



NOTICE

NOTICE is hereby given that the 27th Annual General Meeting of the Members of Hindustan Oil Exploration Company Limited will be held on Wednesday, the 28th day of September 2011 at 10:30 a.m. at 'Tropicana Hall', The Gateway Hotel Vadodara, Akota Gardens, Akota, Vadodara-390 020 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended on that date and the Reports of the Directors' and Auditors' thereon and to confirm the interim dividend already paid for the Financial Year ended as at March 31, 2011 as final dividend.
2. To appoint a Director in place of Mr. Sunil Behari Mathur, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. Mukesh Butani, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. Luigi Ciarrocchi, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint a Director in place of Mr. Manish Maheshwari, who retires by rotation and being eligible, offers himself for reappointment.
6. To appoint M/s. S. R. Batliboi & Associates, Chartered Accountants, as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors of the Company to fix Auditor's remuneration and out-of-pocket expenses, either by itself or by authorizing Managing Director or any other officer of the Company in this regard.

SPECIAL BUSINESS:

To consider and if thought fit, to pass, with or without modifications, the following resolutions:

7. As a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269 and 309 read with the provisions of Schedule XIII and all other applicable provisions of the Companies Act, 1956, (including any statutory modification or the re-enactment thereof for the time being in force), approval of the members of the Company be and is hereby accorded to the appointment of Mr. Manish Maheshwari as the Managing Director of the Company with effect from the conclusion of the 27th Annual General Meeting held on September 28, 2011 until the conclusion of the 30th Annual General Meeting upon the terms and conditions as set out in the Explanatory Statement annexed to this Notice with an authority to the Board of Directors (hereinafter referred to as "the Board" which expression shall also include a Committee thereof) to alter and vary the terms and conditions of the said appointment (including authority, to determine the amount of salary and performance bonus as also the type and amount of perquisites and other benefits payable to Mr. Manish Maheshwari) subject to the overall ceiling specified in Schedule XIII to the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) in such manner as may be agreed to by and between the Board and Mr. Manish Maheshwari.

FURTHER RESOLVED THAT in the event of any loss, absence or inadequacy of profits in any financial year, during the term of office of Mr. Manish Maheshwari as Managing Director, the remuneration payable to him by way of salary, allowances, performance bonus and perquisites shall not, without the approval of the Central Government (if required), exceed the limits prescribed under the Companies Act, 1956, or any amendment, modification, variation or re-enactment thereof.

FURTHER RESOLVED THAT the Board be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Director(s) to give effect to the aforesaid resolution."

8. As a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269 and 309 read with the provisions of Schedule XIII and all other applicable provisions of the Companies Act, 1956, (including any statutory modification or the re-enactment thereof for the time being in force) and subject to the approval of the Central Government, as may be applicable, approval of the members be and is hereby accorded to the appointment of Mr. Sergio A. Laura as the Managing Director of the Company with effect from the conclusion of the 27th Annual General Meeting held on September 28, 2011 until the conclusion of the 30th Annual General Meeting upon the terms and conditions as set out in the Explanatory Statement annexed to this Notice, with an authority to the Board of Directors (hereinafter referred to as "the Board" which expression shall also include a Committee thereof) to alter, vary or amend the terms and conditions of the said appointment.

FURTHER RESOLVED THAT the Board be and is hereby authorized to do all such acts, deeds and things and cause to execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any director(s) to give effect to the aforesaid resolution."

By Order of the Board of Directors

Place : Chennai

Sanjay Tiwari

Date : August 05, 2011

Chief Legal Counsel & Company Secretary

Registered Office:

'HOEC House', Tandalja Road
Vadodara-390 020.

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE INSTRUMENT APPOINTING PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN TWENTY-FOUR HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

3. The Register of Members and Share Transfer Books of the Company will remain closed from September 26, 2011 to September 28, 2011 (both days inclusive).
4. Members/Beneficial Owners are requested to quote their Ledger Folio No./DP & Client ID Nos., as the case may be, in all correspondence with the Company. Members are also requested to quote their e-mail address, telephone, mobile and fax numbers for prompt reply to their communication.
5. Members holding shares in physical form are requested to promptly inform the Company/Registrar and Share Transfer Agent regarding change in their address, pin code, bank account details, nomination, power of attorney and email address etc., if any.
6. Beneficial Owners of share in demat form are requested to send their instructions regarding change of address, pin code, bank account details, nomination, power of attorney and email address, etc. directly to their DP as the same is maintained by the DPs.
7. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Company Secretary a week in advance, so that the information required by the members can be made available at the Meeting.
8. The Company's equity shares are under compulsory demat trading by all investors. Members are requested to convert their shares from physical form to dematerialised form, if not already done, so as to avoid inconvenience in future.
9. Members who would like to receive notices, letters, annual reports, documents and any other correspondence by electronic mode are requested to register their e-mail addresses and changes therein, from time to time, with the respective Depository Participants (DP) where the shares are held in dematerialised form. Shareholders holding shares in physical form can send their e-mail address for registration to the Company's Registrar and Share Transfer Agent (RTA) M/s. Link Intime India Pvt. Ltd., (Unit: Hindustan Oil Exploration Company Limited) B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank Limited, Near Radhakrishna Char Rasta, Akota, Vadodara - 390 020, Gujarat, India) quoting Ledger Folio Number.
10. All members who have not encashed their dividend warrants for the financial years 2003-2004, 2004-2005, 2005-06, 2007-08 and 2010-11 (Interim dividend) are requested to write to the Company, mentioning the relevant folio number(s) or DP & Client ID number(s) for issuance of duplicate/fresh dividend warrant(s). Members are also hereby informed that Dividends which remain unclaimed/un-encashed over a period of 7 years from the date they became due for payment have to be transferred by the Company to Investor Education and Protection Fund (IEPF) constituted by the Central Government under Section 205C of the Companies Act, 1956. Further, under the provisions of Section 205B of the Companies Act, 1956, no claim shall be tenable for the unclaimed dividend transferred to IEPF.

Information in respect of such unclaimed dividends due for transfer to the said Fund is given below:

Financial year ended	Date of Declaration of dividend	Date of Transfer to Unpaid Dividend Account	Due date for transfer to IEPF
31-Mar-04	17-Sep-04	17-Oct-04	17-Oct-11
31-Mar-05	22-Sep-05	22-Oct-05	22-Oct-12
31-Mar-06	28-Sep-06	28-Oct-06	28-Oct-13
31-Mar-08	30-Sep-08	30-Oct-08	30-Oct-15
31-Mar-11	12-Aug-10	12-Sep-10	12-Sep-17

11. M/s. Link Intime India Private Limited (formerly Intime Spectrum Registry Limited), the Company's Registrar and Share Transfer Agent (RTA), has an office at B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank Limited, Near Radhakrishna Char Rasta, Akota, Vadodara - 390020, Telephone: 0265 - 2356573, 2356794 Fax No. 0265 - 2356791, Email Id: vadodara@linkintime.co.in and the Company's share transfer and other related activities are being carried out at this office. However, documents would continue to be accepted at their Mumbai office as well as the Company's Vadodara and Chennai offices.
12. The Securities & Exchange Board of India (SEBI) vide its circulars Nos. MRD/DoP/Cir-05/2007 dated April 27, 2007 and CIR/MRD/DP/22/2010 dated July 29, 2010 respectively made submission/verification of Permanent Account Number (PAN) mandatory in all the transactions. Further in order to ensure better compliance with the Know Your Client (KYC) norms, SEBI has decided that with effect from August 16, 2010 such PAN non-compliant demat accounts shall be "suspended for credit" other than the credits arising out of automatic corporate actions. It is clarified that other credits including credits from IPO/FPO/Rights issue, off-market transactions or any secondary market transactions shall not be allowed into such accounts. Therefore the Members are advised to submit their PAN to their Depository Participant (DP) in order to avoid suspension of their DP accounts and other related inconvenience.
13. Information as required under Clause 49 of the Listing Agreement in respect of Directors being appointed/re-appointed:

Mr. Sunil Behari Mathur

Mr. Sunil Behari Mathur, 67 years, is a Chartered Accountant. He has more than 41 years of experience in the field of insurance and housing finance. He was the Chairman of Life Insurance Corporation of India. He has been sponsored by United States Agency for International Development ("USAID") for a training program on housing finance at the Wharton Business School of the University of Pennsylvania.

He is the Chairman of Cholamandalam MS General Insurance Company Limited and Orbis Financial Corporation Limited; Director in General Insurance Corporation of India, ITC Limited, HDIL Limited, Axis Bank Limited, IL&FS Limited, Ultra Tech Cement Limited, DCM Sriram Industries Limited, Havells India Limited, National Stock Exchange of India Limited, National



Collateral Management Services Company Limited, Janlakshmi Financial Services Pvt. Limited, J M Financial Asset Reconstruction Pvt. Limited and Munich Re India Services Pvt. Ltd.; and a Trustee of IDFC Trustee Company Limited and A I G Trustee Company Pvt. Limited.

Mr. Mukesh Butani

Mr. Mukesh Butani, 47 years, is a Lawyer and Chartered Accountant and is enrolled as an Advocate with the Bar Council of Delhi.

He is Chairman and Managing Partner of BMR Legal, Advocates & Solicitors. With a specialization in international tax and transfer pricing, he has significant experience in advising Fortune 500 multinationals and Indian business houses on a wide range of matters relating to FDI policy, entry strategy, business re-organisations, cross-border tax structuring, tax controversy and regulatory policy across a range of sectors.

He currently serves as Vice Chairman of the International Chamber of Commerce Commission on Taxation, Council Member of the European Business Group, member of the International Fiscal Association's Permanent Scientific Committee, and OECD-BIAC committee.

He is also a member of the OECD Business Restructuring Advisory Group.

He is a Director of Tax and Advisors Pvt. Limited, GSK Consumer Health Care, BMR Managed Services Pvt. Limited and BMR Advisors Pvt. Limited.

Mr. Luigi Ciarrocchi

Mr. Luigi Ciarrocchi, 50 years, holds a degree in Petroleum Engineering from the Politecnico of Turin and has pursued an international career, spanning over 24 years in hydrocarbon E&P sector, in Europe, Africa and Middle East countries. He has held important managerial positions in ENI, including District Manager in Italy, Managing Director of INAgip in Croatia and Managing Director of Eni Pakistan. He is the Chairman of Eni Australia B.V., Eni Australia Limited, Eni Bulungan B.V., Eni China B.V., Eni South China Sea Ltd Sarl, Eni Muara Bakau, Eni Pakistan (M) Limited Sarl, Burren Shakti Limited, Burren Energy Plc, and Director of Lasmo Sanga Sanga Limited, Eni Pakistan Limited, Eni CBM Limited, Burren Resources Petroleum Limited, Virginia Indonesia Co. CBM Limited, VIC CBM Limited, ENI JPDA 06-105 Pty. Limited, ENI JPDA 03-13 Limited, ENI India Limited and ENI PNG Limited.

Mr. Manish Maheshwari

Please refer Item No. 7 in the Annexure to this Notice

Mr. Sergio Adriano Laura

Please refer Item No. 8 in the Annexure to this Notice

INSPECTION OF DOCUMENTS

Copies of the documents referred to in the Notice are available for inspection at the Registered Office of the Company between 09:30 a.m. to 5:30 p.m. during working days (except Saturdays, Sundays and holidays) until the date of Annual General Meeting.

ANNEXURE TO THE NOTICE

Explanatory Statement under Section 173(2) of the Companies Act, 1956 for Item No. 7 and 8 of the Notice is as under:

Item No. 7

Mr. Manish Maheshwari

The Company is in receipt of the consent of Mr. Manish Maheshwari to act as the Managing Director of the Company, if appointed. Board at its meeting held on May 09, 2011 unanimously recommended the appointment of Mr. Manish Maheshwari as Managing Director to members at their ensuing Annual General Meeting. Mr. Manish Maheshwari, 43 years, holds Bachelor (Hons.) degree in Chemical Engineering and Masters in Business Administration from Strathclyde University, U.K. and received the Danida Fellowship. He has diversified business experience of more than 23 years. Prior to his appointment as the Joint Managing Director of the Company, he held the office of the Chief Financial Officer of the Company. Mr. Manish Maheshwari is also the Chairman of HOEC Bardahl India Limited, the wholly owned subsidiary of the Company.

The material terms of the said appointment including the remuneration are as under:

Period: The appointment will be effective until the conclusion of the 30th Annual General Meeting.

Nature of Duties: The Managing Director is authorised to exercise substantial powers of management and shall be responsible for the day-to-day management, subject to the superintendence, direction and control of the Board of Directors of the Company (hereinafter referred to as "the Board" which expression shall also include a Committee thereof).

The Managing Director shall have the general control of the business of the Company with powers to enter into contracts on behalf of the Company in the ordinary course of business and to do and perform all other acts and things which in the ordinary course of business he may consider necessary or proper in the interest of the Company and carry out such duties as may be entrusted and/or delegated to him by the Board from time to time.

Remuneration: The Managing Director shall be entitled to the following emoluments, benefits and perquisites subject to the ceiling limits laid down in Sections 198, 309 and Schedule XIII to the Companies Act, 1956.

Basic Salary: Rs. 672,750 per month.

Perquisites/Allowances: In addition to the salary and performance bonus payable, the Managing Director shall also be entitled to perquisites and allowances such as house rent allowance, leave travel concession for self and family members, children education allowance & scholarship for upto two children, reimbursement of medical expenses incurred for self and family and flexible allowance etc. in accordance with the rules of the Company from time to time or as may be agreed to by the Board and Mr. Manish Maheshwari. However, such perquisites and allowances will not exceed the present limit of 122.23% of annual basic salary.

Provision of company car with driver, telephone and other necessary communication facilities at residence shall not be included in the computation of perquisites for the purpose of calculating the



said ceiling. Personal long distance calls shall be borne by Mr. Manish Maheshwari.

Miscellaneous Benefits: Medical insurance for self and family, personal accident insurance, fees for one club (excluding admission and life membership fees).

Performance Bonus: Incentives by way of Bonus (including Stock options) as may be applicable under the LTIP 2005 as approved by the Board or a Committee thereof.

Other Benefits: In addition to the above:

Mr. Manish Maheshwari will also be entitled to the following benefits: These benefits will not be included in the computation of limits for the remuneration or perquisites aforesaid.

Gratuity payable under the Payment of Gratuity Act.

Leave entitlement as may be applicable under the rules of the Company, encashable on retirement or separation.

Contribution to provident fund and superannuation fund or annuity fund subject to the maximum amount as may be permitted under the rules of the Company.

Minimum Remuneration: Where in any financial year during the tenure of Mr. Manish Maheshwari as Managing Director, the Company has no profits or the profits are inadequate, remuneration by way of salary, perquisites, performance bonus as specified above, will be subject to such approvals as may be necessary.

Other Terms: (i) If at any time Mr. Manish Maheshwari ceases to be a Director of the Company for any reasons whatsoever, he shall cease to be the Managing Director.

(ii) The Managing Director shall not be entitled for sitting fees for attending the meetings of the Board and Committees thereof.

(iii) The Managing Director shall not become interested or concerned directly or through his spouse and/or minor children in any sole selling agency of the Company without the prior approval of the Central Government.

(iv) The Board of Directors of the Company shall have the authority to fix/revise the remuneration and other terms & conditions for the Managing Director from time to time.

This may be treated as an abstract of the terms and conditions governing the appointment and remuneration of Mr. Manish Maheshwari as Managing Director pursuant to Section 302 of the Companies Act, 1956.

None of the other Directors and Secretary of the Company are in any way concerned or interested in the said resolution except Mr. Manish Maheshwari.

The Board commends the resolution to the members for their approval.

Item No. 8

Mr. Sergio Adriano Laura

The Company is in receipt of the consent of Mr. Sergio A. Laura to act as Managing Director, if appointed. Board at its meeting held on August 05, 2011 unanimously recommended the appointment of Mr. Sergio A. Laura as Managing Director to members at their ensuing Annual General Meeting. Mr. Sergio A. Laura, 53 years, has a degree in Geological Sciences from the University of Genoa. He joined Eni in

1984 and after gaining experience in various disciplines of geology for hydrocarbon exploration, he rose to and held several senior managerial positions while working with Eni Exploration & Production in several countries like Italy, UK, China, Egypt, Indonesia and India. Currently, he is the Managing Director of Eni India Limited and a Director of Burren Shakti Limited and Burren Energy India Limited.

The material terms of the said appointment are as under:

Period: The appointment will be effective until the conclusion of the 30th Annual General Meeting.

Nature of Duties: The Managing Director is authorized to exercise substantial powers of management and shall be responsible for the day-to-day management, subject to the superintendence, direction and control of the Board of Directors of the Company (hereinafter referred to as "the Board" which expression shall also include a Committee thereof).

The Managing Director shall have the general control of the business of the Company with powers to enter into contracts on behalf of the Company in the ordinary course of business and to do and perform all other acts and things which in the ordinary course of business he may consider necessary or proper in the interest of the Company and carry out such duties as may be entrusted and/or delegated to him by the Board from time to time.

Other Terms: (i) If at any time Mr. Sergio A. Laura ceases to be a Director of the Company for any reasons whatsoever, he shall cease to be the Managing Director.

(ii) The Managing Director shall not become interested or concerned directly or through his spouse and/or minor children in any sole selling agency of the Company without the prior approval of the Central Government.

(iii) The Board of Directors of the Company shall have the authority to revise terms & conditions for the Managing Director from time to time, subject to the necessary approvals as may be required.

In terms of the provisions of Section 198, 269 & 309 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, the appointment of Mr. Sergio A. Laura as Managing Director of the Company is subject to the approval of the shareholders in General Meeting and Central Government in case required.

This may be treated as an abstract of the terms and conditions governing the appointment and remuneration of Mr. Sergio A. Laura as Managing Director pursuant to Section 302 of the Companies Act, 1956. Mr. Sergio A. Laura is interested in the said resolution. None of the other Directors and Secretary of the Company are in any way, concerned or interested in the said resolution. However, Mr. Paolo Carmosino, Mr. Luigi Ciarrocchi, and Mr. Marcello Simoncelli, Directors may be regarded as interested in the appointment of Mr. Sergio A. Laura, as all of them are related to the promoters of the Company.

The Board commends the resolution to the members for their approval.

By Order of the Board of Directors

Place : Chennai

Sanjay Tiwari

Date : August 05, 2011

Chief Legal Counsel & Company Secretary

Registered Office:

'HOEC House', Tandalja Road
Vadodara-390 020.