



Hindustan Oil Exploration Company Limited

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November 11, 2021

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
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Dear Sirs,

Sub: Earnings Presentation

In connection with the Earnings Call scheduled on November 12, 2021, 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**



HOEC[®]

EARNINGS PRESENTATION | H1/Q2-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

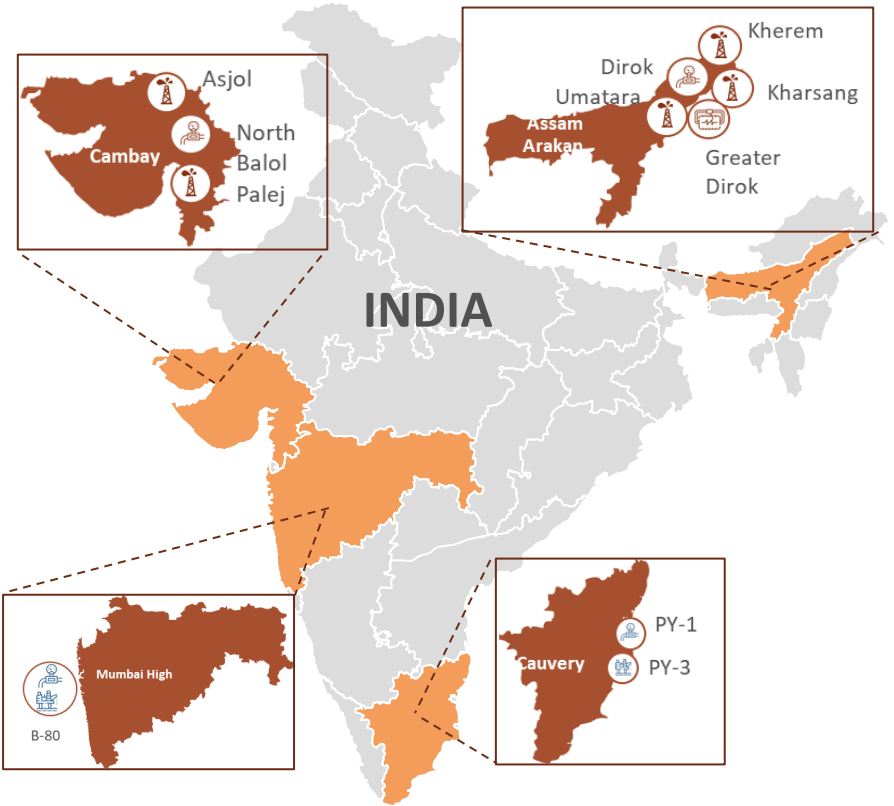


Right Environment

- Next level of revenue and cashflow generation from project delivery
- Crude oil and Natural gas prices recovering from lows
- 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



- 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






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Out of 11 blocks with discovered / producing resources

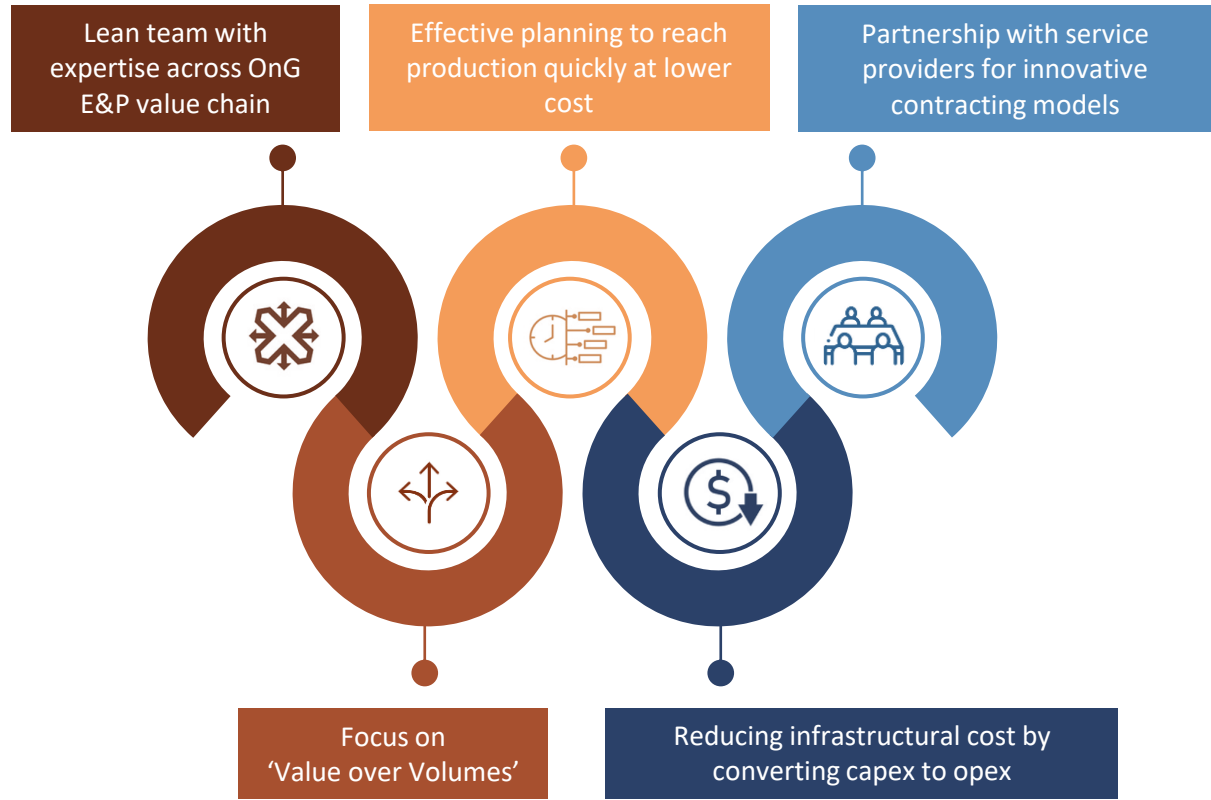
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Out of 7 producing basins in India with HOEC presence

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

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

Clear Strategy Delivering Cost Efficiency



H1/Q2-FY22 Operational Highlights



Gross Production (BOEPD)

Q2 FY22: 9,622
Q1 FY22 : 7,689

Net Production (BOEPD)

Q2 FY22: 2,964
Q1 FY22 : 2,405

Gross Production - PY-1 (BOEPD)

Q2 FY22: 14
Q1 FY22 : 74

Gross Production - Dirok (BOEPD)

Q2 FY22: 8,918
Q1 FY22 : 6,912

Dirok

- Dirok Field has completed 4 years of successful production and is consistently producing at full capacity throughout Q2 FY22
- Average Production – 41.5 mmscfd Gas Production (in Q2 FY22)
- Cumulative Production since inception (up to 30th Sep): Gas: 43 BCF and Condensate: ~ 1 Million bbls
- Successfully conducted e-auction in June 2021

B-80

- Remaining scope of work - Offshore & KGB Works
- Indian flagged vessel identified for installation works
- Contract awarded to International offshore construction contractor with relevant experience
- Mobilization of marine spread by end Nov/ early Dec 2021
- Completion of Installation works
- First Oil & Gas

PY-1 & Cambay

- Application of Environmental Clearance under process
- Planning in-progress for future drilling campaigns in PY-1 & Cambay Assets

B-80: Ready for First Oil Post Monsoon– 60% PI*

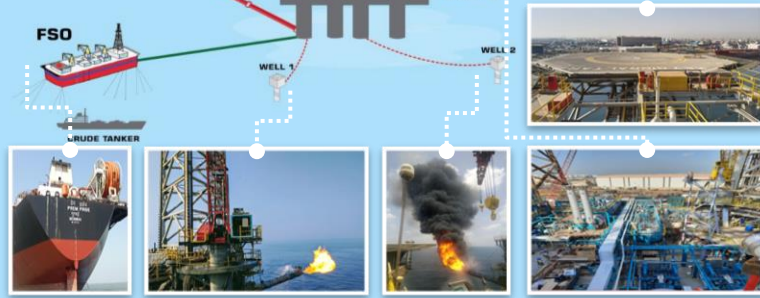
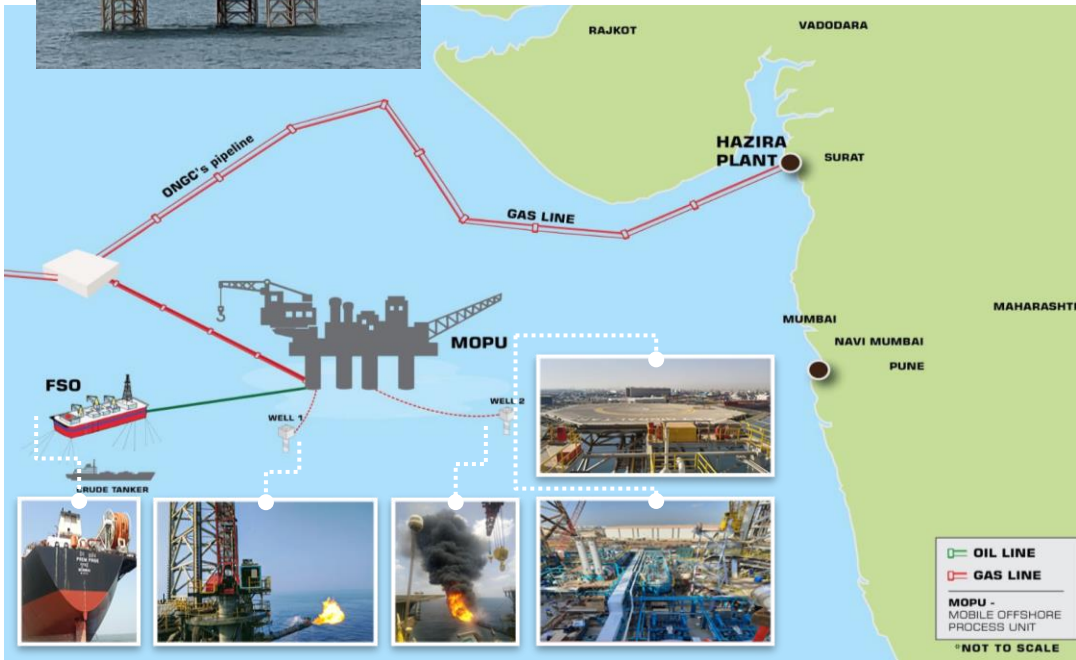


- Drilling & completion – 2 subsea development wells
- Offshore Installation(OI) for collecting, separating and processing well fluids
- Subsea production controls and flexible flowlines / export lines
- Gas evacuation through tie-in into ONGC pipeline
- Installation of Oil evacuation using FSO moored with CALM buoy

- Completed**
- Completed**
- Completed**
- Completed**
- Mobilization In-Progress**



KGB- Offshore Installation at B-80 Site



*PSC Amendment | under execution to reflect 60% PI



Offshore Works

- 1. CALM Buoy Installation
- 2. FSO - Floating Hose / Mooring Hawser Installation
- 3. Ball Valve Actuator Installation & Function Testing



KGB Works

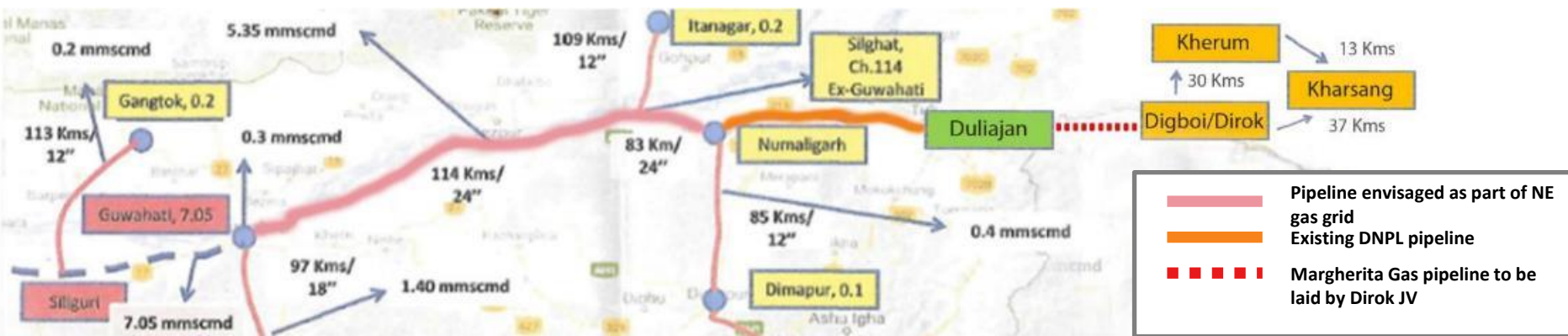
- 1. Expro modifications and commissioning
- 2. Top-sides hookup works

Execution Plan for the remaining scope of work

Targeting mobilization of marine spread, subject to weather, by end Nov/early Dec '21

Completion of Installation works

First Oil & Gas from B-80 Field



HIGHLIGHTS of E-Auction – 23rd & 24th 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**
- **Bids received from State and Central PSUs**
- **Average premium of > \$1/mmbtu received**

Current Status on E-Auction

- Modalities with Oil India regarding measurement and distribution are finalized.
- Firm Gas Sales with Numaligarh Refinery Ltd commenced . Qty : 0.1 MMSCMD. Premium : USD 1.01 over PPAC Price . Contract Period: 2 Years
- Premium Gas Sales Contracts finalization with remaining consumers in Progress.

H1/Q2-FY22 Financial Highlights



Standalone Statement of Profit or Loss



PARTICULARS (INR Cr)	Q2-FY22	Q1-FY22	FY21	FY20
INCOME				
Revenue from operations	31.05	24.97	99.44	179.84
Other income	6.19	2.59	11.82	21.58
Total revenue	37.24	27.56	111.26	201.42
EXPENSES				
Share of Expenses from producing oil and gas blocks	5.40	5.58	22.96	26.00
Royalty, Cess and NCCD	5.93	4.39	19.69	20.64
Decrease / (Increase) in stock of crude oil and condensate	(0.10)	(0.60)	(1.97)	(0.12)
Employee benefits expense	0.22	0.19	0.61	5.18
Finance costs – unwinding of discount on decommissioning liability	1.51	1.51	5.60	5.18
Depreciation, depletion and amortization	4.50	3.72	18.58	23.92
Other expenses	2.37	1.06	8.32	6.00
Total expenses	19.83	15.85	73.79	86.80
Profit before tax and exceptional items	17.41	11.71	37.47	114.62
Exceptional items - Income	-	-	27.59	26.21
Profit before tax	17.41	11.71	65.06	140.83
Net tax expenses	-	-	-	-
Net profit for the period	17.41	11.71	65.06	140.83
Other comprehensive income	0.01	0.01	0.04	0.16
Total comprehensive income	17.42	11.72	65.10	140.99
Earnings per equity share of Rs 10 each - Basic	1.32	0.89	4.92	10.71
- Diluted	1.32	0.89	4.92	10.71

Standalone Statement of Assets & Liabilities



PARTICULARS (INR Cr)	H1-FY22	FY21	FY20
EQUITY AND LIABILITIES			
Equity	759.32	730.18	665.08
(a) Equity share capital	132.26	132.26	132.26
(b) Other equity	627.06	597.92	532.82
Non-Current Liabilities	324.87	197.49	103.73
(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
(c) Other non-current liabilities	-	-	-
Current Liabilities	175.88	107.60	132.48
(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
GRAND TOTAL - EQUITIES & LIABILITIES	1260.07	1,035.27	901.29

PARTICULARS (INR Cr)	H1-FY22	FY21	FY20
ASSETS			
Non-Current Asset	806.01	704.41	584.44
(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) Other non-current assets	0.57	0.55	1.46
Current Assets	454.06	330.86	316.85
(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
GRAND TOTAL - ASSETS	1260.07	1,035.27	901.29

Consolidated Statement of Profit or Loss



PARTICULARS (INR Cr)	Q2-FY22	Q1-FY22	FY21	FY20
INCOME				
Revenue from operations	39.10	30.48	113.86	202.05
Other income	6.03	1.31	11.32	21.76
Total revenue	45.13	31.79	125.18	223.81
EXPENSES				
Expenses from producing oil and gas blocks	6.82	6.96	29.54	35.34
Royalty, Cess and NCCD	8.54	6.44	24.45	21.82
Decrease / (Increase) in stock of crude oil and condensate	1.60	(0.83)	(3.30)	0.43
Employee benefits expense	0.26	0.21	0.69	5.56
Finance costs - unwinding of discount on decommissioning liability	1.55	1.55	5.78	5.36
- Others	0.01	-	0.01	1.04
Depreciation, depletion and amortization	5.58	4.80	23.37	29.38
Other expenses	2.58	1.73	8.34	14.31
Total expenses	26.94	20.86	88.88	113.24
Profit before tax and exceptional items	18.19	10.93	36.30	110.57
Share of profit from associate	(2.03)	0.43	1.54	0.52
Exceptional items - Income	-	-	13.98	26.21
Profit before tax	16.16	11.36	51.82	137.30
Net tax expenses	(0.80)	0.26	(1.59)	(0.26)
Net profit for the period	16.96	11.10	53.42	137.56
Other comprehensive income	0.01	0.01	0.04	0.16
Total comprehensive income	16.97	11.11	53.46	137.72
Earnings per equity share of Rs 10 each - Basic	1.28	0.84	4.04	10.46
- Diluted	1.28	0.84	4.04	10.46

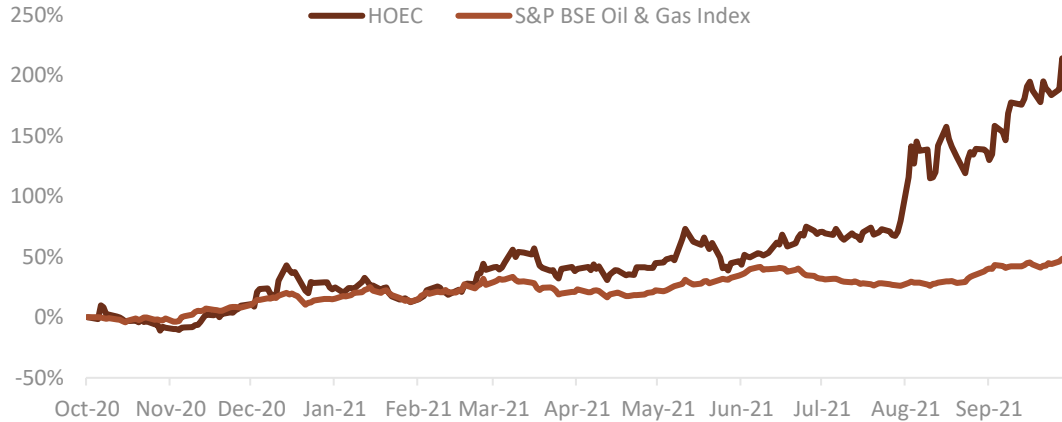
Consolidated Statement of Assets & Liabilities



PARTICULARS (INR Cr)	H1-FY22	FY21	FY20
EQUITY AND LIABILITIES			
Equity	761.25	733.17	679.71
(a) Equity share capital	132.26	132.26	132.26
(b) Other equity	628.99	600.91	547.45
Non-Current Liabilities	386.95	273.23	142.07
(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
Current Liabilities	280.14	178.75	214.06
(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
GRAND TOTAL - EQUITIES & LIABILITIES	1428.34	1,185.15	1,035.84

PARTICULARS (INR Cr)	H1-FY22	FY21	FY20
ASSETS			
Non-Current Asset	1129.85	958.41	769.13
(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
Current Assets	298.49	226.74	266.71
(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
GRAND TOTAL - ASSETS	1428.34	1,185.15	1,035.84

Capital Market Data



Price Data (30th September, 2021)

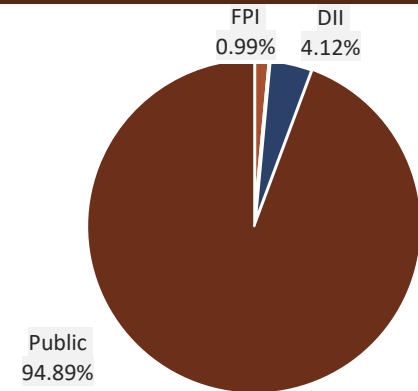
CMP (INR)	211.4
52 Week H/L (INR)	222.1/60.8
Avg. Net Turnover (INR Mn)	160.7
Market Cap (INR Mn)	27,947.1
Equity Shares Outstanding (Mn)	132.2

Marquee Investors

% Holding

Housing Development Finance Corporation Ltd (HDFC)	8.46%
Kotak Small Cap Fund	1.49%
ICICI Prudential Commodities Fund	1.46%

Shareholding Pattern (30th September, 2021)



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