



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

November 10, 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 Sir/Madam

Sub: Earnings presentation

In connection with our earlier announcement dated November 09, 2022, on the Earnings Call scheduled on November 11, 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

Deepika CS
Company Secretary

Encl.: a/a

**Hindustan Oil Exploration
Company Limited**



HOEC[®]

**EARNINGS PRESENTATION |
Q2/H1-FY23
NOVEMBER 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 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



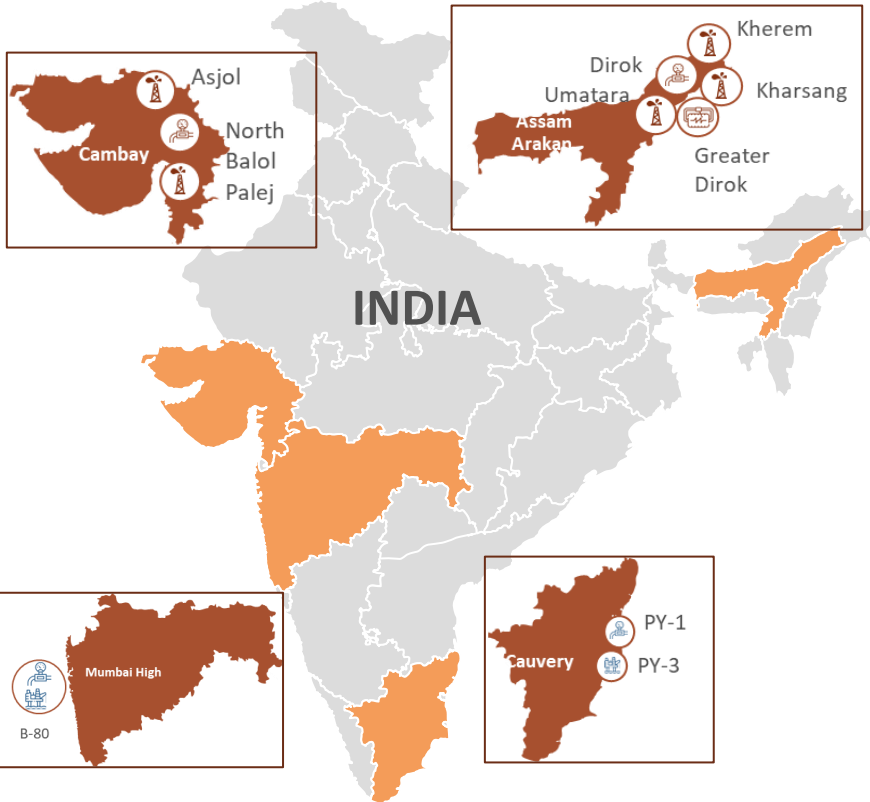
Onshore
Gas



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



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

Growth strategy



- 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

Growing responsibly



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

Q2/H1-FY23 Operational Highlights



Gross Production (BOEPD)

Q2 FY23: 8,374
Q1 FY23: 6,619

Net Production (BOEPD)

Q2 FY23: 2,476
Q1 FY23: 1,774

Gross Production - PY-1 (BOEPD)

Q2 FY23: 173
Q1 FY23: 102

Gross Production - Dirok (BOEPD)

Q2 FY23: 7,302
Q1 FY23: 5,348

Dirok

- Q2 average production: Gas: 34 mmscfd & Condensate: 613 boepd
- Premium sales during Q2 FY 2022-23 constitute about 45% of total Dirok sales
- Average premium realized is > \$1/mmbtu
- Grading and Site clearing of ROW for laying of 18" line in forest segment initiated

B-80

- B-80 field shut-in for most of Q2 FY 23 due to operational issues caused by failure of marine Oil export system
- Gas export from D2 well was stopped on 14 July 2022 pending repair and rectification
- Gas export resumed on 4 Nov 2022

PY-1

- EIA study completed for obtaining Environmental Clearance for drilling additional wells at PY1
- Post commissioning of low cost GDU in May 2022, gas sales to GAIL recommenced and continuing

B-80: Production Start-up and Marine System Performance Challenges During Monsoon

- Post commissioning of integrated system, managed to flow both the wells D1 (Oil) & D2 (Gas) individually.
- D1 Oil well shut-in requiring rectification of actuator line issues.
- Commercial gas sales commenced on 4 June 22 from D2 gas well.
- Intensification of monsoon led to challenging marine system performance, disrupting production operations.
- Field shut-in during mid July 2022 to end October 2022.
- D2 well rectification and repairs completed, and gas sales resumed on 4 Nov 22.
- Focus is now on to rectify and restore Oil Production from well D1

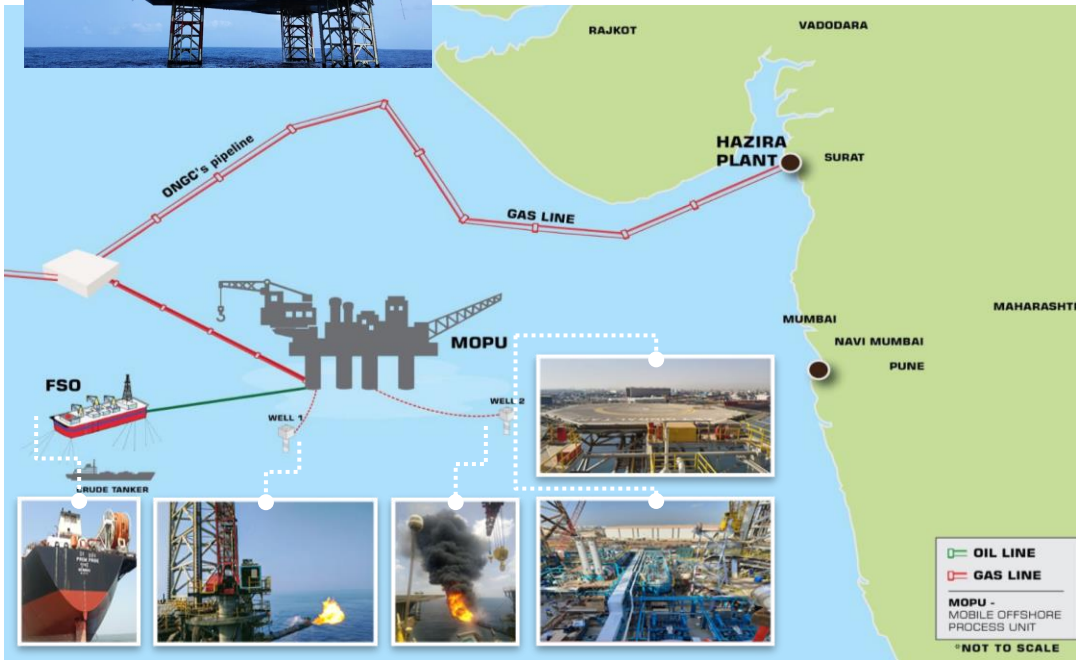


B-80: Key Milestones

- 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
- Commercial Gas Sales to GSPC started June 2022



KGB- Offshore Installation at B-80 Site



Dirok: Production & Phase-II development



34 mmscfd Gas Production (Q2-FY23)	613 bopd Condensate Production (Q2-FY23)	> 15% Assam Gas Production
---	---	--

- Premium sales during Q2 FY 2022-23 constitute about 45% of total Dirok sales
- Central PSU Indradhanush Gas Grid Limited (IGGL) is expected to complete North-East Gas Grid Phase 1 connecting Guwahati to Numaligarh by Q4 FY24.
- Feasibility studies and preliminary discussions initiated to transport & market Dirok Gas in Guwahati through NE Gas Grid.



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

- Obtained Environmental Clearance
- Grading and Site Clearing of ROW for laying of 18" line in forest segment is initiated.

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



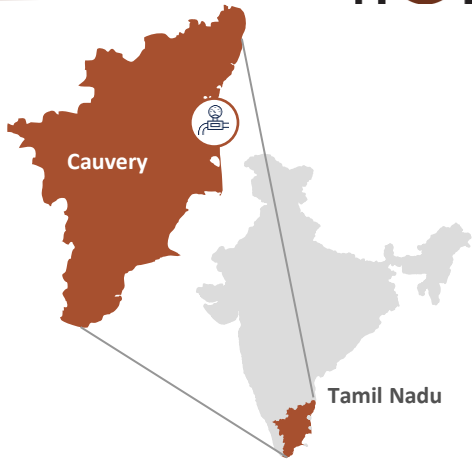
JV Partners

HOEC PI 27%

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
- Post commissioning of an indigenous low cost GDU in May 2022 gas sales to GAIL recommenced and continuing



Clients



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

455 boepd
Oil Production
(Q2-FY23)

30%
Direct + Indirect PI

18
Number of
Wells to be drilled in near
future

Field Overview

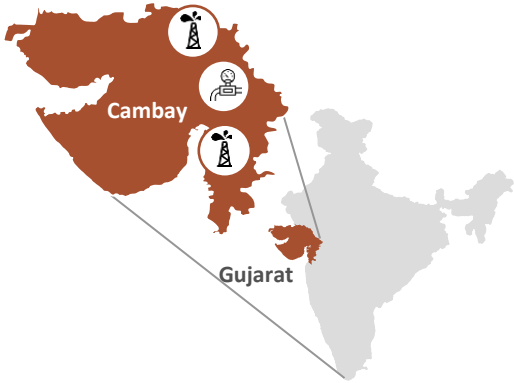
- HOEC acquired entire share capital of M/s Geopetrol International Inc in 2018 which has 30% stake - Direct and Indirect in Kharsang Oil field
- Kharsang oil field is located in the state of Arunachal Pradesh and 60 kms away from Dirak
- Post drilling of 18 wells, production expected to increase to 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



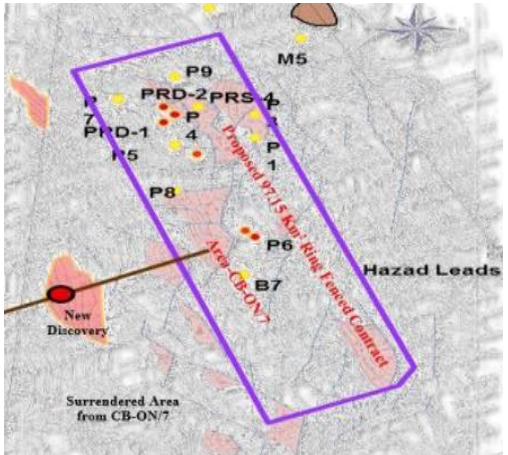
Cambay: Developments

<p>74 boepd Oil Production (Q2-FY23)</p>	<p>0.361 mmscfd Total Gas Production (Q2-FY23)</p>	<p>Asjol, North Balol and Palej Marginal fields at Cambay</p>
---	---	--



Approved FDP to be executed over the next two years:

- **Asjol:** 2 development wells & hook-up to EPS; public hearing completed
- **North Balol:** 2 development wells & hook-up to GCS, public hearing completed
- **Palej:** RFPSC (100 sq.km. 3D seismic & 2 exploration wells – JV signed RFPSC submitted to MOPNG through DGH)
- 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%

Q2/H1-FY23 Financial Highlights



Standalone Statement of Profit or Loss



PARTICULARS (INR Cr)	Q2-FY23	Q1-FY23	FY22	FY21
INCOME				
Revenue from operations	75.84	62.24	130.51	99.44
Other income	5.85	7.95	16.80	11.82
Total revenue	81.69	70.19	147.31	111.26
EXPENSES				
Expenses from producing oil and gas blocks	47.21	22.09	22.25	22.96
Royalty, Cess and NCCD	10.16	9.74	22.95	19.69
Decrease / (Increase) in stock of crude oil and condensate	1.52	(6.94)	2.30	(1.97)
Employee benefits expense	0.14	0.18	0.63	0.61
Finance costs – banks and financial institutions	7.80	3.52	1.41	-
Finance costs – unwinding of discount on decommissioning liability	2.18	1.63	6.05	5.60
Depreciation, depletion and amortization	5.04	4.19	14.85	18.58
Other expenses	1.08	1.57	6.68	8.32
Total expenses	75.13	35.98	77.12	73.79
Profit before tax and exceptional items	6.56	34.21	70.19	37.47
Exceptional items	-	-	(34.36)	27.59
Profit before tax	6.56	34.21	35.83	65.06
Net tax expenses	-	-	-	-
Net profit for the period	6.56	34.21	35.83	65.06
Other comprehensive income	(0.01)	(0.01)	(0.04)	0.04
Total comprehensive income	6.55	34.20	35.79	65.10
Earnings per equity share of Rs 10 each - Basic	0.50	2.59	2.71	4.92
- Diluted	0.50	2.59	2.71	4.92

Standalone Statement of Assets & Liabilities



PARTICULARS (INR Cr)	H1-FY23	FY22	FY21
EQUITY AND LIABILITIES			
Equity	806.72	765.97	730.18
(a) Equity share capital	132.26	132.26	132.26
(b) Other equity	674.46	633.71	597.92
Non-Current Liabilities	266.56	284.38	197.49
(a) Financial liabilities			
(i) Long-term borrowings	114.68	160.61	88.28
(ii) Other financial liabilities	9.97	8.66	0.13
(b) Provisions	141.91	115.10	109.08
Current Liabilities	283.62	225.00	107.60
(a) Financial liabilities			
(i) Borrowings	121.45	95.48	61.72
(ii) Trade payables	55.39	17.23	12.13
(iii) Other financial liabilities	69.37	101.46	28.18
(b) Provisions	0.20	0.20	0.18
(c) Other current liabilities	37.21	10.63	5.39
GRAND TOTAL - EQUITIES & LIABILITIES	1356.90	1,275.34	1,035.27

PARTICULARS (INR Cr)	H1-FY23	FY22	FY21
ASSETS			
Non-Current Asset	963.23	968.37	704.41
(a) Property, Plant and Equipment			
(i) Oil & gas assets	807.19	275.86	288.59
(ii) Others	3.34	3.37	2.82
(b) Capital work-in-progress	0.76	490.34	274.08
(c) Investment property	3.00	3.07	3.95
(d) Intangible assets	9.86	9.71	9.37
(e) Financial assets			
(i) Loan to subsidiary	8.12	56.88	-
(ii) Investments in subsidiary	59.46	59.46	59.46
(iii) Deposits under site restoration fund	71.29	69.48	65.59
(f) Other non-current assets	0.21	0.21	0.55
Current Assets	393.67	306.98	330.86
(a) Inventories	35.37	26.73	30.46
(b) Financial assets			
(i) Investments	0.30	0.34	30.35
(ii) Trade receivables	25.16	13.60	28.02
(iii) Cash & cash equivalents	5.81	12.94	30.10
(iv) Other bank balances	23.45	32.50	15.90
(v) Loan to subsidiary	229.93	173.57	97.39
(vi) Other financial assets	61.12	45.63	30.53
(c) Income tax assets (net)	0.84	0.64	4.39
(d) Other current assets	11.69	1.04	63.72
GRAND TOTAL - ASSETS	1,356.90	1,275.34	1,035.27

Consolidated Statement of Profit or Loss



PARTICULARS (INR Cr)	Q2-FY23	Q1-FY23	FY22	FY21
INCOME				
Revenue from operations	124.58	89.42	155.73	113.86
Other income	1.21	1.62	11.46	11.32
Total revenue	125.79	91.04	167.19	125.18
EXPENSES				
Expenses from producing oil and gas blocks	48.71	23.71	28.23	29.54
Royalty, Cess and NCCD	13.23	12.92	32.35	24.45
Facility Operating Expenses	8.20	2.60	2.67	-
Decrease / (Increase) in stock of crude oil and condensate	1.09	(7.44)	3.79	(3.30)
Employee benefits expense	0.16	0.20	0.93	0.69
Finance costs - banks and financial institutions	9.62	5.04	3.01	0.01
Finance costs - unwinding of discount on decommissioning liability	2.22	1.67	6.21	5.78
Depreciation, depletion and amortization	15.79	13.56	26.21	23.37
Other expenses	6.70	6.81	8.85	8.34
Total expenses	105.72	59.08	112.24	88.88
Profit before tax and exceptional items	20.07	31.96	54.95	36.30
Share of profit from associate	(1.53)	0.74	(0.90)	1.54
Exceptional items	-	-	(34.37)	13.98
Profit before tax	18.54	32.70	19.68	51.82
Net tax expenses	0.83	0.35	(0.31)	(1.59)
Net profit for the period	17.71	32.35	19.99	53.42
Other comprehensive income	(0.01)	(0.01)	(0.04)	0.04
Total comprehensive income	17.70	32.34	19.95	53.46
Earnings per equity share of Rs 10 each - Basic	1.34	2.45	1.51	4.04
- Diluted	1.34	2.45	1.51	4.04

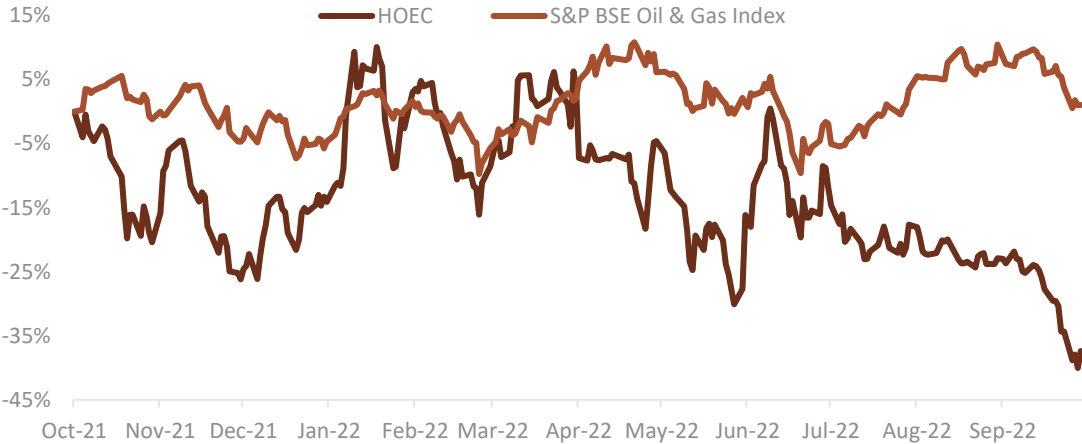
Consolidated Statement of Assets & Liabilities



PARTICULARS (INR Cr)	H1-FY23	FY22	FY21
EQUITY AND LIABILITIES			
Equity	803.16	753.12	733.17
(a) Equity share capital	132.26	132.26	132.26
(b) Other equity	670.90	620.86	600.91
Non-Current Liabilities	393.66	425.23	273.23
(a) Financial liabilities			
(i) Long term borrowings	146.68	204.61	159.17
(ii) Other financial liabilities	100.48	100.86	0.14
(b) Provisions	145.67	118.78	112.59
(c) Deferred tax liability	0.83	0.98	1.33
Current Liabilities	430.49	348.89	178.75
(a) Financial liabilities			
(i) Short term borrowings	181.74	152.73	94.52
(ii) Trade payables	76.82	37.92	31.94
(ii) Other financial liabilities	110.84	133.27	33.48
(b) Provisions	16.13	14.05	13.19
(c) Other Current liabilities	44.96	10.93	5.62
GRAND TOTAL - EQUITIES & LIABILITIES	1,627.31	1,527.24	1,185.15

PARTICULARS (INR Cr)	H1-FY23	FY22	FY21
ASSETS			
Non-Current Asset	1,393.14	1360.34	958.41
(a) Property, Plant and Equipment			
(i) Oil & gas assets	826.60	296.55	312.14
(ii) Others	458.08	201.13	9.94
(b) Capital work in progress	3.30	758.68	534.59
(c) Investment property	3.00	3.07	3.95
(d) Intangible assets	9.85	9.71	9.37
(e) Financial assets			
(i) Investments in associate	17.59	18.38	19.28
(ii) Deposits under site restoration fund	74.44	72.56	68.53
(iii) Other financial assets	0.06	0.06	0.06
(f) Other non-current assets	0.22	0.21	0.55
Current Assets	234.17	166.90	226.74
(a) Inventories	40.45	30.98	36.10
(b) Financial assets			
(i) Investments	0.30	0.34	45.38
(ii) Trade receivables	80.82	16.20	31.07
(iii) Cash & Cash Equivalents	26.19	29.12	46.89
(iv) Other bank balances	27.24	36.25	24.63
(v) Other financial assets	45.26	39.56	28.54
(c) Income tax assets (net)	2.60	3.76	7.36
(d) Other Current Assets	11.31	10.68	6.77
GRAND TOTAL - ASSETS	1,627.31	1,527.24	1,185.15

Capital Market Data

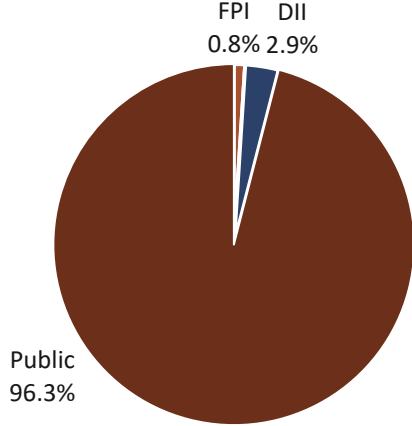


Price Data (As on 30th September 2022)

Market Price (INR)	133.2
52 Week H/L (INR)	245.2/125.7
Avg. Net Turnover (INR Mn)	183.4
Market Cap (INR Mn)	17,609.4
Equity Shares Outstanding (Mn)	132.2

Marquee Investors	% Holding
Housing Development Finance Corporation Ltd (HDFC)	6.40%
Kotak Small Cap Fund	1.95%
Si Investments And Broking Private Limited	1.05%

Shareholding Pattern (30th September 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