



## 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](mailto:contact@hoec.com) • Website: [www.hoec.com](http://www.hoec.com) CIN: L11100GJ1996PLC029880

February 14, 2022

By Online

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

**Sub: Investor Presentation**

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the Investor Presentation for the quarter ended December 31, 2021.

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**



**INVESTOR PRESENTATION | FEBRUARY 2022**



## 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

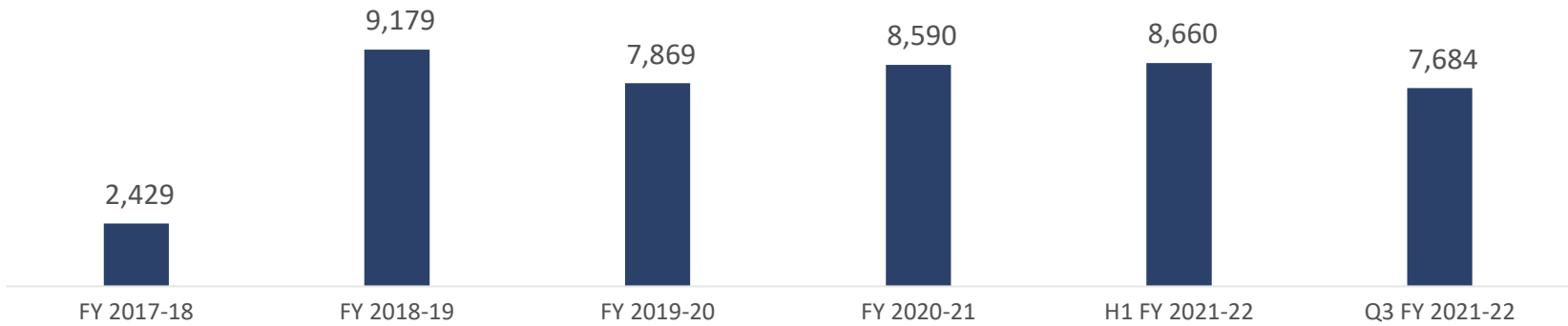


## Right Environment

- Next level of revenue and cashflow generation from B-80 project delivery
- Crude oil and Natural gas prices recovering from lows
- Reforms in sector leading to multiple opportunities for growth

Superior and Sustainable Value Creation over the long term

## Gross Production (boepd)



**> 100%**

5 yr Gross Production CAGR

**27 Months**

Dirok – FDP to First Gas Timeline



## **Vivek Rae - Non Executive Independent Director/ Chairman**

Mr Rae, a former secretary, Ministry of Petroleum & Natural Gas, Government of India, served in the Indian Administrative Services for 36 years. Subsequent to his retirement, Mr. Rae served as a whole-time member of the 7th Central Pay commission and was on the Board of Indian Oil Corporation Limited as an Independent Director during 2017-18.



## **Elango Pandarinathan - Managing Director**

Mr. Elango is a veteran in the upstream Oil & Gas industry with over 30 years of experience. He has held several leadership roles and has created a number of firsts as a Business Leader. He was one of the five finalists for Platts' first-ever "Asia CEO of the Year" Award in 2013.



## **Rohit Rajgopal Dhoot - Non Executive, Non Independent Director**

Mr. Rohit has been the Managing Director of Dhoot Industrial Finance Limited since 1994 and has a plethora of experience in Finance, Banking, M&A and Strategic Planning spanning more than 20 years.



## **Ramasamy Jeevanandam - Executive Director & Chief Financial Officer**

Mr. Jeevanandam joined HOEC in February 2015, after successful stints at ONGC and Hardy Oil. He brings in sharp business acumen and has been instrumental in taking key strategic business decisions.



## **Ashok Kumar Goel - Non Executive, Non Independent Director**

Mr. Ashok Kumar Goel was the Chairman and Managing Director of Essel Propack Limited until August 2019. He possesses great business insight, sharp business acumen, and has rich experience in running and managing the business of the large conglomerate of Essel Group.



## **Pronip Kumar Borthakur - Non Executive Independent Director**

Mr Borthakur is a well recognized and respected technical authority in the Oil and Gas sector who brings in experience of more than 37 years at ONGC, from where he retired as Director (Offshore).



## **Sharmila H. Amin - Non Executive Independent Director**

She is the South Asian Regional Director and Managing Director of Bertling Logistics. In her long career in Heavy Lift Projects Logistics, she has headed projects in Oil & Gas for the South Asia Region as a part of the Panalpina Group.

# Tailored Asset Portfolio with Broad Geographical Presence



Onshore  
Oil Well



Offshore  
Oil Well



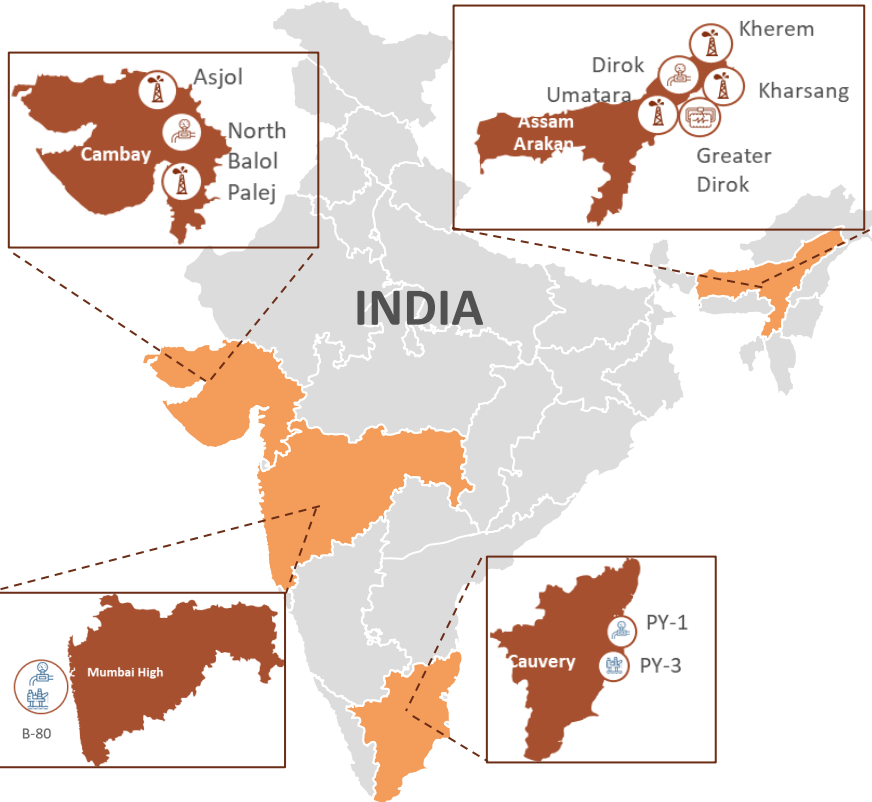
Onshore  
Gas



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

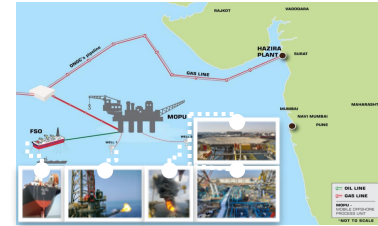
Uniquely placed with right organization and right asset portfolio to deliver superior value

<b>Focus on Discovered Resources</b> 	<b>Light Asset Model</b> 	<b>Low cost operating model</b> 	<b>Growing responsibly</b> 	<b>Growth strategy</b> 
<ul style="list-style-type: none"><li>• Focus on discovered oil and gas resources to reduce the risk involved in exploration</li><li>• Fast-track execution to bring resources to monetization quickly</li></ul>	<ul style="list-style-type: none"><li>• Follow Light-Asset model</li><li>• Focus on our core operations (G&amp;G Drilling for Oil/Gas)</li><li>• Outsource associated field tasks to expert partners</li><li>• Insource at Group Corporate Level</li></ul>	<ul style="list-style-type: none"><li>• Follow a low-cost operating model</li><li>• Self-funding company with sustainable cash flows from its key producing assets</li><li>• Ability to raise growth capital</li></ul>	<ul style="list-style-type: none"><li>• Create long-term stakeholder value &amp; 'Grow Responsibly'</li><li>• Respect and Care for<ul style="list-style-type: none"><li>- Individuals</li><li>- Community</li><li>- Environment</li></ul></li></ul>	<ul style="list-style-type: none"><li>• Build on Offshore Operating Edge</li><li>• Seize growth opportunities in Offshore and North-East with established footprint</li><li>• Leverage Existing Infrastructure to add Attractive Assets with Synergies</li></ul>



# BUSINESS OVERVIEW





## KGB - Offshore Installation (OI)

- KGB modification engineering works to install new export pumps and shutdown valves is ongoing
- Orders placed for all tangibles and deliveries expected in Feb 22
- Pre-commissioning team of EXPRO on board KGB -OI
- OEM service engineers to join later this month for testing & commissioning
- Target is to commence production by end March 2022

## Gas e-Auction

- Engaged M/s MSTC for eBidding – NIT issued on 27<sup>th</sup> Jan 2022
- Pre-bid Meeting for the eBidding held on 4<sup>th</sup> Feb 2022

### Commercial Terms:

- Quantity on Offer: **0.3 MMSCMD**
- Contract period : **2 years**
- **Bidders to quote a % of Brent Price ('P' %)**
  - Sales Gas Price (in \$/MMBTU)  
= (12.0 + 'P' )% x previous month Avg Brent Price in \$/BBL
- **Floor Price:** \$6 per MMBTU
- **Delivery Point:** Ex-ONGC Hazira Gas Processing Point

- **SPM – Calm Buoy Installation**
  - Marine spread with diving support mobilized
  - Anchor Chains (6 nos.) located, picked up and re-tensioned
  - Calm Buoy installation completed & tested
- **Gas Lateral Line – 6” Ball Valve Actuator Installation & Function Testing**
  - Installed Actuator on the 6” Ball Valve for the Lateral Assembly
  - Function Testing of the Actuator completed
- **SPM – FSO Connection – Floating Hose/ Mooring Hawser Installation**
  - Made up floating hose with Marine breakaway coupling, installed & hooked up
  - Connected mooring hawsers to mooring bridle and hooked up
  - FSO moved to site & Hooked up with floating hose & mooring hawser



**Full Offshore Systems Installed and Integrated**

# B-80: Key Milestones

- FDP Approved
- Drilling & completion – 2 subsea development wells
- Offshore Installation(OI) for collecting, separating and processing well fluids
- Hot-Tap of existing ONGC WO-16 Pipeline; Subsea production controls and flexible flowlines / export lines installation
- Installation of Oil evacuation using FSO moored with CALM buoy
- Full Offshore Systems installed and Integrated
- Pre-Commissioning and Commissioning works to commence production

Dec 2017

April 2020

March 2021

April 2021

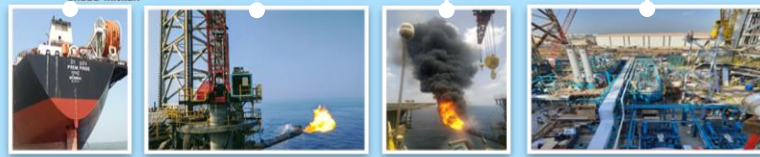
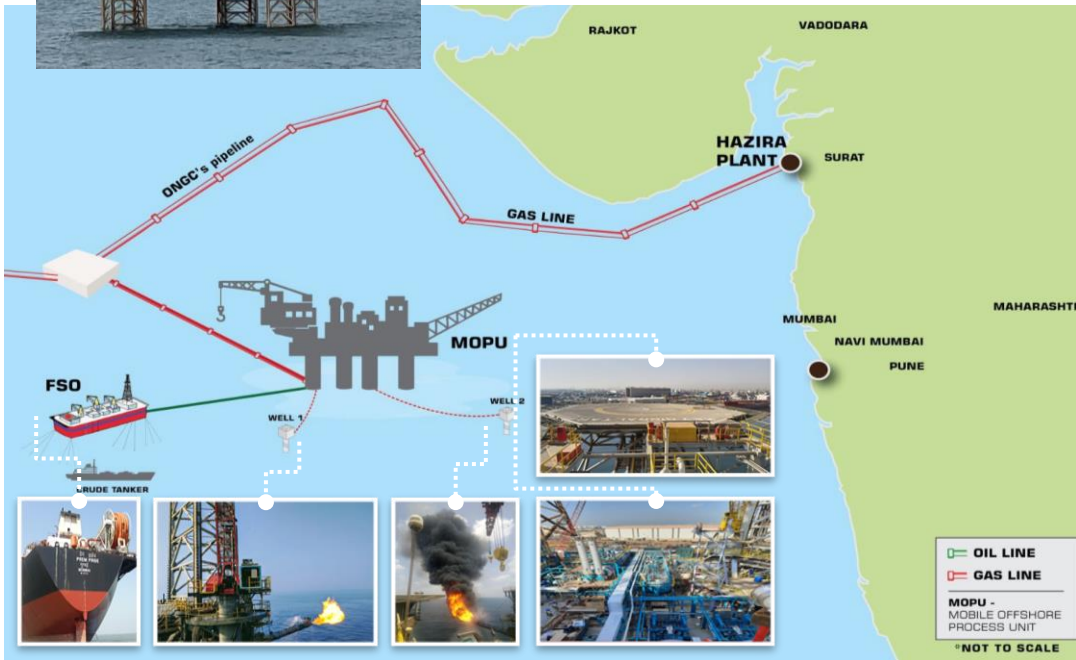
Dec 2021

Jan 2022

In-Progress



**KGB- Offshore Installation at B-80 Site**



# Dirok: Progress on Phase-II development

**32.8 mmscfd**

Gas Production  
(Q3-FY22)

**629 boepd**

Condensate Production  
(Q3-FY22)

**> 15%**

Assam Gas  
Production

- In addition to OIL India, direct supply commenced to four other customers
- Premium gas sales commenced to NRL, BCPL & NEEPCO & AGCL.
- Premium sales during Q3 FY 2021-22 constitute about 20% of Total Dirok Sales

## Field Layout



## Phase II ( To be Completed)

- 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

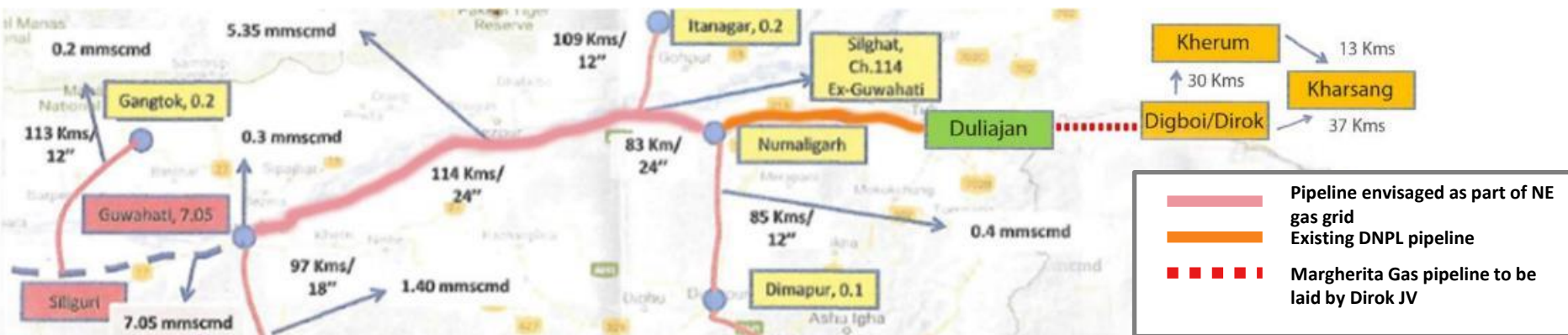
- Environmental clearance obtained
- Forest clearance for pipeline section under progress
- Pipes have been ordered. First lot received

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



### JV Partners





## HIGHLIGHTS of E-Auction – June 2021

- Quantity on Offer: 1.25 mmscmd
- Contract period : 2 years
- Price Basis: PPAC Price + Premium to bid
- Both firm & fallback options to bid
- Total quantity bid for Firm – 0.3 mmscmd; Total quantity bid for fallback – 1.86 mmscmd
- Average premium of > \$1/mmbtu received

## Current Status on E-Auction

- 6 out of 8 Premium Gas Sales Agreements are signed for a cumulative total of 1.18 mmscmd under both firm & fall-back basis
- Premium sales commenced to NRL, BCPL, NEEPCO & AGCL. Premium sales during Q3 FY 2021-22 constitute about 20% of total Dirok Sales.
- Average Premium realized is > \$1/mmbtu

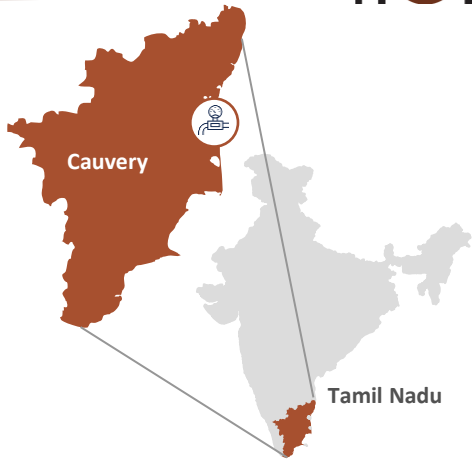
# PY-1: Enhancing Production and Offtake Arrangements

<p><b>USD 3.65</b> Realised Price per MMBTU</p>	<p><b>55 mmscfd</b> Processing Capacity</p>	<p><b>56 km</b> Sub sea pipeline</p>
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- 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
- Application of Environmental Clearance under process
- PY-1 adhoc extension granted till 5th April 2022



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



**506 bopd**  
Current Oil Production

**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 Dirok
- 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

**Proposed drilling campaign will include appraisal of deeper prospects**



# Cambay: Developments

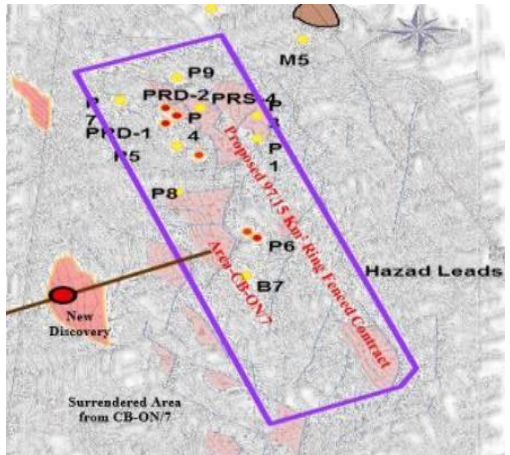
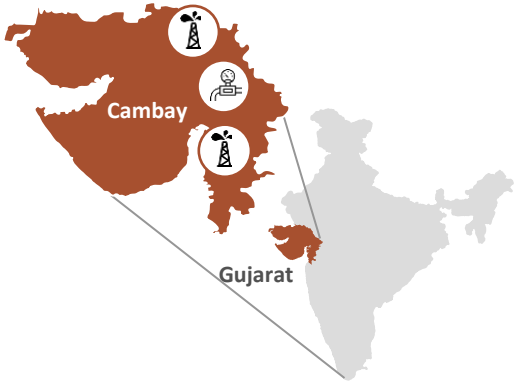
<p><b>78 bopd</b> Total Oil Production (Q3-FY22)</p>	<p><b>0.37 mmscfd</b> Total Gas Production (Q3-FY22)</p>	<p><b>Asjol, North Balol and Palej</b> Marginal fields at Cambay</p>
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**Approved FDP to be executed over next Two years:**

- **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 – pending MOPNG execution of the PSC amendment)

**Public Hearing highlights:**

- Public Hearing completed as part of Environment Clearance Process successfully on 18<sup>th</sup> Jan 2022 for future development campaigns in Asjol and North Balol



Asjol  
JV Partner

CB-ON/7 (Palej)  
JV Partners

North Balol  
JV Partners



# Other Blocks

**Kherem**

- Block awarded under DSF - 2016
- Tested - Oil 402 bopd
- Field Plan- 2 wells to be completed in 3 years from date of receiving PML
- **Forest Clearance (FC) in final stages. PML to be processed after FC**

**Umatara**

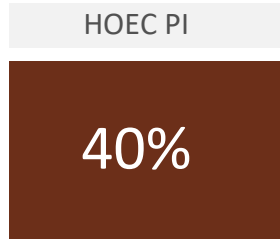
- Block awarded under DSF - 2018
- Located at a distance of 50 km from Dirok field
- Jointly operated by IOC (Lead operator) & HOEC
- Public Hearing conducted successfully. Final EIA Report submitted Online in Jan 2022. FDP Planning is in progress.

**PY-3**

- Field under shutdown since July 2011
- HOEC has 21% non-operating stake in PY-3. Operates PY-1 Gas field with an offshore platform and onshore processing facilities close to PY-3 field
- PSC extended till 2030
- Last production (100%) - 3,300 boepd

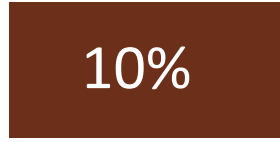
**AA-ONHP-2017/19 (Greater Dirok)**

- Block awarded under OALP Bid Round 2019
- Exploratory block adjacent to Dirok block with associated synergies both surface and sub-surface
- **Preliminary EIA studies to be initiated.**

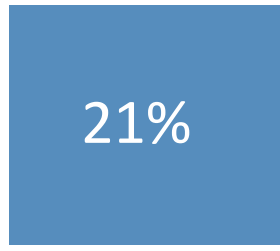


JV Partners

ऑयल इंडिया लिमिटेड  
**Oil India Limited**  
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www.prizepetroleum.com



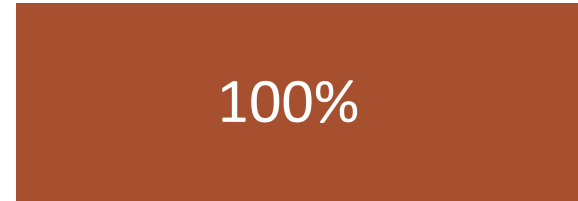
इंडियनओयल  
**IndianOil**



Hardy Oil and Gas plc

TATA PETRODYNE LIMITED

ओ एन जी सी  
**ONGC**



The slide features a background image of financial documents. On the left, there is a bar chart titled 'Business Items' with a y-axis labeled '\$' and values 0, 10, 20, 30. The bars are stacked with yellow, red, and blue segments. Below this is a line chart with two lines, one green and one red, showing fluctuating data points. The right side of the slide is a solid dark brown horizontal band containing the title 'FINANCIAL OVERVIEW' in white, uppercase, sans-serif font.

# FINANCIAL OVERVIEW

# Standalone Statement of Profit or Loss



PARTICULARS (INR Cr)	Q3-FY22	Q2-FY22	FY21	FY20
<b>INCOME</b>				
Revenue from operations	36.24	31.05	99.44	179.84
Other income	1.95	6.19	11.82	21.58
<b>Total revenue</b>	<b>38.19</b>	<b>37.24</b>	<b>111.26</b>	<b>201.42</b>
<b>EXPENSES</b>				
Expenses from producing oil and gas blocks	5.81	5.40	22.96	26.00
Royalty, Cess and NCCD	6.04	5.93	19.69	20.64
Decrease / (Increase) in stock of crude oil and condensate	1.18	(0.10)	(1.97)	(0.12)
Employee benefits expense	0.19	0.22	0.61	5.18
Finance costs – unwinding of discount on decommissioning liability	1.51	1.51	5.60	5.18
Depreciation, depletion and amortization	3.62	4.50	18.58	23.92
Other expenses	2.24	2.37	8.32	6.00
<b>Total expenses</b>	<b>20.59</b>	<b>19.83</b>	<b>73.79</b>	<b>86.80</b>
Profit before tax and exceptional items	17.60	17.41	37.47	114.62
Exceptional items - Income	-	-	27.59	26.21
Profit before tax	<b>17.60</b>	<b>17.41</b>	<b>65.06</b>	<b>140.83</b>
Net tax expenses	-	-	-	-
<b>Net profit for the period</b>	<b>17.60</b>	<b>17.41</b>	<b>65.06</b>	<b>140.83</b>
Other comprehensive income	0.01	0.01	0.04	0.16
<b>Total comprehensive income</b>	<b>17.61</b>	<b>17.42</b>	<b>65.10</b>	<b>140.99</b>
Earnings per equity share of Rs 10 each - Basic	1.33	1.32	4.92	10.71
- Diluted	1.33	1.32	4.92	10.71

# Standalone Statement of Assets & Liabilities



PARTICULARS (INR Cr)	H1-FY22	FY21	FY20
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	<b>759.32</b>	<b>730.18</b>	<b>665.08</b>
(a) Equity share capital	132.26	132.26	132.26
(b) Other equity	627.06	597.92	532.82
<b>Non-Current Liabilities</b>	<b>324.87</b>	<b>197.49</b>	<b>103.73</b>
(a) Financial liabilities			
(i) Long-term borrowings	212.58	88.28	-
(ii) Other financial liabilities	0.14	0.13	0.31
(b) Provisions	112.15	109.08	103.42
<b>Current Liabilities</b>	<b>175.88</b>	<b>107.60</b>	<b>132.48</b>
(a) Financial liabilities			
(i) Trade payables	16.12	12.13	12.69
(ii) Other financial liabilities	117.40	89.91	117.39
(b) Provisions	38.15	0.18	0.14
(c) Other current liabilities	4.21	5.38	2.26
<b>GRAND TOTAL - EQUITIES &amp; LIABILITIES</b>	<b>1260.07</b>	<b>1,035.27</b>	<b>901.29</b>

PARTICULARS (INR Cr)	H1-FY22	FY21	FY20
<b>ASSETS</b>			
<b>Non-Current Asset</b>	<b>806.01</b>	<b>704.41</b>	<b>584.44</b>
(a) Property, Plant and Equipment			
(i) Oil & gas assets	281.17	288.59	305.04
(ii) Others	3.50	2.82	2.86
(b) Capital work-in-progress	381.22	274.08	139.24
(c) Investment property	3.15	3.95	4.15
(d) Intangible assets	9.21	9.37	9.82
(e) Financial assets			
(i) Investments in subsidiary	59.46	59.46	59.46
(ii) Deposits under site restoration fund	67.73	65.59	62.41
(f) Deferred Tax Asset	-	-	-
(g) Other non-current assets	0.57	0.55	1.46
<b>Current Assets</b>	<b>454.06</b>	<b>330.86</b>	<b>316.85</b>
(a) Inventories	30.03	30.46	22.02
(b) Financial assets			
(i) Investments	95.49	30.35	91.89
(ii) Trade receivables	10.54	28.02	35.21
(iii) Cash & cash equivalents	13.76	30.10	48.71
(iv) Other bank balances	31.89	15.90	15.25
(v) Loan to subsidiary	98.39	97.39	65.96
(vi) Other financial assets	66.93	30.53	4.19
Income tax assets (net)	9.01	4.39	4.35
Other current assets	98.02	63.72	29.27
<b>GRAND TOTAL - ASSETS</b>	<b>1260.07</b>	<b>1,035.27</b>	<b>901.29</b>

# Consolidated Statement of Profit or Loss



PARTICULARS (INR Cr)	Q3-FY22	Q2-FY22	FY21	FY20
<b>INCOME</b>				
Revenue from operations	43.94	39.10	113.86	202.05
Other income	2.70	6.03	11.32	21.76
<b>Total revenue</b>	<b>46.64</b>	<b>45.13</b>	<b>125.18</b>	<b>223.81</b>
<b>EXPENSES</b>				
Expenses from producing oil and gas blocks	7.28	6.82	29.54	35.34
Royalty, Cess and NCCD	8.41	8.54	24.45	21.82
Decrease / (Increase) in stock of crude oil and condensate	1.24	1.60	(3.30)	0.43
Employee benefits expense	0.38	0.26	0.69	5.56
Finance costs - unwinding of discount on decommissioning liability	1.55	1.55	5.78	5.36
- Others	0.25	0.01	0.01	1.04
Depreciation, depletion and amortization	5.09	5.58	23.37	29.38
Other expenses	3.90	2.58	8.34	14.31
<b>Total expenses</b>	<b>28.10</b>	<b>26.94</b>	<b>88.88</b>	<b>113.24</b>
Profit before tax and exceptional items	18.54	18.19	36.30	110.57
Share of profit from associate	0.35	(2.03)	1.54	0.52
Exceptional items - Income	-	-	13.98	26.21
<b>Profit before tax</b>	<b>18.89</b>	<b>16.16</b>	<b>51.82</b>	<b>137.30</b>
Net tax expenses	(0.26)	(0.80)	(1.59)	(0.26)
<b>Net profit for the period</b>	<b>19.15</b>	<b>16.96</b>	<b>53.42</b>	<b>137.56</b>
Other comprehensive income	0.01	0.01	0.04	0.16
<b>Total comprehensive income</b>	<b>19.16</b>	<b>16.97</b>	<b>53.46</b>	<b>137.72</b>
Earnings per equity share of Rs 10 each - Basic	1.45	1.28	4.04	10.46
- Diluted	1.45	1.28	4.04	10.46

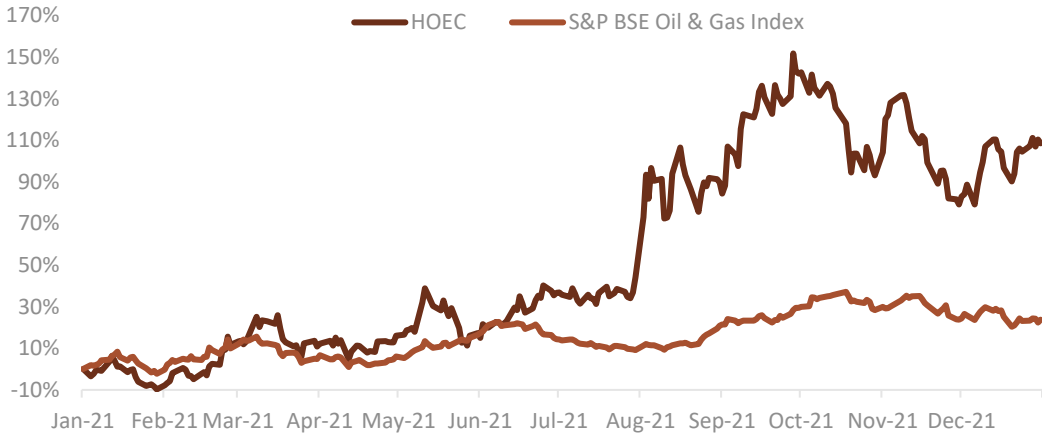
# Consolidated Statement of Assets & Liabilities



PARTICULARS (INR Cr)	H1-FY22	FY21	FY20
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	<b>761.25</b>	<b>733.17</b>	<b>679.71</b>
(a) Equity share capital	132.26	132.26	132.26
(b) Other equity	628.99	600.91	547.45
<b>Non-Current Liabilities</b>	<b>386.95</b>	<b>273.23</b>	<b>142.07</b>
(a) Financial liabilities			
(i) Long term borrowings	270.28	159.17	31.97
(b) Other financial liabilities	0.14	0.14	0.31
Provisions	115.74	112.59	106.77
Deferred tax liability	0.79	1.33	3.02
<b>Current Liabilities</b>	<b>280.14</b>	<b>178.75</b>	<b>214.06</b>
(a) Financial liabilities			
(i) Trade payables	52.26	36.24	65.89
(ii) Other financial liabilities	172.22	123.70	131.21
(b) Provisions	51.33	13.19	13.47
(c) Other Current liabilities	4.33	5.62	3.49
<b>GRAND TOTAL - EQUITIES &amp; LIABILITIES</b>	<b>1428.34</b>	<b>1,185.15</b>	<b>1,035.84</b>

PARTICULARS (INR Cr)	H1-FY22	FY21	FY20
<b>ASSETS</b>			
<b>Non-Current Asset</b>	<b>1129.85</b>	<b>958.41</b>	<b>769.13</b>
(a) Property, Plant and Equipment			
(i) Oil & gas assets	303.21	312.14	331.78
(ii) Others	9.97	9.94	11.57
(b) Capital work in progress	715.27	534.59	327.37
(c) Investment property	3.15	3.95	4.15
(d) Intangible assets	9.21	9.37	9.82
(e) Financial assets			
(i) Investments in associate	17.67	19.28	17.73
(ii) Deposits under site restoration fund	70.74	68.53	65.18
(iii) Other financial assets	0.06	0.06	0.07
(f) Other non-current assets	0.57	0.55	1.46
<b>Current Assets</b>	<b>298.49</b>	<b>226.74</b>	<b>266.71</b>
(a) Inventories	34.19	36.10	26.59
(b) Financial assets			
(i) Investments	95.49	45.38	100.48
(ii) Trade receivables	14.22	31.07	36.36
(iii) Cash & Cash Equivalents	33.48	46.89	70.60
(iv) Other bank balances	35.58	24.63	15.24
(v) Other financial assets	64.30	28.54	3.47
Income tax assets (net)	12.03	7.36	9.88
Other Current Assets	9.20	6.77	4.09
<b>GRAND TOTAL - ASSETS</b>	<b>1428.34</b>	<b>1,185.15</b>	<b>1,035.84</b>

# Capital Market Data

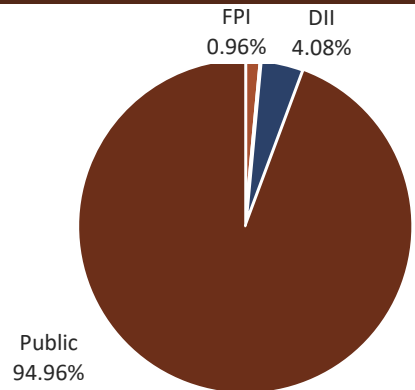


## Price Data (31<sup>st</sup> December, 2021)

CMP (INR)	182.1
52 Week H/L (INR)	222.1/78.4
Avg. Net Turnover (INR Mn)	171.9
Market Cap (INR Mn)	24,073.6
Equity Shares Outstanding (Mn)	132.2

Marquee Investors	% Holding
Housing Development Finance Corporation Ltd (HDFC)	8.46%
Kotak Small Cap Fund	1.98%
ICICI Prudential Commodities Fund	1.72%

## Shareholding Pattern (31<sup>st</sup> December 2021)





# REFERENCE





\*Aggregate value to be taken from the year when production/investments first incurred

## Net Cash Income

Cost Petroleum

+

Profit Petroleum

+

Contractors all incidental income arising from petroleum operations

-

Contractor's production costs and royalty payments

## Investments

Contractors exploration cost

+

Contractors development cost

**Profit Petroleum shall be shared between Government and Contractor in accordance with value of Investment Multiple earned by the Contractor**

# Investment Multiple under PSC

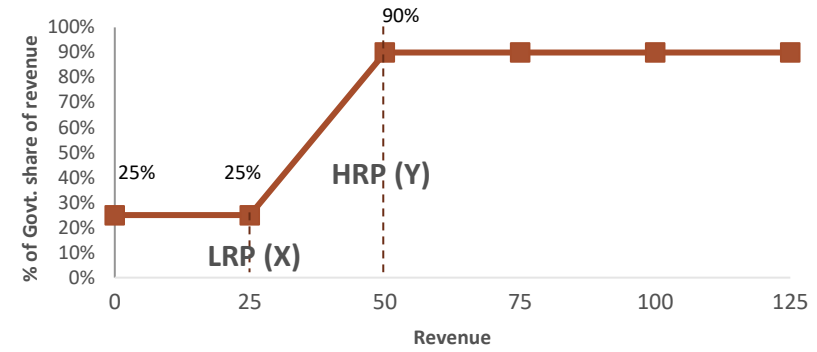


Block		AAP-ON-94/1	PY-1*	PY-3*	North Balol	Kharsang*	CB-ON-7	Asjol*
Royalty	Gas	10%	10%	10%	10%	-	-	-
	Oil/Cond	20%	-	10%	-	20%	20%	20%
Cess	Oil/Cond	20%	20%	20%	0%	20%	20%	20%
Cost Recovery Limit		80%	100%	100%	80%	100%	60%	100%
Investment Multiple (Govt. Share Percentages)								
<1		0%	10%	20%	20%	15%	0%	10%
1<1.5		10%	15%	20%	20%	15%	25%	20%
1.5<2		25%	15%	35%	30%	20%	30%	30%
2<2.5		35%	60%	50%	50%	25%	35%	40%
2.5<3		45%	60%	60%	50%	30%	40%	50%
3<3.5		50%	60%	70%	50%	35%	45%	60%
>3.5		50%	60%	80%	50%	40%	50%	60%

\* - Rates applicable from date of PSC extension listed as per PSC extension policy

\*\* - All JV Partners to share Cess and Royalty in proportion to their Participating Interest

# Revenue Sharing Model



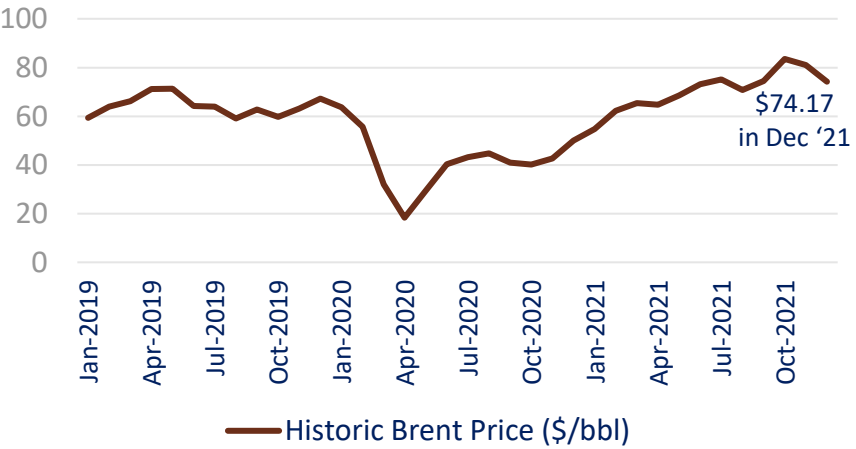
Bidding process based on the Revenue Sharing Model involves 2 parameters – Lower Revenue Point (LRP) and Higher Revenue Point (HRP). The revenue share for intermediate points will be calculated by linear interpolation. The bidder offering the highest net present value of the revenue share to the Government will score the maximum on this parameter.

$$Z = X + [(Y - X) * (R - 0.01) / 0.99]$$

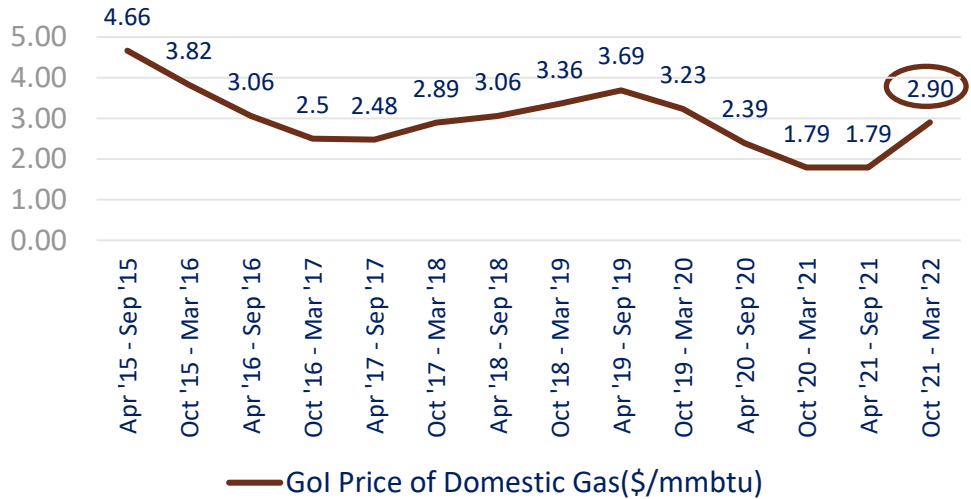
- X - % of Govt. share of revenue payable at LRP
- Y - % of Govt. share of revenue payable at HRP
- R – Average daily revenue in Million US Dollar
- Z - % of Govt. share of revenue when Avg. daily revenue > LRP and < HRP

Block	B-80	Kherem	AA-ONHP-2017/19	Umatara
Government Share of Revenue – LRP	12%	21%	22%	48%
Government Share of Revenue - HRP	55%	99%	99%	99%
Royalty	10% for crude oil, condensate and Natural Gas	12.5% for crude oil and condensate; 10% for natural gas	12.5% for crude oil and condensate; 10% for natural gas	12.5% for crude oil and condensate; 10% for natural gas
Cess	0	0	0	0

### Historic Brent Price (\$/bbl)



### GoI Price of Domestic Gas(\$/mmbtu)



- Strong oil and gas prices to support B-80 commencement
- Govt. has introduced new guidelines for E-bidding for Natural Gas produced across the country in an effort to standardize the process of price discovery
- Dirok Gas E-auction completed in June 2021 . B-80 Gas E-auction to conclude Feb 2022
- PPAC price maintained at \$2.90/mmbtu for the 6-monthly period between October 2021 – March 2022

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For further information please contact our Investor Relations Representatives:

Mr. Anuj Sonpal

Valorem Advisors

Tel: +91-22-4903-9500

Email: [hoec@valoremadvisors.com](mailto:hoec@valoremadvisors.com)

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