solely foreign drillers in the 1980s.

Initially, a handful of Indian rig owners emerged, armed with a few ageing jack-ups. Times have changed rapidly of late as companies such as Jindal place new-build orders at world-class yards such as Keppel Fels.

"India is very much under-explored and the government, coupled with the Ministry of Petroleum & Natural Gas, became very aggressive over the past 10 years," says Kumar.

The authorities realised that more exploration and participation from Indian and foreign companies was needed, and to achieve this there have been seven New Exploration & Licensing Policy (NELP) rounds.

The result has been a rapid transformation as India's rising drilling contender stars — Aban

Naresh Kumar has overseen the rise of his family company Jindal Drilling & Industries in India and now his ambitions are international

DAMON EVANS
Singapore

Offshore, Jindal and Great Offshore — scramble to meet the country's needs and expand abroad.

The 54-year-old Kumar makes a refreshing change in an industry in which leaders increasingly come from financial backgrounds and spout corporate rhetoric.

Kumar studied to be a mechanical engineer and graduated from a German college near Delhi in 1974. He then joined the family business, which specialised in steel pipes and fittings.

In 1985, the Indian government invited a few large business houses, including Jindal, to look at the drilling sector.

"It was the first time we became aware of the equipment that creates an oil well. Until then we had no knowledge of drilling," Kumar says.

There has been no looking back for Kumar, who in 1988

engineered a long-standing relationship between US-based Noble Drilling and Indian state giant Oil & Natural Gas Corporation (ONGC).

More recently he positioned Jindal to penetrate the ballooning deep-water market, while expanding the company's fleet of jack-ups. He is also focusing on directional drilling, which he sees as an important segment.

Kumar takes a long-term view on business relationships. He is particular about who he deals with and does not do business with people whose style does not fit with his ideas.

Industry sources say Jindal is close to sealing an agreement with Norwegian outfit Sevan Marine, which will see the Indian player buy a 22.5% stake in a deep-water rig being built by Chinese yard Cosco. However, Kumar remains tight-lipped.

"Earlier this year we forged our alliance with a technically strong foreign company and they've been awarded a three-year deal

with ONGC, and we shall be working together with this project... this and more to come," he says. In September, Jindal took delivery of the newbuild jack-up Discovery I from Keppel Fels, with a second jack-up, Virtue I, set for delivery in November.

Kumar has his sights set on one or more jack-up units per year for Jindal, either owned or leased, and he adds that the company is looking at options on newbuilds. He says he would like Jindal to also take stakes in deep-water rigs.

An initial public offering in Singapore is on the cards to help finance a third or fourth jack-up.

Geographically, Kumar is casting its eyes over South-East Asia, the Middle East and Africa, as well as preparing to ride the waves created by Indian giants ONGC and Reliance, plus smaller outfits such as Cairn and Hardy, overseas.

Aside from drilling, Deepwater Oil & Gas, a more recent offshoot of the Jindal group, has a man-

date to build an offshore production business, targeting conventional floating production and liquefied natural gas processing as well as offshore support services for the Indian market.

Talking about India's NELP licensing rounds, Kumar says NELP 7 was a little subdued as it was overshadowed by tax issues, but is confident they will be sorted out and is happy that new entrants, such as BHP Billiton, were undeterred.

To date Jindal has no stakes in India's offshore blocks, but plans to make a foray in the next round.

Kumar was born in Darjeeling in 1954 in the foothills of the Himalayas in the Indian state of West Bengal. He credits his wife of 31 years for his success, as well as his cousin and group chairman, DP Jindal.

Kumar has three grown children, two sons and one daughter, and recently became a grandfather for the first time, which he describes as a "lovely, unbelievable feeling".

In his spare time, Kumar enjoys travelling with family and friends to visit temples, as well as exercising for at least an hour a