



Hindustan Oil Exploration  
Company Limited



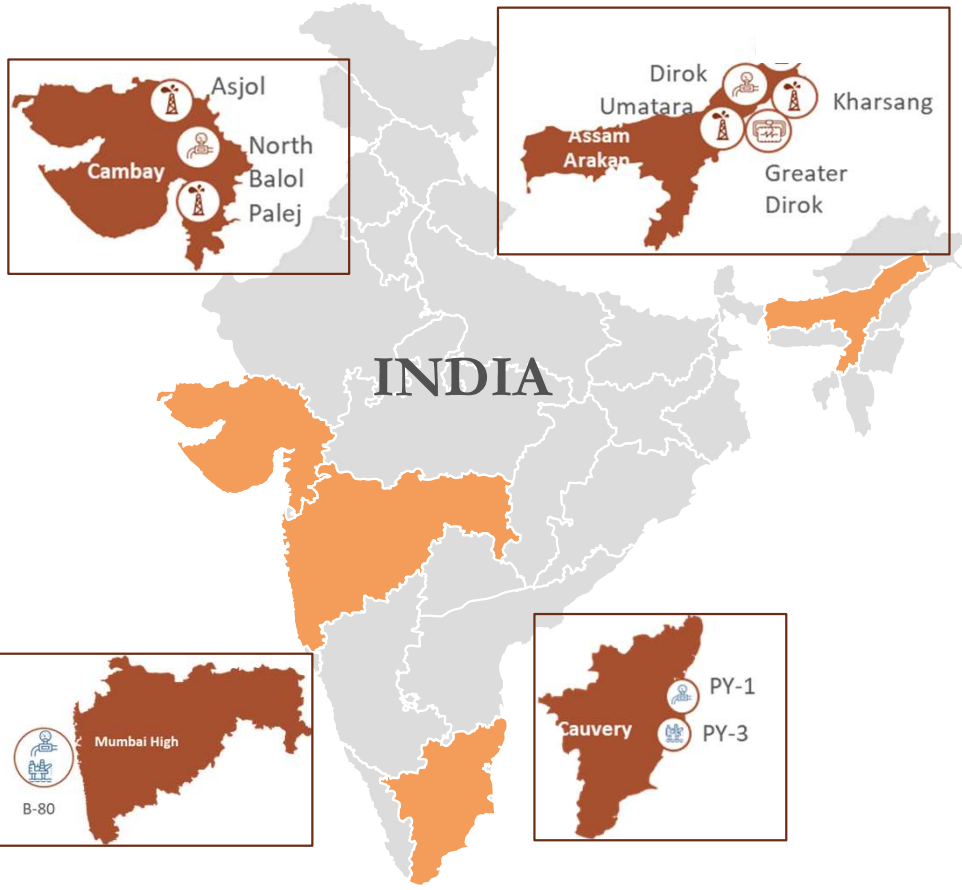
**HOEC**<sup>®</sup>

**EARNINGS PRESENTATION**  
**Q1 FY 2024-25**  
**August 2024**

# 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

**9** Out of 10 blocks with discovered / producing resources

**4** Out of 7 producing basins in India with HOEC presence

# Focused Strategy for Value Generation

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
- Fast-track execution to bring resources to monetization quickly
- Exploration in prolific petroliferous basin
- Scouting for discovered assets with potential upside

## Growth strategy



- Build on Offshore Operating Edge
- Grow service assets for Oil and Gas
- Seize growth opportunities in Offshore and North-East with established footprint
- Leverage existing Infrastructure to add Attractive Assets with Operating Synergies

## Growing responsibly



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

# Q1 FY 2024-25 Operational Highlights



# Q1 FY 2024-25 Operational Highlights

## Gross Production (BOEPD)

Q1 FY 24-25: 7,066    Q4 FY 23-24 : 7,298  
 FY 23-24: 7,114    FY 22-23: 10,101

## Net Production (BOEPD)

Q1 FY 24-25: 2,443    Q4 FY 23-24 : 2,644  
 FY 23-24: 2,730    FY 22-23: 3,759

### Dirok - Average production per day

- Q1 FY 24-25: Gas 22.65 mmscfd & Condensate: ~ 432 bpd
- FY 23-24: Gas: 19.96 mmscfd & Condensate: ~ 373 bpd
- Q1 FY 24-25: Average price realized is \$9.50/mmbtu

Q4 FY 23-24: Gas: 22.62 mmscfd & Condensate: ~ 448 bpd  
 FY 23-24: Average price realized is \$9.39/mmbtu

### B-80 - Average Production per day

- Q1 FY 24-25: Gas 4.35 mmscfd & Oil: 740 barrels
- FY 23-24: Gas: 6.91 mmscfd & Oil: 878 bopd
- Q1 FY 24-25: Average Gas price realized is US\$ 10.34/mmbtu

Q4 FY 23-24: Gas 4.45 mmscfd & Oil: 914 barrels  
 FY 23-24 Average Gas price realized is US\$ 15.86/mmbtu

### PY-1

- Interpretation of re-processed seismic data is completed; geological model is revised and three well locations identified.
- The third-party expert review confirmed the prospective well locations and this will be again reviewed by a firm of experts in London
- Applied for environment clearance for drilling new wells and awaiting approval

### Cambay

- Environmental clearance for drilling 4 new wells cleared and awaiting formal minutes
- Workover of Palej SPD-1 with SRP is planned
- Expected to enhance production to about 300 BOPD



# B-80 Operational Update

USD 10.34 (Q1 FY 24-25)  
 USD 17.54 (Q4 FY 23-24)  
 Realised Price/MMBTU

740 bopd  
 Oil Production  
 (Q1 FY25)

4.35 mmscfd  
 Gas Production  
 (Q1 FY25)

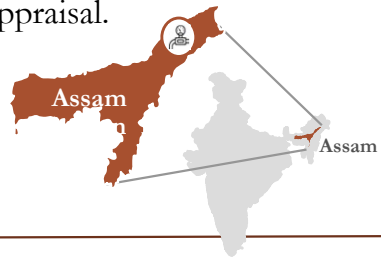
- Both the wells are operational
- Blockage in the export line has been cleaned; needs steam injection on continuous basis
- Hawsers parted and Vessel de-moored to avoid damage to Buoy and Vessel
- Flow line is flushed with water and wells are secured with diesel
- The new Hawser is expected shortly for installation and re-commencement of production
- Gas price reduced to 12.05% of Brent comparing 22.2% in earlier contract through e-auction.



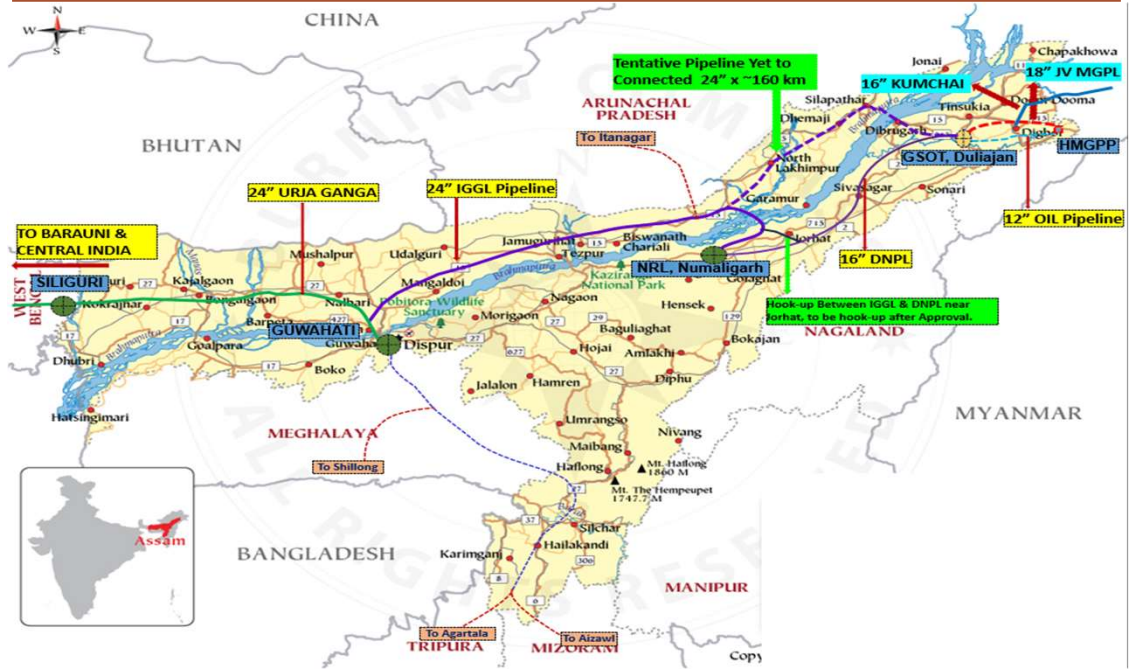
# Dirok: Production & Phase-II development

22.65 mmscfd Gas Production (Q1 FY25)	432 bopd Condensate production (Q1 FY25)	Substantial contribution to Assam Gas Production
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- Field is having potential to produce up to 55 mmscfd after workover
- North-East Gas Grid expected by FY 24-25
- Revised FDP completed with third-party reserve report and submitted for extension
- Workover of wells Dirok-1 and Dirok-2 is completed; Dirok-4 is under progress
- In Dirok-1 well, Sand 9, an untested sand was tested successfully which should add reasonable additional reserves.
- In Dirok-1 well, Sand 10 was inconclusive, no hydrocarbon to surface and gets a lead for further appraisal.



## Proposed North-Eastern Gas Grid



## Project Progress

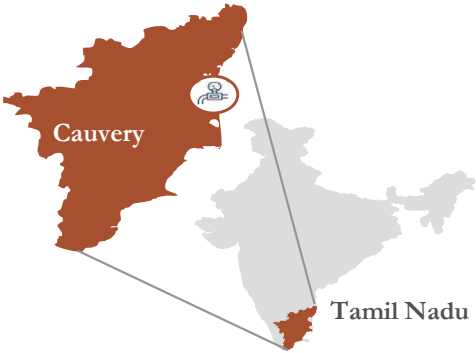
- Laying of 15 kms of pipeline in forest section is completed to connect to Duliyaan hub ; balance in progress
- Gas Sales Offtake Terminal (GSOI) in Duliyaan: Planning in progress
- On completion of NE Gas Grid no demand constraint expected

# PY-1: Redevelopment

Offshore Platform	55 mmscfd Processing Capacity	56 km Sub sea pipeline
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- Production Sharing Contract stands extended till October 5, 2030
- 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
- Seismic reprocessing and in-house study is completed; Three well locations are released
- Expert review confirming the well locations with high and low volumes
- GWC uncertainty to be reviewed to have the volume before drilling
- Review by Fractured Basement Specialists on the above to be carried out
- Applied for CRZ clearance and awaiting approval

HOEC  
PI  
100%





# Kharsang: Phase I Development Plan

381 bopd  
Oil Production  
(Q1 FY25)

35%  
Direct + Indirect PI

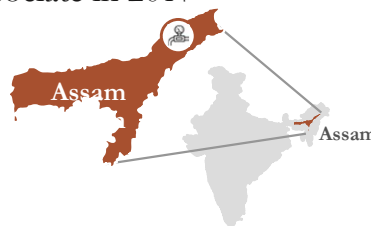
Revised FDP &  
Appraisal in  
progress

- After acquisition of 50% share capital in GeoEnpro, HOEC holds 35% participating interest in the Block as well as Operatorship through subsidiary
- Kharsang oilfield is in the state of Arunachal Pradesh and 60 kms away from Dirok - operating synergies in NE through the above acquisition
- Plan for additional drilling including deeper prospects to increase the production
- Currently 9 wells are being planned to increase production. Further 9 wells will be drilled after revisiting the production data.
- Revised EIA report submitted for Environmental Clearance.
- Drilling to commence after obtaining Environmental Clearance
- One deep exploration well to target Lower Girujan, Tipam and Barail has been considered.
- Potential of the Block was evaluated by Gaffney Cline Associate in 2017

## JV Partners



JEKPL Pvt. Ltd.



# Cambay: Developments

<p><b>87 bopd</b> Oil Production (Q1 FY25)</p>	<p><b>0.47 mmscfd</b> Total Gas Production (Q1 FY25)</p>	<p><b>Asjol, North Balol and Palej</b> Marginal fields at Cambay</p>
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- Environmental clearance for drilling 2 wells each in North Balol and Asjol cleared and awaiting formal minutes
- Plan to drill 2 horizontal wells in Asjol in FY 24-25
- Plan to drill 2 horizontal wells in North Balol in FY 24-25
- Artificial Lift is being planned for 3 wells by SRP in Palej, which could increase production to 300 bopd; awaiting JV Partners' approval
- Palej site has won 1st prize of Mine Safety Award (MSA) for the year 2024 in small mines category
- Associated Natural Gas (ANG) sale commenced to achieve zero flaring
- Ring-Fenced PSC of Palej - 100 sq.km. 3D seismic and 2 exploration wells; awaiting MoP&NG approval & signing of PSC



Asjol  
JV Partners

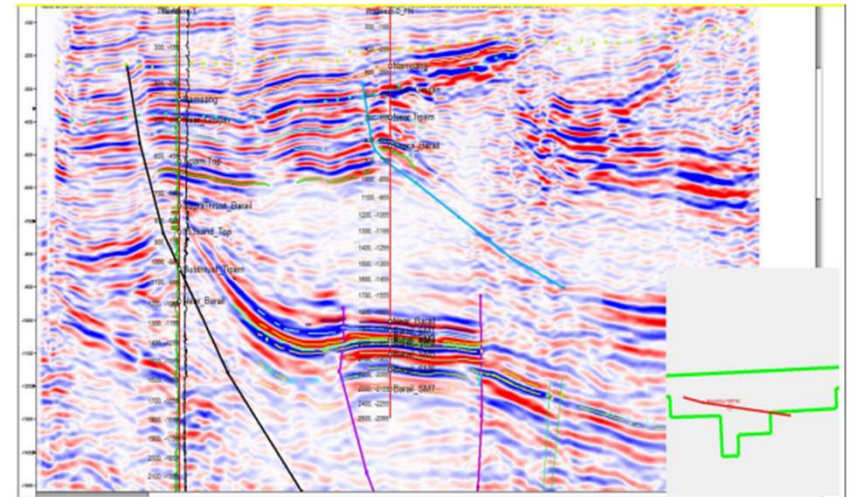
CB-ON/7 (Palej)  
JV Partners

North Balol  
JV Partners

# Exploration Update

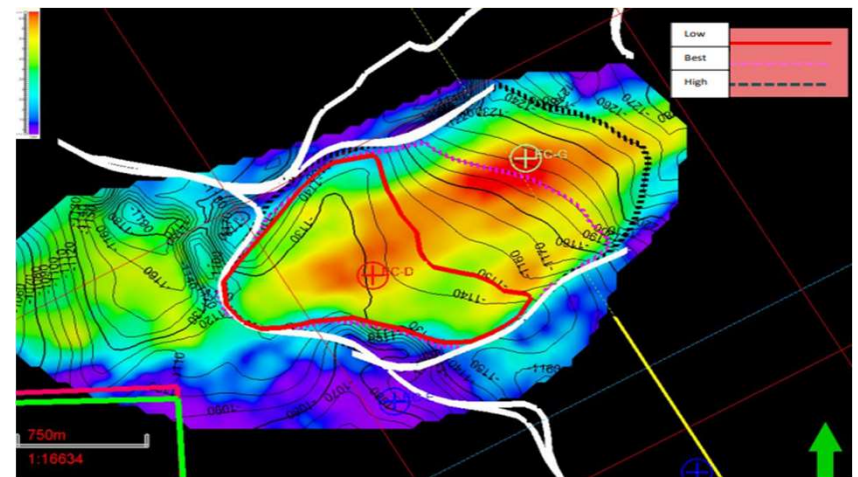
## Block AA-ONHP-2017/19

- Reprocessed the 3D Seismic data and final well locations released
- This block is in between Dirok and Kharsang ; analogue to Dirok
- EC clearance has been obtained.
- Due to heavy rain, civil works for drilling pad and approach road is delayed.
- Applied for 2 years RSC extension.
- Planning for drilling first exploration well after obtaining the RSC extension.



## Block Umatara

- RSC was signed on 7<sup>th</sup> March 2019
- IOC 90% (Operator) and HOEC 10%
- G&G study is completed; released location for first well
- Environment clearance has been obtained
- First well drilling is delayed and expected to commence in FY 24-25





# Q1/3M FY 2024-25 Financial Highlights



# Consolidated Statement of Profit or Loss



PARTICULARS (INR Cr)	Q1-FY25	Q4-FY24	FY24	FY23
<b>INCOME</b>				
Revenue from operations	136.15	289.61	749.13	558.91
Other income	10.60	3.00	18.68	8.80
<b>Total revenue</b>	<b>146.75</b>	<b>292.61</b>	<b>767.81</b>	<b>567.71</b>
<b>EXPENSES</b>				
Expenses from producing oil and gas blocks	69.23	69.87	278.27	176.49
Royalty, Cess and NCCD	13.47	16.10	63.55	67.80
Facility Operating Expenses	10.36	15.25	44.98	26.47
Decrease / (Increase) in stock of crude oil and condensate	(24.65)	105.32	32.05	(59.49)
Employee benefits expense	0.68	0.49	1.73	0.93
Finance costs - banks and financial institutions	3.64	4.13	22.39	30.16
Finance costs - unwinding of discount on decommissioning liability	2.37	2.20	8.75	7.72
Depreciation, depletion and amortization	18.47	20.27	80.02	73.70
Other expenses	4.68	7.91	20.41	34.53
<b>Total expenses</b>	<b>98.25</b>	<b>241.54</b>	<b>552.15</b>	<b>358.31</b>
Profit before tax and exceptional items	48.50	51.07	215.66	209.40
Share of profit from associate	-	1.26	(0.24)	0.11
Exceptional items	-	32.87	32.87	(12.22)
<b>Profit before tax</b>	<b>48.50</b>	<b>85.20</b>	<b>248.29</b>	<b>197.29</b>
Net tax expenses	6.58	14.59	21.86	3.24
<b>Net profit for the period</b>	<b>41.92</b>	<b>70.61</b>	<b>226.43</b>	<b>194.05</b>
Other comprehensive income	(0.08)	(0.31)	(0.33)	0.03
<b>Total comprehensive income</b>	<b>41.84</b>	<b>70.30</b>	<b>226.10</b>	<b>194.08</b>
Earnings per equity share of Rs 10 each - Basic	3.17	5.34	17.12	14.67
- Diluted	3.17	5.34	17.12	14.67



# Consolidated Statement of Assets & Liabilities



PARTICULARS (INR Cr)	FY24	FY23	FY22
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	<b>1174.42</b>	<b>947.20</b>	<b>753.12</b>
(a) Equity share capital	132.26	132.26	132.26
(b) Other equity	1042.16	814.94	620.86
<b>Non-Current Liabilities</b>	<b>341.22</b>	<b>356.90</b>	<b>439.07</b>
(a) Financial liabilities			
(i) Long term borrowings	82.12	93.35	204.61
(ii) Other financial liabilities	81.73	107.91	100.86
(b) Provisions	165.13	154.68	132.62
(c) Deferred tax liability	12.24	0.96	0.98
<b>Current Liabilities</b>	<b>435.82</b>	<b>546.19</b>	<b>335.05</b>
(a) Financial liabilities			
(i) Short term borrowings	91.95	270.85	152.73
(ii) Trade payables	157.04	116.51	37.92
(ii) Other financial liabilities	48.40	80.54	133.27
(b) Provisions	0.25	0.30	0.20
(c) Other Current liabilities	138.18	77.99	10.93
<b>GRAND TOTAL - EQUITIES &amp; LIABILITIES</b>	<b>1,951.46</b>	<b>1,850.29</b>	<b>1,527.24</b>

PARTICULARS (INR Cr)	FY24	FY23	FY22
<b>ASSETS</b>			
<b>Non-Current Asset</b>	<b>1,378.38</b>	<b>1,381.51</b>	<b>1,387.44</b>
(a) Property, Plant and Equipment			
(i) Oil & gas assets	841.12	799.61	296.55
(ii) Others	392.59	434.06	201.13
(b) Capital work in progress	38.12	31.54	782.01
(c) Investment property	2.78	2.92	3.07
(d) Intangible assets	10.12	9.86	9.71
(e) Financial assets			
(i) Investments in associate	-	18.49	18.38
(ii) Deposits under site restoration fund	84.53	77.75	72.56
(iii) Other bank balances	1.16	1.09	-
(iii) Other financial assets	0.50	0.06	0.06
(f) Income tax assets (net)	7.32	6.06	3.76
(g) Other non-current assets	0.14	0.07	0.21
<b>Current Assets</b>	<b>573.08</b>	<b>468.78</b>	<b>139.80</b>
(a) Inventories	42.33	80.94	7.65
(b) Financial assets			
(i) Investments	0.42	114.71	0.34
(ii) Trade receivables	314.48	116.94	16.20
(iii) Cash & Cash Equivalents	13.72	29.88	29.12
(iv) Other bank balances	54.78	48.19	36.25
(v) Other financial assets	133.02	63.64	39.56
(c) Income tax assets (net)	-	-	-
(d) Other Current Assets	14.33	14.48	10.68
<b>GRAND TOTAL - ASSETS</b>	<b>1,951.46</b>	<b>1,850.29</b>	<b>1,527.24</b>

# Standalone Statement of Profit or Loss



PARTICULARS (INR Cr)	Q1-FY25	Q4-FY24	FY24	FY23
<b>INCOME</b>				
Revenue from operations	65.16	213.03	464.00	381.05
Other income	12.32	7.45	32.65	27.91
<b>Total revenue</b>	<b>77.48</b>	<b>220.48</b>	<b>496.65</b>	<b>408.96</b>
<b>EXPENSES</b>				
Expenses from producing oil and gas blocks	65.81	67.93	267.70	169.52
Royalty, Cess and NCCD	10.65	13.33	53.11	56.72
Decrease / (Increase) in stock of crude oil and condensate	(23.43)	105.57	30.94	(58.70)
Employee benefits expense	0.23	0.08	0.44	0.65
Finance costs – banks and financial institutions	2.29	2.09	13.86	24.23
Finance costs – unwinding of discount on decommissioning liability	1.68	2.12	8.47	7.62
Depreciation, depletion and amortization	5.61	6.15	26.72	27.65
Other expenses	3.25	4.11	11.40	17.60
<b>Total expenses</b>	<b>66.09</b>	<b>201.38</b>	<b>412.64</b>	<b>245.29</b>
Profit before tax and exceptional items	11.39	19.10	84.01	163.67
Exceptional items	-	-	-	-
Profit before tax	<b>11.39</b>	<b>19.10</b>	<b>84.01</b>	<b>163.67</b>
Net tax expenses	-	-	-	-
<b>Net profit for the period</b>	<b>11.39</b>	<b>19.10</b>	<b>84.01</b>	<b>163.67</b>
Other comprehensive income	(0.08)	(0.32)	(0.34)	0.03
<b>Total comprehensive income</b>	<b>11.31</b>	<b>18.78</b>	<b>83.67</b>	<b>163.70</b>
Earnings per equity share of Rs 10 each - Basic	0.86	1.44	6.35	12.37
- Diluted	0.86	1.44	6.35	12.37

# Standalone Statement of Assets & Liabilities



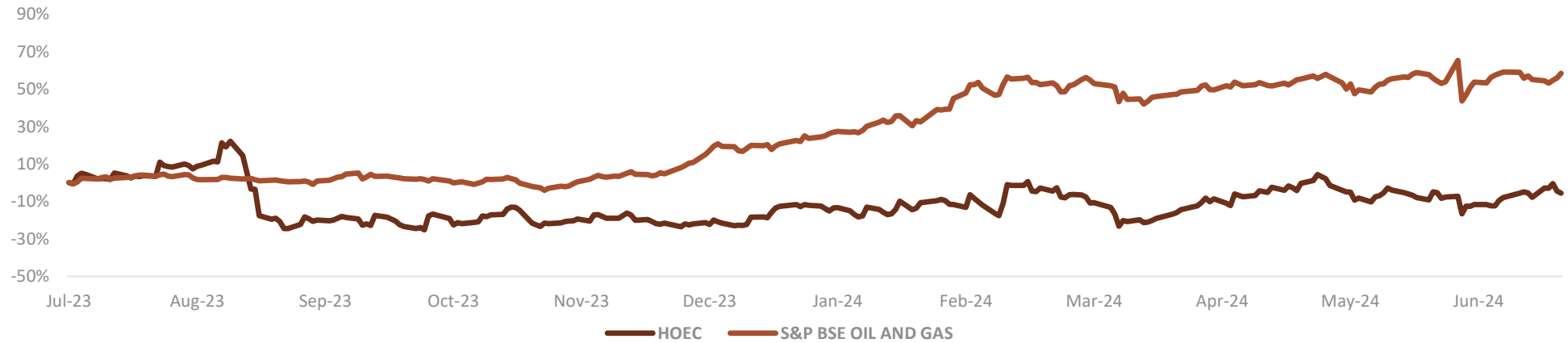
PARTICULARS (INR Cr)	FY24	FY23	FY22
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	<b>1,013.34</b>	<b>929.67</b>	<b>765.97</b>
(a) Equity share capital	132.26	132.26	132.26
(b) Other equity	881.08	797.41	633.71
<b>Non-Current Liabilities</b>	<b>196.16</b>	<b>220.47</b>	<b>284.37</b>
(a) Financial liabilities			
(i) Long-term borrowings	49.03	73.35	160.61
(ii) Other financial liabilities	2.31	10.76	8.66
(b) Provisions	144.82	136.36	115.10
<b>Current Liabilities</b>	<b>298.52</b>	<b>420.88</b>	<b>225.00</b>
(a) Financial liabilities			
(i) Borrowings	25.00	210.26	95.48
(ii) Trade payables	131.74	95.38	17.23
(iii) Other financial liabilities	14.48	47.33	101.46
(b) Provisions	0.23	0.30	0.20
(c) Other current liabilities	127.07	67.61	10.63
<b>GRAND TOTAL - EQUITIES &amp; LIABILITIES</b>	<b>1508.02</b>	<b>1,571.02</b>	<b>1,275.34</b>

PARTICULARS (INR Cr)	FY24	FY23	FY22
<b>ASSETS</b>			
<b>Non-Current Asset</b>	<b>945.45</b>	<b>960.74</b>	<b>990.03</b>
(a) Property, Plant and Equipment			
(i) Oil & gas assets	755.35	781.39	275.86
(ii) Others	3.43	3.38	3.37
(b) Capital work-in-progress	31.17	26.61	511.36
(c) Investment property	2.78	2.92	3.07
(d) Intangible assets	10.12	9.86	9.71
(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	79.78	74.58	69.48
(iv) Other bank balances	1.16	1.09	-
(f) Income tax assets (net)	2.12	1.37	0.64
(g) Other non-current assets	0.08	0.08	0.20
<b>Current Assets</b>	<b>562.57</b>	<b>610.28</b>	<b>285.31</b>
(a) Inventories	38.09	78.25	5.71
(b) Financial assets			
(i) Investments	0.42	114.71	0.34
(ii) Trade receivables	201.69	42.88	13.60
(iii) Cash & cash equivalents	8.37	23.96	12.94
(iv) Other bank balances	17.26	33.51	32.50
(v) Loan to subsidiary	124.21	224.37	173.57
(vi) Other financial assets	170.44	90.14	45.62
(c) Income tax assets (net)	-	-	-
(d) Other current assets	2.09	2.46	1.03
<b>GRAND TOTAL - ASSETS</b>	<b>1508.02</b>	<b>1,571.02</b>	<b>1,275.34</b>

# Capital Market Data



1 Year share price movement (As on 30 June 2024)



Price Data (As on 30 <sup>th</sup> June 2024)	
MP (INR)	195.75
52 Week H/L (INR)	258.00/155.00
Avg. Net Turnover (INR Mn)	373.64
Market Cap (INR Mn)	25,886.62
Equity Shares Outstanding (Mn)	132.24

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