



Hindustan Oil Exploration Company Limited

'Lakshmi Chambers', 192, St. Mary's Road, Alwarpet, Chennai - 600 018. INDIA.

☎: 91 (044) 66229000 • Fax: 91 (044) 66229011 / 66229012

E-mail: contact@hoec.com • Website: www.hoec.com CIN: L11100GJ1996PLC029880

June 01, 2022

By Online

The Listing Department The National Stock Exchange of India Ltd., "Exchange Plaza", Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 Stock Code: HINDOILEXP	The Corporate Relationship Department BSE Limited, 1st Floor, P. Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Stock Code: 500186
--	---

Dear Sirs,

Sub: Earnings presentation

In connection with our earlier announcement dated May 30, 2022, on the Earnings Call scheduled on June 02, 2022, please find attached the Earnings Presentation.

We request you to kindly take the same on records and disseminate to public.

Yours Sincerely,

For Hindustan Oil Exploration Company Limited

G Josephin Daisy
Company Secretary

Encl.: a/a

**Hindustan Oil Exploration
Company Limited**



EARNINGS PRESENTATION | Q4-FY22/FY22



Right Resources

- Established player with proven track record
- Experienced and focused management
- Deep technical knowledge and experience in Indian Basins
- Asset Portfolio tailored to strategy



Right Strategy

- Short cycle projects with immediate production uptick
- Cost effective projects and operations delivery
- Disciplined capital allocation preserving financial flexibility



Right Environment

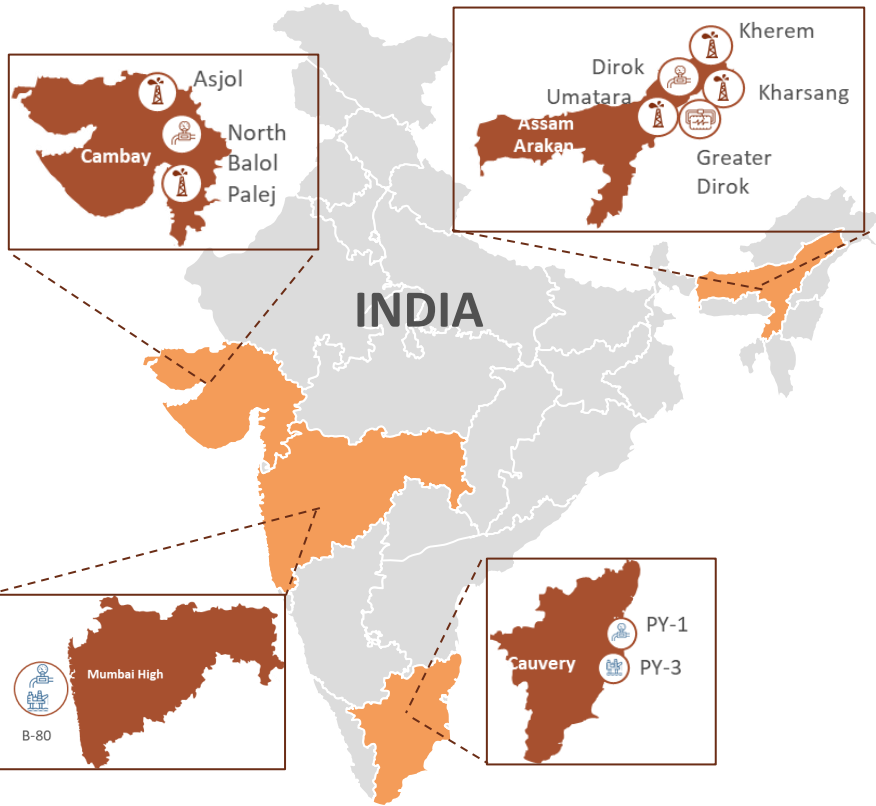
- Next level of revenue and cashflow generation from project delivery
- Crude oil and Natural gas prices at premium levels
- Reforms in sector leading to multiple opportunities for growth

Superior and Sustainable Value Creation over the long term

Tailored Asset Portfolio with Broad Geographical Presence



- 
 Onshore
Oil Well
- 
 Offshore
Oil Well
- 
 Onshore
Gas
- 
 Offshore
Gas
- 
 Onshore
Exploration



- India Focused Asset Portfolio tailored to deliver our strategy of rapid development of discovered resources
- Strong offshore presence with anchor assets on both east and west coast
- Established industry leading footprint in most prospective areas – North-east and Cambay

10 Out of 11 blocks with discovered / producing resources

4 Out of 7 producing basins in India with HOEC presence

Uniquely placed with right organization and right asset portfolio to deliver superior value

Focus on Discovered Resources



Light Asset Model



Growth strategy



Growing responsibly



- Focus on discovered oil and gas resources to reduce the risk involved in exploration
- Fast-track execution to bring resources to monetization quickly

- Follow Light-Asset and low-cost operating model
- Focus on our core operations (G&G Drilling for Oil/Gas)
- Outsource associated field tasks to expert partners
- Insource at Group Corporate Level

- Build on Offshore Operating Edge
- Seize growth opportunities in Offshore and North-East with established footprint
- Leverage Existing Infrastructure to add Attractive Assets with Synergies

- Create long-term stakeholder value & 'Grow Responsibly'
- Respect and Care for
 - Individuals
 - Community
 - Environment

Q4-FY22/ FY22 Operational Highlights



Gross Production (BOEPD)

Q4 FY22: 6,560
Q3 FY22: 7,684

Net Production (BOEPD)

Q4 FY22: 1,774
Q3 FY22: 2,071

Gross Production - PY-1 (BOEPD)

Q4 FY22: 20
Q3 FY22: 14

Gross Production - Dirok (BOEPD)

Q4 FY22: 5,923
Q3 FY22: 7,023

Dirok

- Q4 average production: Gas: 27.7 mmscfd ($\approx 72\%$) & Condensate : 572 boepd
- Low offtake due to low consumptions from downstream consumers
- Premium sales during Q4 FY 2021-22 constitute about 40% of total Dirok sales
- Average premium realized is $> \$1/\text{mmbtu}$

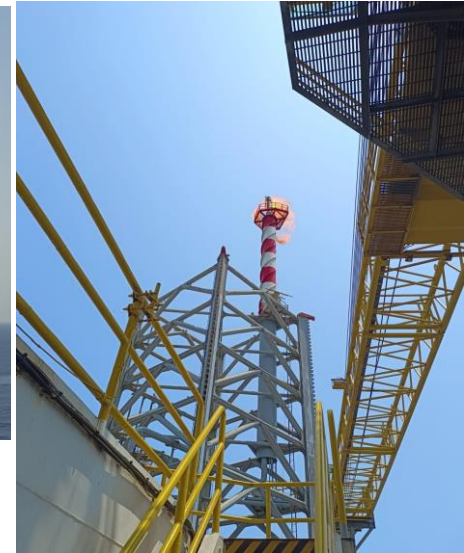
B-80

- First Gas from B-80 being packed into WO-16 to BPB (14"-56 km) pipeline of ONGC since 31 May 2022
- Completed E-auction as per DGH guidelines; GSPC emerged as winning bidder
- Committed gas volume to GSPC is 10 mmscfd of gas

PY-1 & Cambay

- EIA study completed for obtaining Environmental Clearance for drilling additional wells at PY1
- RFPSC (100 sq.km. 3D seismic & 2 exploration wells – JV signed RFPSC submitted to MOPNG through DGH) at Palej
- Public Hearing held on 18 January 2022 for Cambay; marginal Field Development to obtain Environmental Clearance

B-80: Production Commenced from Gas Well - D2



- First Gas from B-80 being packed into WO-16 to BPB (14"-56 km) pipeline of ONGC since **31 May 2022**
- D2 Gas well opened and gas process systems commissioned successfully
- Gas quality specification required by ONGC → Achieved prior to transportation
- Committed sales gas volume to GSPC is 10 mmscfd of gas

B-80: Production Start-up Status

Full Offshore Systems Installed and Integrated during Q4 FY22

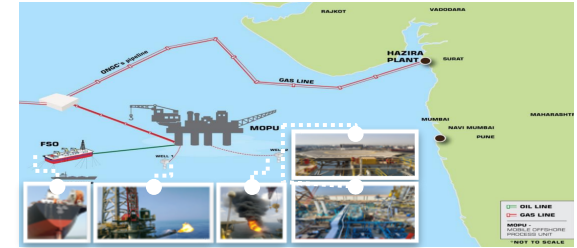
- SPM installation Completed & Tested ✓
- SPM to FSO connection completed and established readiness to receive Oil ✓

Top Sides Commissioning and RFSU Completed

- Process Equipment calibration, commissioning and Ready for Start-up completed ✓
- Statuary approvals including Consent to Operate (CTO) received ✓

Production Startup – Technical Challenges

- Initiated startup of both D1 & D2 wells as per plan post project completion
- Pre-commissioning activities taken more time than expected
- Pre-commissioning completed for D2 well and gas being packed into ONGC line since 31 May 2022
- D1 oil well subsea umbilical system issues are being addressed

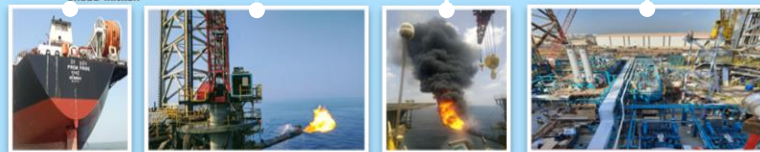
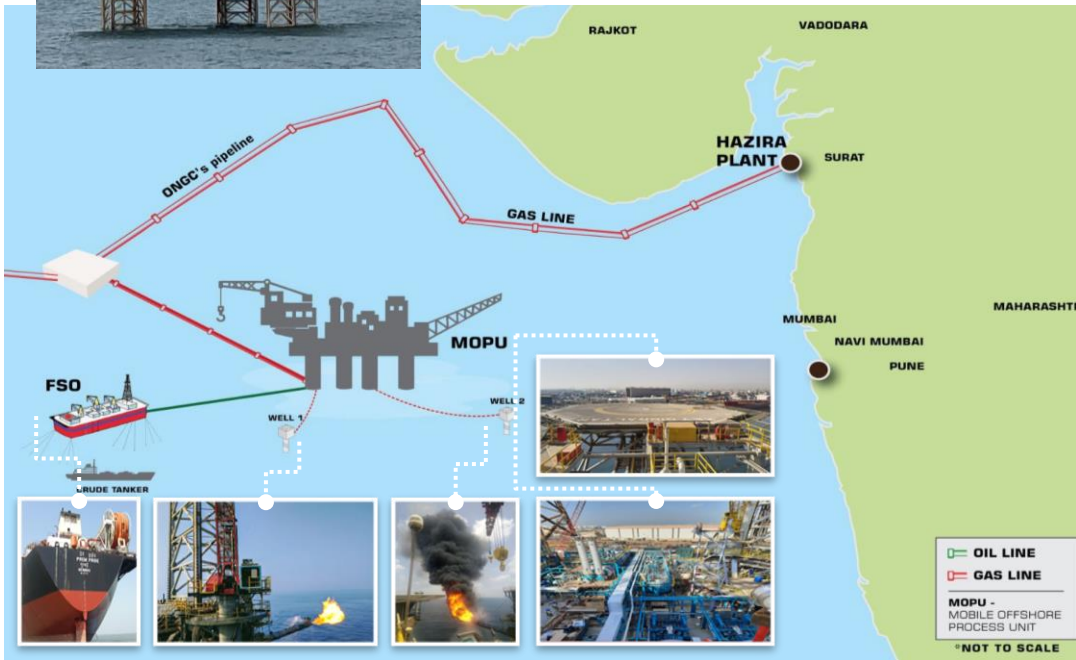


B-80: Key Milestones

- FDP Approved Dec 2017
- Drilling & completion – 2 subsea development wells April 2020
- Offshore Installation(OI) for collecting, separating and processing well fluids March 2021
- Hot-Tap of existing ONGC WO-16 Pipeline; Subsea production controls and flexible flowlines / export lines installation April 2021
- Installation of Oil evacuation using FSO moored with CALM buoy Dec 2021
- Full Offshore Systems installed and Integrated Jan 2022
- Process plant commissioned and gas production commenced May 2022



KGB- Offshore Installation at B-80 Site



Dirok: Production & Phase-II development

27.7 mmscfd

Gas Production
(Q4-FY22)

572 boepd

Condensate Production
(Q4-FY22)

> 15%

Assam Gas
Production

- In addition to OIL India, gas is supplied to four other buyers at premium price
- Premium sales during Q4 FY 2021-22 constitute about 40% of total Dirok sales
- Cumulative production crossing the milestone of 50 BCF of gas and 1 MMBBL of condensate
- Hollong Modular Gas Process Plant (HMGGP) clocked 1,480 LTI free days as on 31 March 2022



JV Partners



ऑयल इंडिया लिमिटेड
Oil India Limited



HOEC
PI
27%

Field Layout



Phase II – FDP Approved

- Laying of 35km pipeline to connect directly to Duliajan hub
- Drilling of 3 development wells to increase production from 35 mmscfd to 55 mmscfd

Project Progress

- Environmental Clearance obtained
- Stage 1 Forest Clearance is received for 18-inch pipeline laying
- Line pipe required for forest segment is received and is in stock

Dirok is a successful fast-track development with an outsourced model for processing

PY-1: Enhancing Production and Offtake Arrangements

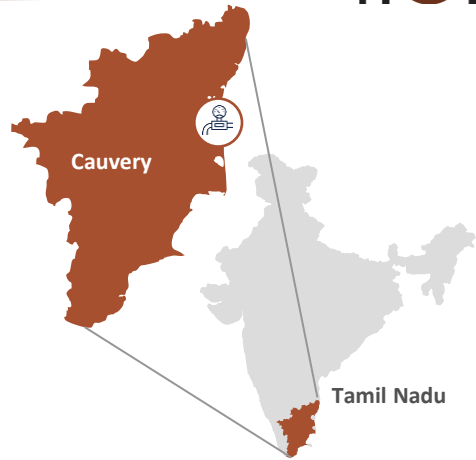
<p>USD 3.67 Realised Price per MMBTU</p>	<p>55 mmscfd Processing Capacity</p>	<p>56 km Sub sea pipeline</p>
---	---	--

- Only offshore platform in Cauvery Basin with 8 slots and four wells drilled
- Unique, gas-bearing and the only offshore fractured granitic basement reservoir in India
- G&G studies completed and new well locations identified for the full field development; awaiting review
- EIA study completed for obtaining Environmental Clearance for drilling additional wells
- PY-1 Adhoc extension granted
- Settlement Agreement being finalized and being executed for grant of 10-year extension

Clients



GAIL is the sole buyer for the gas produced in this field



476 boepd
Oil Production
(Q4-FY22)

30%
Direct + Indirect PI

18
Number of
Wells to be drilled in near
future

Field Overview

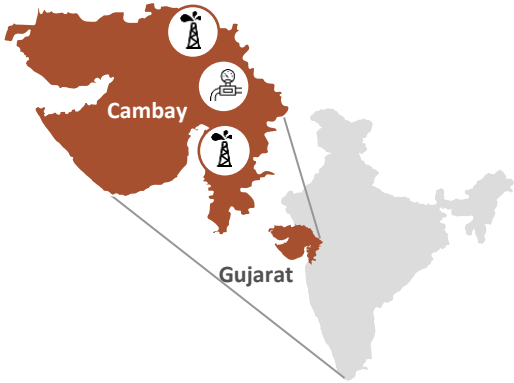
- HOEC acquired entire share capital of M/s Geopetrol International Inc in 2018 which has 30% stake - Direct and Indirect in Kharsang Oil field
- Kharsang oil field is located in the state of Arunachal Pradesh and 60 kms away from Dirak
- Post drilling of 18 wells, production expected to increase to 1800 boepd
- RFDP is approved & Mining lease granted till 15 June 2030
- Adhoc PSC extension granted
- Outstanding issues related to Cost Recovery Limits (CRL) to be referred to Dispute Resolution Committee (DRC)

Proposed drilling campaign will include appraisal of deeper prospects



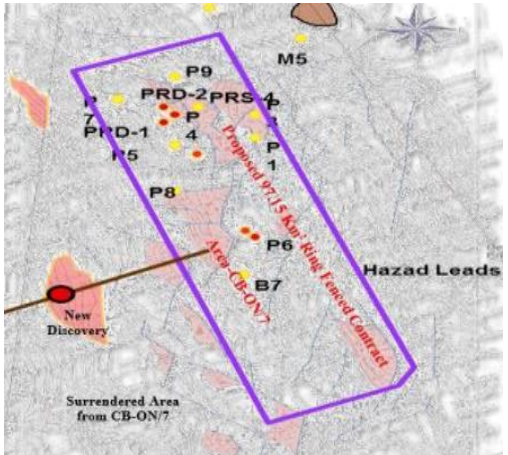
Cambay: Developments

<p>75 boepd Oil Production (Q4-FY22)</p>	<p>0.376 mmscfd Total Gas Production (Q4-FY22)</p>	<p>Asjol, North Balol and Palej Marginal fields at Cambay</p>
---	---	--



Approved FDP to be executed over next two years:

- **Asjol:** 2 development wells & hook-up to EPS
- **North Balol:** 2 development wells & hook-up to GCS
- **Palej:** RFPSC (100 sq.km. 3D seismic & 2 exploration wells – JV signed RFPSC submitted to MOPNG through DGH)
- Public Hearing completed as part of Environment Clearance Process successfully on 18 Jan 2022 for future development campaigns in Asjol and North Balol
- Small volume of Associated Natural Gas (ANG) sale commenced to achieve zero flaring



Asjol
JV Partner

HOEC PI
50%

CB-ON/7 (Palej)
JV Partners

HOEC PI
35%

North Balol
JV Partners

GNRL

HOEC PI
25%

Q4-FY22/ FY22 Financial Highlights



Standalone Statement of Profit or Loss



PARTICULARS (INR Cr)	Q4-FY22	Q3-FY22	FY22	FY21
INCOME				
Revenue from operations	38.24	36.24	130.50	99.44
Other income	6.08	1.95	16.80	11.82
Total revenue	44.32	38.19	147.31	111.26
EXPENSES				
Expenses from producing oil and gas blocks	5.46	5.81	22.25	22.96
Royalty, Cess and NCCD	6.59	6.04	22.95	19.69
Decrease / (Increase) in stock of crude oil and condensate	1.82	1.18	2.30	(1.97)
Employee benefits expense	0.04	0.19	0.63	0.61
Finance costs – unwinding of discount on decommissioning liability	1.51	1.51	6.05	5.60
Finance costs - others	1.41		1.41	
Depreciation, depletion and amortization	3.00	3.62	14.85	18.58
Other expenses	1.01	2.24	6.68	8.32
Total expenses	20.85	20.59	77.12	73.79
Profit before tax and exceptional items	23.47	17.60	70.19	37.47
Exceptional items - expenses	(34.37)	-	(34.37)	27.59
Profit before tax	(10.89)	17.60	35.83	65.06
Net tax expenses	-	-	-	-
Net profit for the period	(10.89)	17.60	35.83	65.06
Other comprehensive income	(0.07)	0.01	(0.04)	0.04
Total comprehensive income	(10.97)	17.61	35.78	65.10
Earnings per equity share of Rs 10 each - Basic	(0.82)	1.33	2.71	4.92
- Diluted	(0.82)	1.33	2.71	4.92

Standalone Statement of Assets & Liabilities



PARTICULARS (INR Cr)	FY22	FY21	FY20
EQUITY AND LIABILITIES			
Equity	765.97	730.18	665.08
(a) Equity share capital	132.26	132.26	132.26
(b) Other equity	633.71	597.92	532.82
Non-Current Liabilities	284.38	197.49	103.73
(a) Financial liabilities			
(i) Long-term borrowings	160.61	88.28	-
(ii) Other financial liabilities	8.66	0.13	0.31
(b) Provisions	115.10	109.08	103.42
(c) Other non-current liabilities	-	-	-
Current Liabilities	225.00	107.60	132.48
(a) Financial liabilities			
(i) Borrowings	95.48	61.72	-
(ii) Trade payables	17.23	12.13	12.69
(iii) Other financial liabilities	101.46	28.18	117.39
(b) Provisions	0.20	0.18	0.14
(c) Other current liabilities	10.63	5.39	2.26
GRAND TOTAL - EQUITIES & LIABILITIES	1,275.34	1,035.27	901.29

PARTICULARS (INR Cr)	FY22	FY21	FY20
ASSETS			
Non-Current Asset	968.37	704.41	584.44
(a) Property, Plant and Equipment			
(i) Oil & gas assets	275.86	288.59	305.04
(ii) Others	3.37	2.82	2.86
(b) Capital work-in-progress	490.34	274.08	139.24
(c) Investment property	3.07	3.95	4.15
(d) Intangible assets	9.71	9.37	9.82
(e) Financial assets			
(i) Loan to subsidiary	56.88	-	-
(ii) Investments in subsidiary	59.46	59.46	59.46
(iii) Deposits under site restoration fund	69.48	65.59	62.41
(f) Other non-current assets	0.21	0.55	1.46
Current Assets	306.98	330.86	316.85
(a) Inventories	26.73	30.46	22.02
(b) Financial assets			
(i) Investments	0.34	30.35	91.89
(ii) Trade receivables	13.60	28.02	35.21
(iii) Cash & cash equivalents	12.94	30.10	48.71
(iv) Other bank balances	32.50	15.90	15.25
(v) Loan to subsidiary	173.57	97.39	65.96
(vi) Other financial assets	45.63	30.53	4.19
Income tax assets (net)	0.64	4.39	4.35
Other current assets	1.04	63.72	29.27
GRAND TOTAL - ASSETS	1,275.34	1,035.27	901.29

Consolidated Statement of Profit or Loss



PARTICULARS (INR Cr)	Q4-FY22	Q3-FY22	FY22	FY21
INCOME				
Revenue from operations	42.21	43.94	155.73	113.86
Other income	1.42	2.70	11.46	11.32
Total revenue	43.63	46.64	167.19	125.18
EXPENSES				
Expenses from producing oil and gas blocks	7.17	7.28	28.23	29.54
Royalty, Cess and NCCD	8.96	8.41	32.35	24.45
Vessel Operating Expenses	2.67		2.67	
Decrease / (Increase) in stock of crude oil and condensate	1.79	1.24	3.79	(3.30)
Employee benefits expense	0.09	0.38	0.93	0.69
Finance costs - unwinding of discount on decommissioning liability	1.55	1.55	6.21	5.78
- Others	2.75	0.25	3.01	0.01
Depreciation, depletion and amortization	10.73	5.09	26.21	23.37
Other expenses	0.64	3.90	8.85	8.34
Total expenses	36.34	28.10	112.24	88.88
Profit before tax and exceptional items	7.29	18.54	54.95	36.30
Share of profit from associate	0.36	0.35	(0.90)	1.54
Exceptional items - expenses	(34.37)	-	(34.37)	13.98
Profit before tax	(26.72)	18.89	19.69	51.82
Net tax expenses	0.49	(0.26)	(0.31)	(1.59)
Net profit for the period	(27.21)	19.15	19.99	53.42
Other comprehensive income	(0.07)	0.01	(0.04)	0.04
Total comprehensive income	(27.28)	19.16	19.95	53.46
Earnings per equity share of Rs 10 each - Basic	(2.06)	1.45	1.51	4.04
- Diluted	(2.06)	1.45	1.51	4.04

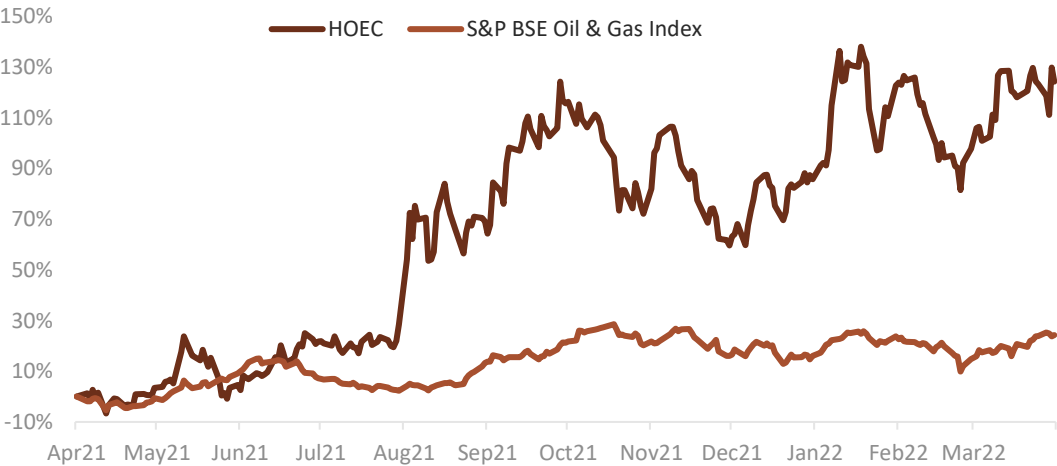
Consolidated Statement of Assets & Liabilities



PARTICULARS (INR Cr)	FY22	FY21	FY20
EQUITY AND LIABILITIES			
Equity	753.12	733.17	679.71
(a) Equity share capital	132.26	132.26	132.26
(b) Other equity	620.86	600.91	547.45
Non-Current Liabilities	425.23	273.23	142.07
(a) Financial liabilities			
(i) Long term borrowings	204.61	159.17	31.97
(b) Trade payables	-	-	-
(c) Other financial liabilities	100.86	0.14	0.31
Provisions	118.78	112.59	106.77
Other non-current Liabilities	-	-	-
Deferred tax liability	0.98	1.33	3.02
Current Liabilities	348.89	178.75	214.06
(a) Financial liabilities			
(i) Short term borrowings	152.73	94.52	-
(ii) Trade payables	37.92	31.94	65.89
(ii) Other financial liabilities	133.27	33.48	131.21
(b) Provisions	14.05	13.19	13.47
(c) Other Current liabilities	10.93	5.62	3.49
GRAND TOTAL - EQUITIES & LIABILITIES	1,527.24	1,185.15	1,035.84

PARTICULARS (INR Cr)	FY22	FY21	FY20
ASSETS			
Non-Current Asset	1360.34	958.41	769.13
(a) Property, Plant and Equipment			
(i) Oil & gas assets	296.55	312.14	331.78
(ii) Others	201.13	9.94	11.57
(b) Capital work in progress	758.68	534.59	327.37
(c) Investment property	3.07	3.95	4.15
(d) Intangible assets	9.71	9.37	9.82
(e) Financial assets			
(i) Investments in associate	18.38	19.28	17.73
(ii) Deposits under site restoration fund	72.56	68.53	65.18
(iii) Other financial assets	0.06	0.06	0.07
(f) Other non-current assets	0.21	0.55	1.46
Current Assets	166.90	226.74	266.71
(a) Inventories	30.98	36.10	26.59
(b) Financial assets			
(i) Investments	0.34	45.38	100.48
(ii) Trade receivables	16.20	31.07	36.36
(iii) Cash & Cash Equivalents	29.12	46.89	70.60
(iv) Other bank balances	36.25	24.63	15.24
(v) Other financial assets	39.56	28.54	3.47
Income tax assets (net)	3.76	7.36	9.88
Other Current Assets	10.68	6.77	4.09
GRAND TOTAL - ASSETS	1,527.24	1,185.15	1,035.84

Capital Market Data

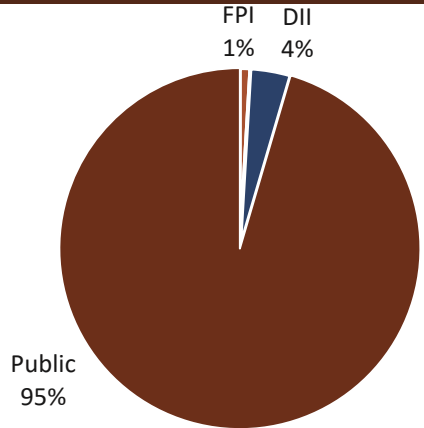


Price Data (As on 31st March, 2022)

CMP (INR)	219.9
52 Week H/L (INR)	245.2/89.5
Avg. Net Turnover (INR Mn)	209.2
Market Cap (INR Mn)	29,064.2
Equity Shares Outstanding (Mn)	132.2

Marquee Investors	% Holding
Housing Development Finance Corporation Ltd (HDFC)	6.57%
Kotak Small Cap Fund	1.49%
Si Investments And Broking Private Limited	1.17%

Shareholding Pattern (31st March 2022)



No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Such information and opinions are in all events not current after the date of this presentation. Certain statements made in this presentation may not be based on historical information or facts and may be "forward looking statements" based on the currently held beliefs and assumptions of the management Hindustan Oil Exploration Company Limited ("Company" or "HOEC") which are expressed in good faith and in their opinion reasonable, including those relating to the Company's general business plans and strategy, its future financial condition and growth prospects and future developments in its industry and its competitive and regulatory environment.

Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance or achievements of the Company or industry results to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements, including future changes or developments in the Company's business, its competitive environment and political, economic, legal and social conditions. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements. The Company disclaims any obligation to update these forward-looking statements to reflect future events or developments.

This presentation is for general information purposes only, without regard to any specific objectives, financial situations or informational needs of any particular person. This presentation does not constitute an offer or invitation to purchase or subscribe for any securities in any jurisdiction, including the United States. No part of it should form the basis of or be relied upon in connection with any investment decision or any contract or commitment to purchase or subscribe for any securities. None of our securities may be offered or sold in the United States, without registration under the U.S. Securities Act of 1933, as amended, or pursuant to an exemption from registration there from. This presentation is confidential and may not be copied or disseminated, in whole or in part, and in any manner.

Valorem Advisors Disclaimer:

Valorem Advisors is an Independent Investor Relations Management Service company. This Presentation has been prepared by Valorem Advisors based on information and data which the Company considers reliable, but Valorem Advisors and the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded. Valorem Advisors also hereby certifies that the directors or employees of Valorem Advisors do not own any stock in personal or company capacity of the Company under review.



For further information please contact our Investor Relations Representatives:

Mr. Anuj Sonpal

Valorem Advisors

Tel: +91-22-4903-9500

Email: hoec@valoremadvisors.com

Investor Kit Link: <http://www.valoremadvisors.com/hoec/>



THANK YOU