Hindustan Oil Exploration Company Limited
'Lakshmi Chambers', 192, St. Mary's Road, Alwarpet, Chennai - 600 018. INDIA.

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HOEC®

OVER 15 YEARS OF LISTING

36th Annual Report | 2019-2020

INDIA'S FIRST PRIVATE OIL AND GAS COMPANY

Subsea Wellhead during Drilling Campaign at B-80 Field, Mumbai Offshore

HINDUSTAN OIL EXPLORATION COMPANY LIMITED

TRANSFORMING THROUGH TALENT AND TECHNOLOGY

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36th Annual General Meeting

Day : Wednesday

Date : September 30, 2020

Time : 10:30 a.m.

Mode: The Company is conducting the ensuing 36th AGM through VC / OAVM. Detailed instructions for participation and voting at the meeting is available in the notice of the 36th AGM.

COMPANY INFORMATION

Registered Office
'HOEC House', Tandalja Road
Vadodara – 390 020
Gujarat, India
E-mail: contact@hoec.com
Website: www.hoec.com

Chennai Office
'Lakshmi Chambers'
192, St. Mary's Road
Alwarpet
Chennai – 600 018
Tamil Nadu, India

Statutory Auditor
Deloitte Haskins & Sells LLP
Chartered Accountants
Audit Partner
Mrs. Bhavani Balasubramanian

Secretarial Auditor
S Sandeep & Associates
Company Secretaries

Internal Auditor
Guru & Ram LLP
Chartered Accountants

Cost Auditor
Mr. K. Suryanarayanan

CIN
L11100GJ1996PLC029880

ISIN
INE345A01011

Disclaimer Note:
Certain sections of this Annual Report, in particular the Management's Discussion and Analysis, and Operational Highlights may contain forward-looking statements concerning the financial condition and results of operations of HOEC. Forward-looking statements are statements of future expectations that are based on management's current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. No assurances can be given as to future results, levels of activity and achievements & actual results. Level of activity and achievements may differ materially from those expressed or implied by any forward-looking statements contained in this report. HOEC does not undertake any obligation to publicly update or revise any forward-looking statement as a result of new information, future events or other information.

HIGHLIGHTS

FY 2019-2020

- Hollong Modular Gas Processing Plant completed 200,000 hours of LTI free operation.
- Safely & successfully completed two subsea well drilling campaign in Mumbai Offshore in March-April 2020.
- Won the FIPI Award for Oil and Gas Production & Development Company of the Year (Small Category).
- Focus on prudent capital allocation, risk management and environmental governance.

AVERAGE PRODUCTION

7,243 boepd (Gross)

3,006 boepd (HOEC-Net)

PROFIT FOR THE YEAR

₹ 141 Crores

PRODUCTION WORKING INTEREST

11,00,293 boe

TOTAL INCOME

₹ 201 Crores

GROSS WORKING CAPITAL

₹ 317 Crores

NET WORTH

₹ 665 Crores

HSE - LOST TIME INJURY

0 **Nil**

Onshore

Dirok - AAP-ON-94/1 (HOEC PI : 26.882%) (O)

- HMGPP achieved 200,000 LTI free manhours and Dirok field achieved production capacity of more than 1.2 mmscmd.
- Revised Field Development Plan targeting Dirok upside potential approved.
- Phase-II involves drilling of 3 wells, laying of 35 km pipeline and increase in gas production to 55 mmscfd.
- Average Production (100%) (FY 2019-20) – 29.11 mmscfd; Total Production (FY 2019-20) – 23,24,490 boe.

AA/ONDSF/Kherem/2016 (HOEC PI : 40%) (O)

- Block awarded under DSF Bid Round 2016. Work Program (2 wells) to be completed in 3 years from the date of PML.
- Tested : Oil - 402 bopd.
- Nearest Facility is 30 km away (Digboi Refinery).
- Application for Forest Clearance and PML is made and approval is in process.

Palej - CB-ON-7 (HOEC PI : 35%) (O)

- Average Gross (100%) Production (FY 2019-20) – 79 boepd.
- Approval of R2 PSC in final stages.

North Balol (HOEC PI : 25%) (O)

- Average Gross (100%) Production (FY 2019-20) – 0.4 mmscfd.
- Revised Field Development Plan undergoing approval process.

Asjol (HOEC PI : 50%) (O)

- Average Gross (100%) Production (FY 2019-20) – 11 bopd.
- Revised Field Development Plan approved.

Kharsang (HOEC PI : 30%) (O) - Direct and Indirect

- Average Gross (100%) Production (FY 2019-20) – 626 bopd.
- RFDP & PSC Extension reviewed and recommended by Management Committee for approval by GoI.

Greater Dirok - AA-ONHP-2017/19 (HOEC PI : 100%) (O)

- Block awarded under OALP Bid Round 2019.
- Exploratory block adjacent to Dirok block with associated synergies with respect to both, surface and sub-surface.

Umatara (HOEC PI : 10%) (O)

- Block awarded under DSF Bid Round 2019.
- Fifth block in HOEC's portfolio of North-East blocks. Located at a distance of 50 km from Dirok field.
- To be operated in Joint Operator model with IOC.

Offshore

PY-1 (HOEC PI : 100%) (O)

- Average Production (FY 2019-20) – 4.19 mmscfd.
- Total Production (FY 2019-20) – 2,69,367 boe.
- Reduced offtake due to customer shutdown, resulting in loss of production.

PY-3 (HOEC PI : 21%)

- Field under shutdown since July 2011.
- Last production (100%) – 3,300 bopd.
- HEPI was acquired by Invenire Energy and retained operatorship.

MB/OSDSF/B80/2016 (HOEC PI : 50%) (O)

- Block awarded under DSF Bid Round 2016.
- Two subsea wells drilled and proven to produce 8000 boepd of hydrocarbons.
- MOPU is converted and ready to sail out.
- FSO procured for storing produced Oil.

(O) - HOEC as Operator
(PI) - Participating Interest
*Note : Production figures are gross for respective fields for Financial Year 2019-20

BOARD OF DIRECTORS

Mr. Vivek Rae

Non-Executive Independent Director/Chairman

Mr. Vivek Rae, a former Secretary, Ministry of Petroleum & Natural Gas, Government of India, served in the Indian Administrative Services for 36 years. During this period, he worked in diverse capacities under various Ministries including the Ministry of Defence and Finance. He superannuated as Petroleum Secretary to the Govt. of India in February 2014, during which period he also served as Chairman of the Board of Petronet LNG Ltd. and Indian Strategic Petroleum Reserves Ltd. in an ex-officio capacity. Subsequent to his retirement, Mr. Rae served as a whole-time member of the 7th Central Pay Commission from Feb 2014 to Nov 2015 and was on the Board of Indian Oil Corporation Limited as an Independent Director during 2017-18. Mr. Rae has been an invitee to the Prime Minister's annual consultation with global experts on Oil & Gas, convened by NitiAyog during 2016-18.

Mr. Pronip Kumar Borthakur

Non-Executive Independent Director

Mr. P. K. Borthakur brings in more than 37 years of rich & diverse experience from his illustrious career in ONGC, from where he retired as Director (Offshore). He has led multiple large onshore and offshore operations and projects. His wide technical expertise ranges from managing oil & gas operations, artificial lift, well completion, drilling, well control, reservoir management to processing and extraction of value added petroleum products. He is a well recognized and respected technical authority in the Oil and Gas Sector.

Ms. Sharmila H. Amin

Non-Executive Independent Director

Ms. Sharmila Amin is the South Asian Regional Director and Managing Director of Bertling Logistics. She is a Graduate in Commerce from the University of Mumbai. She also has a long list of additional qualifications that include Shipping Management from the Indian Institute of Management, Ahmedabad and is a Customs License Holder (Rule 9), Mumbai. In her long career in Heavy Lift Projects Logistics, she has previously headed Panprojects / Oil & Gas for the South Asia Region as a part of the Panalpina Group. She has headed CRC's Projects Division and also N.S. Guzder and Company's Project Logistics Division.

Mr. Ashok Kumar Goel

Non-Executive Non-Independent Director

Mr. Ashok Goel was the Chairman and Managing Director of Essel Propack Limited until August 2019. He holds a Bachelor's degree in Commerce and is Chairman of Essel World / Water Kingdom. He has been President of Industry Associations namely Organisation of Plastics Processors of India (OPPI), Plast India Foundation and Founder President of Indian Association of Amusement Parks and Industries (IAAPI). He is actively involved with several Schools/educational institutes in various capacities and has been inducted as a Member, Board of Governors of IIT Goa. He possesses great business insight, sharp business acumen, and has rich experience in running and managing the business. In July 2005, the renowned publication 'The Smart Manager' rated Mr. Ashok Goel as "One of the 25 truly world class managers from India". Mr. Ashok Goel also serves on the Boards of various other listed and unlisted entities.

Mr. Rohit Rajgopal Dhoot

Non-Executive Non-Independent Director

Mr. Rohit Rajgopal Dhoot is the Managing Director of Dhoot Industrial Finance Limited since 1994 and has an opulent experience of more than 20 years. When qualified, he achieved the distinction of being one of the youngest chartered accountants in the country. He joined the management of Dhoot Industrial Finance Limited in 1988 as a director of the Company and was incharge of marketing and expansion of business. He has an all- encompassing background and experience in Finance, Banking, Mergers and Acquisitions, Strategic Planning, Restructuring Operations, Export Marketing, Trading and Logistics, International Business Relations and Collaborations & Joint Ventures.

Mr. Elango Pandarinathan

Managing Director

In his career spanning over 30 years in the Upstream Oil & Gas sector, Mr. P. Elango has held several leadership roles in different areas of the business and is a recognized leader in the Indian industry. Prior to joining HOEC, he was the Chief Executive Officer & Whole-time Director of Cairn India Limited. Over his long association with Cairn, he played a key role in building Cairn into a leading Oil & Gas company. He holds a Master's degree in Business Administration and began his career with ONGC in 1985. He was one of the five finalists for Platts' first-ever Asia CEO of the Year Award 2013.

Mr. Ramasamy Jeevanandam

Executive Director and Chief Financial Officer

Mr. Ramasamy Jeevanandam has an overall experience of more than 30 years in various aspects of finance, listing, funding, finalization of accounts and taxation of Upstream Oil & Gas industry in India. Before joining HOEC, he worked as Vice President at Aban Offshore Limited and functioned as CFO & Director at Hardy Exploration & Production (India) Inc. He started his career with ONGC in 1982. He is a CPA (USA), CGMA (USA), Qualified Cost Accountant, Chartered Financial Analyst and Company Secretary with a Bachelor's degree in Law.

SAFETY FIRST

HOEC's Health and Safety Policy is anchored on the core principle that **"All Lives Have Equal Value"** and **"Nothing is More Important than Safe Operations"**. HOEC's Board and the Management understand the need for sustainable development and are committed to achieve this goal, by laying strict emphasis on compliance with all legislations and statutory requirements and adopting global best practices. This includes the welfare, health and safety of employees, contractors and the local communities where the company operates, as well as the safety of all its operational machinery and equipment.

To ensure this:

- HOEC has a robust Emergency Response Plan (ERP) for production operations, drilling campaigns and project execution activities to respond swiftly during any emergency.
- Risk assessment studies are conducted for critical activities and safe operation procedures are developed for controlling identified hazards.
- All Health, Safety, Environment and related issues are incorporated and addressed during hook-up & commissioning of new installations, routine productions and regular logistical facilities for onshore and offshore.
- Reviewing regularly all Standard Operating Procedures (SOPs) and developing new ones that are in line with those implemented across the industry.
- Assessing and monitoring the health & safety track record and performance of all service providers and contractors, both, before and after the award of contracts, to achieve the common objective of safe operations.
- HOEC has a "Stop Work Program" holding all operating personnel accountable to maintain a healthy and safe working environment on site, by empowering them to stop an unsafe act irrespective of its financial impact, to ensure zero tolerance.
- HSE awareness campaigns are conducted regularly and best practices are felicitated by an HSE Awards Program.
- Engaging all operating personnel in monthly mock safety drills, to ensure that all personnel remain aware and vigilant carrying out operational activity.
- Practical training on Fire Protection System and Oil Spill Response are provided to site personnel.
- Performing comprehensive internal site audits on HSE compliance before and during major operational activities, such as drilling, development and production.
- HSE culture is promoted by an HSE Steering & Risk Management Committee which includes members from the Management Team.
- Mutual aid scheme with nearby Operators to meet emergency requirements.
- HSE System in place to ensure full compliance with the guidelines recommended by regulatory authorities.
- Utilising the Health, Safety and Environment (HSE) Department as a store house of expertise, which passes on all relevant knowledge to operating personnel and Managers stationed at various sites.

Key Performance Indicators (KPIs) : FY 2019 - 20	HOEC	OGP*
Fatal Accident Rate (FAR)	0.00	1.01
LTI Frequency (LTIF)	0.01	0.26
LTI Severity Rating (LTISR)	0.00	51.5
First Aid Cases	0.01	NR
Total Recordable Injury Rate (TRIR)	0.00	0.99

* International Association of Oil and Gas Producers (IOGP) Safety Performance Indicators Report No.2018s (June 2019)

Exercise on Oil Spill Pollution Response Equipment by HOEC

Joint Inspection by Coast Guard and OISD on Tier I Capabilities

Meeting on Mutual Aid & Emergency Preparedness for Assam Block

Safety Briefing at PY-1

Firefighting Training

ON THE THRESHOLD OF TRANSFORMATION

Western Offshore - B-80 – A milestone project at an Advanced stage

Key Facts About the Block :
Basin
Mumbai High
Field
Discovered Small Field
Type of Development
Offshore
Acreage
56 sq.km
Participating Interest
50%
No. of Wells
2 (Subsea)
Target First Oil
April 2021
Expected Production (Oil & Gas)
8,000 boepd

B-80 is HOEC's first foray into the Western Offshore and is our top priority currently. During the last year a significant portion of the project was carried out.

1. Successfully drilled two subsea wells with production potential of around 8000 boepd
2. Mobile Offshore Production Unit (MOPU) is ready to sail out from Middle East
3. FSO has been procured and will undergo dry-docking soon
4. New lead in Deccan Trap formation, which can potentially increase the value of the block

Key Milestones :

- First Discovered Small Field (DSF) field to complete drilling
- First private player in India to convert Jack-up Rig to Mobile Offshore Production Unit (MOPU)
- First in India to drill and complete two subsea wells using a Jack-up Rig

Low-cost, Fast-track innovative development

We have engaged with expert partners like Zentech (USA), Expro (UK) and Baker Hughes for the B-80 development project. In keeping with our low-cost, fast-track development model, we have implemented innovative contracting methods. Our partnership with Expro has stood the test of time and they are now engaged with us for constructing and operating (after 'First Oil') the processing facilities of the MOPU.

Jack-up Rig (Shelf Drilling)

Remotely Operated Vehicle

MOPU in Middle East

1. Dry docking of 'Prem Pride' in progress and it will be available at site for 'First Oil'
2. Flexible flowlines for oil from MOPU are to be procured and installed post monsoon in Dec 2020
3. Gas export systems to be installed, connecting to ONGC pipelines

The B-80 project on completion will transform HOEC from a small independent Operator with significant potential, to an E&P player who has successfully executed low-cost, fast-track projects both, onshore and offshore.

Eastern Offshore - PY-1 – HOEC's Flagship Asset with 100% PI

PY-1 is a unique, predominantly gas bearing reservoir. It is the only offshore fractured granitic basement reservoir in India. With 100% PI, any increase in production will positively impact the net revenue from operations. Significant untapped resources exist in this Field and the necessary geological studies are in progress for a full Field Development.

PY-1 Processing Plant

Sun-Platform in PY-1

Onshore - North-East

Our unflinching focus on the safety and welfare of the community are the pillars of our success in the North-East, where we now have 5 assets from just 1 in 2015. Dirok Field contributes about 15% of Assam's gas production. The success of Dirok forms the base on which future development projects in the North-East will be executed.

Open Gym for use of the Community in Digboi

Food Distribution Activities during COVID-19

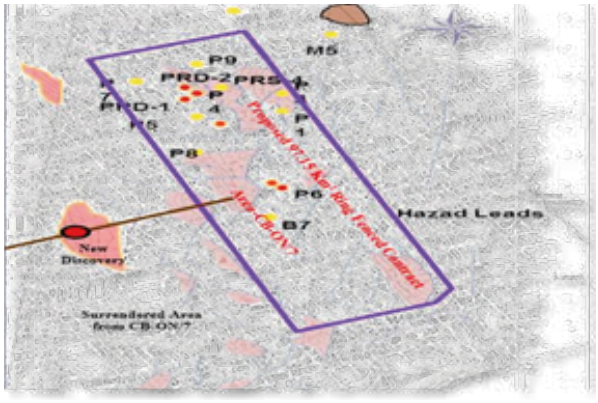
Dirok Phase – II Development

Phase - II development in Dirok involves not just increasing production, but also taking the first steps towards taking advantage of the marketing freedom that is available for Dirok gas, by bringing the gas to the closest marketing hub - Duliajan. This will involve:

1. Drilling - Drilling of 3 development wells, thereby increasing production from 35 mmscfd to 55 mmscfd
2. Hollong Modular Gas Processing Plant (HMGPP) expansion - from 1 mmscmd to 2 mmscmd
3. Delivery - Laying of 35 km pipeline from Kusijan to marketing hub of Duliajan

Onshore - Cambay Basin

We are progressing our plans for our 3 Fields in the Cambay Basin,and now have RFDPs approved for Asjol and in process for North Balol. For Palej, we want to ensure signing of the R2 PSC at the earliest, so we can put into action our exploration plan for the additional 97.15 sq.km of R2 area.



Proposed R2 Additional Area in Palej

Palej Production Facilities

COVID-19 & HOEC'S BUSINESS SUSTAINABILITY PLAN

HOEC's COVID-19 Protocol

The HSE Team along with various stakeholders, have devised a set of procedures & strategies to ensure minimal to nil exposure to the COVID-19 pandemic. The procedures are a combination of mandated Guidelines & Protocols along with Do's & Don'ts that are to be followed stringently. The same has been communicated to all direct and indirect employees of HOEC. In addition to these protocols, a list of mitigation strategies has been devised & enforced in the Corporate Office & all HOEC work sites.

Resumption of work during the COVID-19 Pandemic

Mandatory Temperature Check before Entering the Site

Compulsory Use of Masks at All Times

Prior to the resumption of work at the Corporate Office or any HOEC work site, all contact areas were disinfected thoroughly via the various disinfectants prescribed by the Governmental Agencies / SMEs. Standard Operating Procedures outlined by Govt. directives with respect to disinfection method, type of medium, periodicity, maintenance of log register, etc. were followed. Appropriate Personal Protective Equipment (PPE) like visors & masks, and disinfection gadgets like sprayers, brushes etc. were made available to all housekeeping and maintenance personnel. Various security procedures for employees & third-party contractors were implemented.
These included :

- Restriction on visiting the Corporate Office / worksites for personnel residing in COVID-19 containment zones;
- Prior intimation to the respective Installation Managers & HSE Teams at worksites by vendors / suppliers visiting the site;
- Mandatory installation of AAROGYA SETU Application in all employee / contractor smartphones before entering the Corporate Office/worksites;
- Entry restrictions for personnel beyond the age of 65 years;
- Compulsory screening of anyone irrespective of cadre / status entering through the gate with a thermal scanner / thermometer;
- Mandated sanitization & use of PPE such as masks to enable entry into the Corporate Office / worksite etc.

POSITIONED FOR SUSTAINABLE GROWTH IN THE 'NEW NORMAL'

After a spectacular performance in FY 2018-19, for which HOEC won a FIPI award as Oil & Gas Development Company of the Year, FY 2019-20 was comparatively subdued on the production front due to lower gas offtake by consumers, falling oil and gas prices and an uncertain global environment.

Despite these challenges, HOEC managed to deliver 7,243 boepd of gross production, of which net to HOEC was 3,006 boepd. Production from our most reliable Field – Dirok, remained uninterrupted during the course of the lockdown and Dirok JV delivered an average of over 29 mmscfd to customers in the North-East region.

The major highlight of FY19-20, however, was the entry of HOEC into India's prestigious Western Offshore. HOEC along with its JV partner has successfully drilled two subsea wells in its Discovered Small Field (DSF) Block B-80 in Western Offshore . As has been typical of our low-cost, fast track model executed successfully at Dirok Field, the B-80 Field Development Plan execution has also seen a number of firsts. This is the first successful offshore drilling completed among all the DSF fields. Two subsea wells have been drilled with a jack-up Rig and a Jack-up Rig has been converted into a Mobile Offshore Production Unit (MOPU). Both are firsts for a private E&P player in India.

By April 2021, we expect many more such firsts including first commercial production from a DSF Field. Achieving 'First Oil' from B-80 will mark the coming of age of HOEC, transforming from an E&P player with potential, to an important private player with proven execution capabilities both, onshore and offshore.

FIPI Award to HOEC for 'Oil & Gas Production & Development Company of the Year (Small Category)'

'Lower for longer' scenario

The operating model that is demanded by the current 'lower for longer' scenario in Oil & Gas is in line with HOEC's low-cost, fast-track business model. The current environment in Oil & Gas, demands players to be resilient to price changes, flexible in their operating model and disciplined in their capital commitments. Our low-cost approach shelters us from price volatility, placing us a lot better than our peers. There are very few companies who have a diverse asset portfolio like HOEC (Onshore & Offshore) with presence in 4 out of 7 producing basins in India. A lean team with skill sets across the E&P value chain, is able to expand the opportunity set for HOEC through partnerships with various service providers.

Business Plans for Growth :

After taking stock of the environment and evaluating the response required from us, we believe HOEC is strongly positioned to weather the current storm caused by the pandemic. We in fact believe that, the work done now will set the foundation for thriving in the 'New Normal' going forward. Hence, we continue to put in all the groundwork required for the development in all our assets, while we look for an opportune time to execute the same. Below are some of the important work done with potential short-term growth opportunities.

North-East :

For the North-East, the natural gas business is inviting a lot of support from the Government, with the focus on developing a gas economy and the willingness to inject capital into developing the region's gas infrastructure. Our plans to link Dirok gas to the local marketing hub - Duliajan, would enable us to take advantage of growth opportunities when the North-East Gas Grid is commissioned.

Our plans are in place to lay the 35 km pipeline upto Duliajan in FY 2020-21. Once laid, Dirok Field will have access to the local natural gas market directly, without depending on a transportation partner, thus, enabling HOEC to explore premium price for gas. Subsequently, implementing the RFDP to drill 3 new wells has potential to take the production to 55 mmscfd.

Eastern Offshore :

PY-1, HOEC's flagship development, being a challenging basement reservoir, we have commenced geological work to evaluate options to increase production, and we will continuously monitor developments and seize opportunities available to us in the form of low Oil Field service costs.

Cambay Basin :

We are consolidating our development plans in the Cambay Basin Fields and are on the verge of signing the PSC for additional R2 area in Palej. We will look for an opportune time to execute a coordinated cost-effective Campaign in all the Cambay blocks.

Growing Responsibly :

While we execute our plans for growth, our two main guiding principles will be the safety & sustainability of employees, infrastructure, the environment and our business itself. As an Oil & Gas company, we are very conscious of the importance of inculcating a 'Safety First' culture in our employees, contractors and other service providers. The Dirok Plant is considered a model Plant not only for its modular development, but also for its 'No Compromise' approach to safety. Our commitment towards responsible operations goes beyond regulatory requirements and our goal is to emerge as a role model for Responsible Business Operations in the Upstream Oil & Gas sector.

P Elango
Managing Director

Board's Report

To

The Members
Hindustan Oil Exploration Company Limited

Your Directors have pleasure in placing before you the 36th Annual Report on the business and operations of your Company along with the audited financial statements for the financial year ended March 31, 2020.

1. FINANCIAL HIGHLIGHTS

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Revenue from operations	17,983.54	23,689.41	20,205.46	26,514.07
Other Income	2,157.73	1,006.32	2,175.95	1,118.55
Total Income	**20,141.27**	**24,695.73**	**22,381.41**	**27,632.62**
Total Expenses	8,679.37	9,936.98	11,324.04	12,350.37
Profit before share of profit of associate, exceptional items and tax	**11,461.90**	**14,758.75**	**11,057.37**	**15,282.25**
Share of profit of associate	–	–	51.77	142.39
Profit before exceptional items and tax	**11,461.90**	**14,758.75**	**11,109.14**	**15,424.64**
Exceptional items	2,621.49	230.69	2,621.49	262.16
Profit before tax	**14,083.39**	**14,989.44**	**13,730.63**	**15,686.80**
Tax expense	–	92.98	(25.69)	12.49
Profit for the year	**14,083.39**	**14,896.46**	**13,756.32**	**15,674.31**
Other comprehensive income	15.77	(16.17)	15.77	(16.17)
Total comprehensive income for the year	**14,099.16**	**14,880.29**	**13,772.09**	**15,658.14**

Note: The above figures are extracted from the audited standalone and consolidated financial statements prepared as per Indian Accounting Standards (Ind AS)

2. BUSINESS PERFORMANCE

During the year, your Company produced and sold 5.25 BCF of gas and 0.10 million barrels of oil (previous year: 6.98 BCF of gas and 0.14 million barrel of oil). In oil equivalent term the production has reduced from 1.43 mmboe in the previous year to 1.10 mmboe for the current year. This decrease in production is mainly due to certain consumer shutdowns, resulting in lower gas offtake levels at Dirok field in Assam and PY-1 field.

Consequently, the revenue for the current year has declined to ₹ 17,983.54 lakhs from ₹ 23,689.41 lakhs in the previous year. Other income for the current year is ₹ 2,157.73 lakhs as against ₹ 1,006.32 lakhs in the previous year.

The cost towards production expenses has reduced to ₹ 2,599.54 lakhs compared to ₹ 2,823 lakhs in the previous year. Overall, the total expenses for the current year is ₹ 8,679.37 lakhs as compared to ₹ 9,936.98 lakhs in the previous year. This includes the non-cash cost of depreciation, depletion and amortisation and finance cost towards unwinding of decommissioning of ₹ 2,910.71 lakhs incurred during the year.

On a standalone basis, the profit after tax is ₹ 14,083.39 lakhs as against the profit of ₹ 14,896.46 lakhs in the previous year. The cash and cash equivalent in the Company as on March 31, 2020 is ₹ 14,059.59 lakhs, compared to ₹ 12,869.11 lakhs in the previous year. The gross working capital has increased from ₹ 22,086.15 lakhs in the previous year to ₹ 31,684.93 lakhs.

On a consolidated basis, revenue from operations has decreased from ₹ 26,514.07 lakhs to ₹ 20,205.46 lakhs and the profit after tax for the current year is ₹ 13,756.32 lakhs compared to ₹ 15,674.31 lakhs in the previous year.

Capital Expenditure

During the year under review, a development expenditure of ₹ 13,670.95 lakhs was incurred for the development activities in the discovered field B-80, ₹ 197.58 lakhs for Dirok and ₹ 125.58 lakhs for other development activities.

Transfer to reserves

During the year under review, no amount was transferred to the capital reserves of the company. The land and buildings of the Company are stated at cost and is not being revalued.

Measures taken to improve the operational & financial performance

During March 2020, the Government of India enforced lock-down of all economic activities to contain the spread of COVID-19 pandemic. However, the oil and gas production having been covered under the essential services, the Company has managed to continue its drilling operations at its Offshore Block B-80 and production operations at all operating sites with utmost caution and limited staff.

In view of the uncertain economic environment due to COVID-19 a definitive assessment of the financial impact on the Company is highly dependent upon circumstances as it evolves. The Company will continue to closely monitor any material changes to future economic conditions.

In order to mitigate some of the impact, the Company has taken various initiatives to manage its costs across the organization. This will ensure that company is able to appropriately address any challenges posed by the evolving situation.

3. OUTLOOK

Your Company has capital requirements to implement its business plans and to continue the development of B-80, Dirok, PY-1, Kherem and other marginal fields at Cambay in the immediate future, which can be met through the internal accruals and the existing working capital by proper scheduling of the project activities. If necessary additional capital will be raised to develop the blocks in the existing portfolio and for any inorganic opportunities.

4. DIVIDEND

Your Company is positioned on a growth trajectory and is actively pursuing both exploration opportunities and appraisal / development of discoveries established in its existing portfolio. To finance this growth, the Company needs financial resources in the immediate term and hence your Directors do not recommend any dividend for the year.

5. DEPOSITS FROM PUBLIC

Your Company has not accepted any deposits from public and as such, no amount on account of principal or interest are outstanding as at the balance sheet date.

6. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 have been disclosed in the Standalone Financial Statements provided in this Annual Report.

7. NO CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business being carried out by the Company.

8. SHARE CAPITAL

During the year, Mr. Elango Pandarinathan, Managing Director and Mr. Ramasamy Jeevanandam, Director & CFO exercised the stock options which were granted to them under the Company's Associate Stock Option Plan, 2015. Accordingly, the total paid up-capital of the Company has increased from ₹ 13,050.93 lakhs to ₹ 13,225.93 lakhs in the current year. The details of the same are disclosed in the Corporate Governance Report which forms part of this Annual report.

The company has not issued any shares with differential rights as to voting, dividend or otherwise.

9. PROMOTER

The Promoter - M/s Burren Energy India Limited holds 5,745 shares in the Company and have declared that they have not pledged any of their shareholding in the Company.

During the year, pursuant to the approval of the shareholders at the 35th AGM held on August 26, 2019, the Company made an application to the Sock Exchanges - NSE and BSE, for re-classification of their status from Promoter to Public category. However, the said application has not been approved by the Stock Exchanges and the Company has been asked to submit fresh application for reclassification after meeting all the criteria under amended Regulation 31A of SEBI (LODR) Regulations, 2015.

10. SUBSIDIARIES

Your Company has two wholly owned subsidiaries namely, Hindage Oilfield Services Limited and Geopetrol International Inc.

Hindage Oilfield Services Limited:

Hindage Oilfield Services Limited ('Hindage') is currently in the line of business of Oil Field Equipment and Services (OFES).

Geopetrol International Inc.:

Geopetrol International Inc. ('GPII') is a Company incorporated in the Republic of Panama. GPII is registered as a foreign company in India and operates through an Indian Project Office. GPII has entered into various production sharing contracts with Government of India including a producing oil field Kharsang in Arunachal Pradesh with 25% participating interest.

GPII holds the entire share capital of Geopetrol Mauritius Ltd ('GML'), a company established under the laws of Mauritius holding Category I Global Business License. Thus, GML is a wholly owned step-down subsidiary of your Company, which is in the business of investment in oil and gas exploration and services.

GML has an Indian Associate Company viz., Geoenpro Petroleum Limited ('Geoenpro'), in which GML holds 50% of the paid-up share capital. Geoenpro is the Operator to the Kharsang Block with 10% participating interest.

There has been no material change in the nature of the business of the subsidiaries. During the year, the Board of Directors of your Company have reviewed the affairs of the subsidiary companies.

Pursuant to Section 129(3) of the Companies Act, 2013, the Indian Accounting Standards (Ind AS) and relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Consolidated Financial Statements of the Company has been prepared which forms part of this Annual Report.

Also, a statement containing salient features of the financial statement of the Company's subsidiaries is appended as Annexure - I to the Board's Report in the prescribed Form AOC-1.

Further, in accordance with Section 136 of the Companies Act, 2013, the Annual Audited Financial Statements including the Consolidated Financial Statements and related information of the company and the Audited Financial Statements of the subsidiary companies are available on the company's website *https://www.hoec.com/results-and-reports/annual-reports/*.

11. UNINCORPORATED JOINT VENTURES

The financial statements of the Company reflect its share of assets, liabilities, income and expenditure of the joint venture operations, which are accounted on the basis of available information on a line-by-line basis with similar items in the Company's Accounts, to the extent of the participating interest of the Company, as per various "Production Sharing Contracts" (PSCs) and "Revenue Sharing Contracts" (RSCs). The financial statements of the Unincorporated Joint Ventures are prepared by the respective Operators in accordance with the requirements prescribed by the respective PSCs and RSCs.

12. DISCLOSURE REQUIREMENTS

As per SEBI Listing Regulations, the Corporate Governance Report with the Auditors' Certificate thereon, and the integrated Management Discussion and Analysis including the Business Responsibility Report are set out in a separate section and forms part of this Annual Report.

13. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of Annual Return in Form MGT-9, as required pursuant to Section 92 of the Companies Act, 2013, is given in Annexure - II and forms part of this Report.

14. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Changes in Directorate:

Mr. Vivek Rae was appointed as a Non-Executive Independent Director & Chairman of the Company at the 35th Annual General Meeting (AGM) of the Company held on August 26, 2019 for a period of five (5) years w.e.f. April 18, 2019.

In accordance with the provisions of Section 152(6) of the Act and the Articles of Association of the Company, Mr. Ashok Kumar Goel, Non-Executive Non-Independent Director retires by rotation at the ensuing Annual General Meeting (AGM) and being eligible seeks re-appointment. Based on the performance evaluation and recommendation of the nomination and remuneration committee, the Board recommends his re-appointment.

Also, the Board of Directors have recommended the re-appointment of Ms. Sharmila Amin and Mr. P.K. Borthakur as Non-Executive Independent Directors of the Company w.e.f. December 17, 2019 and June 15, 2021 respectively for a second term of five (5) consecutive years, pursuant to the performance evaluation and recommendations of the Nomination and Remuneration Committee, subject to the approval of the shareholders at the ensuing AGM, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Necessary information including the details of Directors being appointed / re-appointed are given in the respective Resolution and the explanatory statements included in the Notice convening the ensuing AGM.

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

Key Managerial Personnel:

As on March 31, 2020, Mr. P. Elango, Managing Director, Mr. R. Jeevanandam, Executive Director & CFO and Ms. G. Josephin Daisy, Company Secretary are the Key Managerial Personnel (KMP) of the Company.

15. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each independent director that he / she meets the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, the independent directors fulfil the conditions specified in these regulations and are independent of the management. There has been no change in the circumstances affecting their status as an Independent Director during the year.

16. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Board has carried out an annual evaluation of its own performance, the Committees of the Board and individual directors. The manner in which the evaluation has been carried out is explained in the Corporate Governance Report.

17. NUMBER OF MEETINGS OF THE BOARD

During the year, six (6) Board Meetings were convened and held. The details of meetings are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

18. COMMITTEES OF THE BOARD

Currently, the Board has five (5) Committees, namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. The composition of the Board and its Committees are provided in the Corporate Governance Report section of this Annual Report. During the year, all recommendations made by the respective Committees were approved by the Board.

19. REMUNERATION AND NOMINATION POLICY

The Board of Directors has framed a policy which lays down a framework for the remuneration payable to Directors and other Key Managerial Personnel. This policy also states the criteria for selection and appointment of Board Members. The details of the policy are stated in the Corporate Governance Report.

20. DIRECTORS REMUNERATION

Details of the remuneration paid to the Executive and Non-Executive Directors of the Company are given in the Corporate Governance report Section of this Annual Report.

21. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the year under review were on an arm's length basis and in the ordinary course of business. However, no related party transactions were entered pursuant to Section 134(3)(h) of the Companies Act, 2013 read with the rule 8 of Companies (Accounts) Rules, 2014. Also, there were no material contracts or arrangements or transactions with the related parties during the year. Hence disclosure in form AOC-2 is not provided for the current year.

Your Directors draw the attention of the members to Note 44 to the standalone financial statements which set out the related party disclosures.

22. MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

23. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There were no material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

24. DIRECTORS' RESPONSIBILITY STATEMENT

The financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS), the relevant provisions of the Companies Act, 2013 and the Rules made thereunder, guidelines issued by SEBI and guidance note on Accounting for oil and gas producing activities (Ind AS) issued by the Institute of Chartered Accountants of India.

The financial statements are prepared under the historical cost convention on accrual basis except for certain financial instruments that are measured at fair values, and guidelines.

In terms of Section 134(5) of the Companies Act, 2013, your directors, to the best of their knowledge and belief and according to the information and explanation obtained by them, state that:

(i) in the preparation of annual accounts for the financial year ended March 31, 2020, the applicable accounting standards have been followed and there are no material departures;

(ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

(iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) they have prepared the annual accounts on a going concern basis;

(v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by the Board and Audit Committee, the Company's internal financial controls were adequate and effective during the year under review.

25. PARTICULARS OF EMPLOYEES

A statement disclosing the details pursuant to the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are set out in Annexure - III to this Report.

26. EMPLOYEES STOCK OPTIONS

The details of employee stock options form part of the Notes to the Standalone Financial Statements and are provided in the Corporate Governance section of this Annual Report.

27. AUDIT REPORTS AND AUDITORS

Audit Reports for the financial year ended March 31, 2020:

- The Auditors Report on the standalone and consolidated financial statements forms part of this Annual Report and does not contain any qualification, reservations or adverse remark.

- The Secretarial Audit Report for the year is included as Annexure IV to this Report and it does not contain any qualification, reservations or adverse remark. The Company complies with all applicable secretarial standards.
- Your Company has maintained cost records which were duly audited in terms of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014. The cost audit report for the financial year ended March 31, 2019 was filed with the Central Government within the prescribed timelines.
- The Internal Auditors findings are discussed, and suitable corrective actions are taken as per the directions of the Audit Committee on an ongoing basis to improve efficiency in operations.
- Neither the Statutory Auditors nor the Secretarial Auditors have reported to the Audit Committee under section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would be required to be mentioned in the Board's Report.

Auditors for the financial year ending March 31, 2021:

Statutory Auditor

M/s. Deloitte Haskins & Sells LLP (FRN: 117366 W/W 100018), Chartered Accountants, were appointed as Statutory Auditors for a period of five (5) years to hold office from the conclusion of the 31st AGM of the Company held on 25 September 2015, until the conclusion of 36th AGM.

In accordance with the provisions of Sections 139 and 142 of the Act, M/s. Deloitte Haskins & Sells LLP, whose tenure ends with the conclusion of 36th AGM, being eligible seeks re-appointment.

The Board recommends the re-appointment as aforesaid.

Secretarial Auditor

In terms of Section 204 of the Companies Act, 2013 and rules made there under M/s. S. Sandeep & Associates, Company Secretaries in Practice are appointed to conduct the secretarial audit.

Cost Auditor

The Board of Directors have appointed Mr. K. Suryanarayanan, a Cost Accountant in Practice, as Cost Auditor of the Company at a fee of ₹ 2,00,000 (Rupees Two Lakhs only) plus applicable taxes and out of pocket expenses, subject to ratification of the said fees by the shareholders at the ensuing Annual General Meeting.

Internal Auditor

The Board has engaged M/s. Guru & Ram LLP, Chartered Accountants, as its Internal Auditors. Their scope of work includes review of internal controls and its adherence, statutory compliances, health, safety and environment compliance, compliance towards related party transactions and risk assessments.

28. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The details in respect of internal financial control and their adequacy are included in the Management Discussion and Analysis section of this Annual Report.

29. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company embraces technological innovation and operates in an environmentally responsible manner to provide tangible benefit to all stakeholders. During the year under review, several steps were taken towards conservation of energy and technological advancement. A few of these are listed below:

A) Conservation of Energy:

a) In an effort to become more energy efficient, the Company has taken the following steps:

1. BEE Star rated equipment has been procured, wherever feasible, to minimize energy consumption.
2. To fulfil its duty as a responsible corporate citizen and to adhere to climate change policy, the Company is continuously taking effective steps to reduce Green Houses Gas (GHG) emissions, wherever feasible.
3. As far as possible, in-house power requirements in all operating Blocks are met using natural gas-based generators, with diesel-based generators only being utilized in emergency situations. The Company is exploring the option of solar energy and is assessing its viability in meeting operational requirements.
4. The Company regularly monitors air emission sources and ambient air quality to ensure that emission levels are below statutory limits.
5. All lights, except emergency lights, have automatic timers installed, which turn them off during daytime, thereby minimizing energy consumption.
6. Air compressors and fire water jockey pumps are timer controlled to reduce their runtime.
7. Periodical preventive maintenance and condition monitoring of aging equipment is carried out to increase life expectancy of assets, eliminate premature replacement and lower energy consumption.
8. Designing and project planning are carried out in a way so as to minimize environmental damage and maximize resource efficiency during project execution and life cycle.
9. Installed solar streetlights at various selected locations of our operational areas.
10. Rainwater recharging to ground at operational areas.
11. All air conditioner temperatures are set to 25°C to optimise power consumption.

b) Steps taken by the Company for utilizing alternate source of energy: The Company is in the process of formulating a policy for use of solar energy and on pilot basis has successfully experimented by installing solar street lamps at our operational areas in Assam Block.

c) Capital investment on energy conservation equipment: No additional investment has been made or implemented to reduce energy consumption.

d) Impact of the measures mentioned in (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods: Reduction in energy consumption and GHG emissions, as a result of minimal use of air conditioning and deployment of energy efficient systems. This in turn, has led to reduced consumption of power and fuel, thereby resulting in lower costs.

B) Technology absorption:

(a) Technology absorption, adaptation, and innovation:

The Company has adopted an energy efficient Modular approach for its Gas Processing Plant in Assam, with Variable Frequency Drives (VFDs) installed in the Plant's equipment and machineries.

To protect an Elephant Corridor in Assam, the Company laid a 21 km long pipeline, 1.5 metres below the ground, from its Gas Gathering Station (GGS) to its Modular Gas Processing Plant (MGPP). This also led to HOEC being able to reduce its footprint in the eco sensitive zone.

A sonic, natural draft, horizontal flare system provided with an enclosure, is being used at the Company's MGPP in Assam, in an effort to reduce harm to the surrounding environment.

Conversion of existing conventional lightings to energy efficient LED lights in a phased manner.

We also plan to adopt new technology like surface jet pump (ejector) to increase well production efficiency.

(b) No technology import was made during the last 3 years.

(c) No Research and Development expenditure was incurred during the year.

(d) No benefits like product improvement, product development or import substitution were derived during the year.

C) Foreign exchange earnings and outgo:

(a) Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans:

Company is engaged in production of crude oil and natural gas. The existing Government policies and Production Sharing Contracts (PSCs), to which Company is a party, is subject to domestic market obligations till self-sufficiency in domestic production of hydrocarbons.

(b)

Particulars	FY 2019-20 (₹ in lacs)	FY 2018-19 (₹ in lacs)
Foreign exchange earning	Nil	Nil
Expenditure in foreign currency:		
Operating expenditure	690.58	689.07
Capital expenditure	9,706.18	6,561.21

30. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has in place a CSR policy which is available on our website at *https://www.hoec.com/growing-responsibly/csr/*. A brief outline of the CSR policy of the Company and the initiatives undertaken on CSR activities during the year are set out in Annexure V of this Report as per the format prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014. The details of the composition and meetings of the CSR Committee is provided in the Corporate Governance Report section of this Annual Report.

31. RISK MANAGEMENT

The Risk Management Committee identifies and monitors the risks associated with the Company's operations. The Committee is responsible for reviewing the risk factors and ensuring its effective mitigation and management. In addition, the Audit Committee oversees the areas of financial risks and controls.

The development and implementation of risk management policy has been covered in the Management's Discussion and Analysis Report, which forms part of this Annual Report.

32. HUMAN CAPITAL & MANAGEMENT

The Company continues to pursue the best practices to develop its human capital. The Company has a transparent Performance Appraisal System with focus on the organizational objectives aligned with Key Performance Indicators. An objective performance measurement with an assessment of potential and identification of training needs for individual growth are being pursued.

Over the last year, we have added few more employees primarily in technical functions, taking the total strength to 102 at the end of previous year and the annualised attrition rate for the year stands at 2.94%.

33. PROTECTION TO WOMEN EMPLOYEES

The Company has in place a Corporate Policy on Anti-Sexual Harassment of Employees, in terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has also been duly constituted and during the year under review no complaints were received from any employee.

34. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF, after completion of seven years. Further according to the said Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

Accordingly, the Company has duly transferred all unclaimed and unpaid dividends and the corresponding shares as per the above requirements to the IEPF. Details of the same are provided in the Shareholder information section of the Corporate Governance Report and are also available on our website at *https://www.hoec.com/grow-with-us/shareholder-information/*

Your Company has filed necessary forms with the Ministry of Corporate Affairs in this regard.

35. LISTING WITH STOCK EXCHANGES

The Company confirms that it has paid the Annual Listing Fees as applicable to National Stock Exchange of India Ltd. and BSE Ltd. where the Company's shares are listed.

36. ACKNOWLEDGEMENTS

Your Directors place on record their gratitude for the support and co-operation received from Government agencies namely the Ministry of Petroleum & Natural Gas, Directorate General of Hydrocarbons, Ministry of Defence, Ministry of Environment and Forests and the State Governments of Assam, Gujarat, Maharashtra and Tamil Nadu and the authorities working under them. Your Directors express their gratitude to the Company's stakeholders, shareholders, business partners and the bankers for their understanding and support and look forward to their continued support in future. Your Directors value the professionalism, dedication and commitment of the HOEC team to overcome any challenges and to drive growth.

For and on behalf of the Board of Directors

	Vivek Rae	**P Elango**
Date : September 7, 2020	**Chairman**	**Managing Director**
Place : Chennai	DIN: 01866765	DIN: 06475821

Annexures to the Board's Report:

Annexure - I

Form No. AOC - 1

[Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]
Statement containing salient features of the financial statements of subsidiary / associate company / joint ventures

PART A: Subsidiaries

(₹ in lakhs)

Particulars	Details	
Name of the subsidiary	Hindage Oilfield Services Limited	Geopetrol International Inc.
The date since when subsidiary was acquired	30/03/1992	09/04/2018
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	Reporting currency: USD Exchange rate: ₹ 75.38
Share capital	50.00	6,506.20
Reserves & surplus	881.43	(28.86)
Total assets (excluiding Investments)	6,458.36	21,643.68
Total liabilities (excluding Capital and other equity)	6,386.02	15,166.34
Investments	859.09	–
Turnover	–	2,221.92
Profit / (Loss) before taxation	(44.55)	(308.23)
Provision for taxation	–	(25.69)
Profit / (Loss) after taxation	(44.55)	(282.54)
Proposed Dividend	–	–
Extent of shareholding (In percentage)	100%	100%

Note:

1. There are no subsidiaries which are yet to commence operations.
2. No subsidiaries have been liquidated or sold during the year.

PART B: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

The Company does not have any associate companies / joint ventures.

For and on behalf of the Board of Directors

Date : September 7, 2020
Place : Chennai

P Elango
Managing Director

R Jeevanandam
Director & CFO

G Josephin Daisy
Company Secretary

Annexure - II

Form No. MGT-9

Extract of Annual Return as on the financial year ended on 31.03.2020

(Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014)

I. REGISTRATION & OTHER DETAILS

1.	CIN	L11100GJ1996PLC029880
2.	Registration Date	22 September 1983
3.	Name of the Company	HINDUSTAN OIL EXPLORATION COMPANY LIMITED
4.	Category / Sub-category of the Company	Public Company / Limited by shares
5.	Address of the Registered office & contact details	'HOEC House', Tandalja Road, Vadodara - 390020, Gujarat, India E-mail Id: contact@hoec.com Website: www.hoec.com Chennai office: 'Lakshmi Chambers', No. 192, St. Mary's Road, Alwarpet, Chennai - 600018, Tamil Nadu, India Tel: 044-66229000 Fax: 044-66229011/12 E-mail Id: hoecshare@hoec.com
6.	Whether listed company	Yes
7.	Name, address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt. Ltd. Regd. Office: C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083, Maharashtra, India Tel No.: 022-49186270 Fax: 022-49186060 E-mail id: rnt.helpdesk@linkintime.co.in Service Branch: B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara - 390020, Gujarat, India Tel: 0265-2356573, 2356794 Fax: 0265-2356791 E-mail Id: vadodara@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sr. No.	Name and description of main products / services	NIC Code of the product/service	Percentage of total turnover of the Company
1.	Crude Oil	0610	21%
2.	Natural Gas	0620	79%

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sr. No.	Name of the Company	Address of company	CIN / FCRN	Holding / Subsidiary / Associate	% of Shares Held	Applicable section
1.	Hindage Oilfield Services Limited	'HOEC House' Tandalja Road Vadodara - 390020 Gujarat, India	U11100GJ1988PLC011536	Subsidiary	100%	2(87)
2	Geopetrol International Inc.	MMG Tower, 23rd Floor, Avenida Paseo del Mar, Costa del Este, Panama	F02830	Subsidiary	100%	2(87)
3	Geopetrol Mauritius Limited	C/o IQEQ Corporate Services (Mauritius) Ltd, 33 Edith Cavell Street, Port Louis 11324 Mauritius	Not applicable	Step-down subsidiary	100%	2(87)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a. Individual / HUF	0	0	0	0.00	0	0	0	0.00	0.00
b. Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c. State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d. Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e. Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f. Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (A)(1)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
(2) Foreign									
a. NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b. Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c. Bodies Corporate	5,745	0	5,745	0.0044	5,745	0	5,745	0.0043	0.00
d. Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e. Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (A)(2)	**5,745**	**0**	**5,745**	**0.0044**	**5,745**	**0**	**5,745**	**0.0043**	**0.00**
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	**5,745**	**0**	**5,745**	**0.0044**	**5,745**	**0**	**5,745**	**0.0043**	**0.00**
B. Public Shareholding									
(1) Institutions									
a. Mutual Funds	32,06,890	300	32,07,190	2.46	35,52,188	300	35,52,488	2.69	0.23
b. Banks / FI	3,40,649	2,160	3,42,809	0.26	2,82,229	2,160	2,84,389	0.22	(0.04)
c. Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d. State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e. Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f. Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g. FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h. Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i. Others									
i) Foreign Portfolio Investor	1,00,13,545	0	1,00,13,545	7.67	1,00,50,902	0	1,00,50,902	7.60	(0.07)
ii) Alternate Investment Funds	75,000	0	75,000	0.06	5,60,124	0	5,60,124	0.42	0.36
iii) UTI	0	500	500	0.00	0	600	600	0	0.00
Sub-total (B)(1)	**1,36,36,084**	**2,960**	**1,36,39,044**	**10.45**	**1,44,45,443**	**3,060**	**1,44,48,503**	**10.93**	**0.48**
(2) Non-Institutions									
a. Bodies Corporate	4,58,86,936	33,901	4,59,20,837	35.19	4,66,57,897	33,061	4,66,90,958	35.31	0.12
b. Individuals									
i. Individual shareholders holding nominal share capital up to ₹ 1 lakh	2,04,54,540	821,991	2,12,76,011	16.30	2,06,31,648	7,45,861	2,13,77,509	16.16	(0.14)
ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	4,43,97,392	0	4,43,97,392	34.02	4,47,08,284	0	4,47,08,284	33.81	(0.21)

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c. Others									
i. IEPF	7,55,011	0	7,55,011	0.58	7,48,499	0	7,48,499	0.57	(0.01)
ii. Non-Resident Indians	17,20,332	1,89,309	19,09,641	1.46	18,70,043	1,81,608	20,51,651	1.55	0.09
iii. NBFCs	3,57,455	0	3,57,455	0.27	76,575	0	76,575	0.06	(0.21)
iv. HUF	16,40,962	3,937	16,44,899	1.26	18,72,036	2,047	18,74,083	1.42	0.16
v. Clearing Members	5,11,909	0	5,11,909	0.39	2,03,530	0	2,03,530	0.15	(0.24)
vi. Trusts	18,861	0	18,861	0.01	18,861	0	18,861	0.01	0.00
vii. Market Maker	43,256	0	43,256	0.03	2,355	0	2,355	0.00	(0.03)
viii. Office Bearers	12,708	0	12,708	0.01	36,736	0	36,736	0.03	0.02
Sub-total (B)(2)	**11,57,99,362**	**10,49,138**	**11,68,48,500**	**89.54**	**11,68,26,464**	**9,62,577**	**11,77,89,041**	**89.07**	**(0.48)**
Total Public Shareholding (B) = (B)(1) + (B)(2)	**12,94,35,446**	**10,52,098**	**13,04,87,544**	**100.00**	**13,12,71,907**	**9,65,637**	**13,22,37,544**	**100.00**	**0.00**
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Grand Total (A+B+C)	**12,94,41,191**	**10,52,098**	**13,04,93,289**	**100.00**	**13,12,77,652**	**9,65,637**	**13,22,43,289**	**100.00**	**0.00**

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 31-March-2019]			Shareholding at the end of the year [As on 31-March-2020]			% Change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Burren Energy India Ltd	5,745	0.0044	0.00	5,745	0.0043	0.00	0.00
	Total	**5,745**	**0.0044**	**0.00**	**5,745**	**0.0043**	**0.00**	**0.00**

iii) Change in Promoters' Shareholding: No change

iv) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Top 10 Shareholders*	Shareholding at the beginning of the year [As on 31-March-2019]		Cumulative Shareholding at the end of the year [As on 31-March-2020]	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Housing Development Finance Corporation Ltd.	1,40,86,303	10.79	1,40,86,303	10.65
2	LCI Estates LLP	81,00,000	6.21	81,00,000	6.13
3	Dhoot Industrial Finance Limited	61,98,431	4.75	61,98,431	4.69
4	Poddar Pigments Ltd	50,00,000	3.83	50,00,000	3.78
5	Vijai Shree Private Ltd.	46,16,270	3.54	46,16,270	3.49
6	Fil Investments (Mauritius) Ltd	43,39,156	3.33	43,18,247	3.27
7	Kotak Small Cap Fund	32,06,890	2.46	35,52,188	2.69
8	Gks Logistics Private Limited	23,00,000	1.76	23,00,000	1.74
9	Fidelity Funds - India Focus Fund	0	0.00	17,10,898	1.29
10	Fidelity India Fund	10,53,868	0.81	1,052,023	0.80

* The shares of the Company are traded on a daily basis and hence the date-wise increase / decrease in shareholding is not indicated. Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder.

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Director and Key Managerial Personnel	Shareholding at the beginning of the year [As on 31-March-2019]		Cumulative Shareholding at the end of the year [As on 31-March-2020]	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	**Mr. Vivek Rae**				
	At the beginning of the year	Nil	Nil		
	Increase / Decrease during the year	Nil	Nil	Nil	Nil
	At the end of the year			Nil	Nil
2	**Ms. Sharmila Amin**				
	At the beginning of the year	Nil	Nil		
	Increase / Decrease during the year	Nil	Nil	Nil	Nil
	At the end of the year			Nil	Nil
3	**Mr. Pronip Kumar Borthakur**				
	At the beginning of the year	Nil	Nil		
	Increase / Decrease during the year	Nil	Nil	Nil	Nil
	At the end of the year			Nil	Nil
4	**Mr. Ashok Kumar Goel**				
	At the beginning of the year	1,84,65,078	14.15		
	Increase / Decrease during the year	Nil	Nil	Nil	Nil
	At the end of the year			1,84,65,078	13.96
5	**Mr. Rohit Rajgopal Dhoot**				
	At the beginning of the year	30,34,107	2.32		
	Increase / Decrease during the year	Nil	Nil	Nil	Nil
	At the end of the year			30,34,107	2.29
6	**Mr. Elango Pandarinathan**				
	At the beginning of the year	45,21,879	3.46		
	Increase / Decrease during the year:				
	Sale on 20.08.2019	4,76,000		40,45,879	3.10
	ESOP exercised on 23.08.2019	10,00,000		50,45,879	3.82
	At the end of the year			50,45,879	3.82
7	**Mr. Ramasamy Jeevanandam**				
	At the beginning of the year	45,27,624	3.47		
	Increase / Decrease during the year:				
	Sale on 20.08.2019	2,75,500		42,52,124	3.26
	ESOP exercised on 23.08.2019	7,50,000		50,02,124	3.78
	At the end of the year			50,02,124	3.78
8	**Ms. G. Josephin Daisy**				
	At the beginning of the year	Nil	Nil		
	Increase / Decrease during the year	Nil	Nil	Nil	Nil
	At the end of the year			Nil	Nil

Note:

(1) Mr. Ashok Kumar Goel holds the said shares on behalf of Ashok Goel Trust.

(2) Mr. Rohit Rajgopal Dhoot holds the said shares on behalf of Dhoot Rohit Kumar Family Trust I.

V. INDEBTEDNESS

The Company is debt-free as on March 31, 2020 and as such, no amount on account of principal or interest are outstanding at the end of the financial year ended March 31, 2020.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Director and / or Manager

(in ₹)

Sr. No.	Particulars of Remuneration	Name of MD/WTD		Total Amount
		Mr. P. Elango	Mr. R. Jeevanandam	
1	**Gross salary**			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	1,39,44,756	1,33,86,960	2,73,31,716
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	Refer Note 1	Refer Note 1	
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	–	–	–
2	**Bonus**	1,50,00,000[(2)]	1,50,00,000[(2)]	3,00,00,000
3	**Sweat Equity**	–	–	–
4	**Commission**			
	- as % of profit	–	–	–
	- others, specify	–	–	–
5	**Others, please specify- variable pay**	**50,00,000**	**46,00,000**	**96,00,000**
	Total	**3,39,44,756**	**3,28,86,960**	**6,68,31,716**

Note:

(i) During the year, 10,00,000 and 7,50,000 stock options were exercised by Mr. P. Elango and Mr. R. Jeevanandam respectively, details of which are given in the Corporate Governance Report. The perquisite value of stock options exercised by them determined as per the Income Tax Act, 1961 is ₹ 8,30,80,000 for Mr. P. Elango and Rs. 6,23,10,000 for Mr. R. Jeevanandam, in respect of which the TDS thereon has been duly remitted by the respective persons.

(ii) One-time Performance Bonus approved by the shareholders at the 35th AGM of the Company.

B. Remuneration to other directors

(in ₹)

Sr. No.	Particulars of Remuneration	Name of Independent Directors			Total Amount
		Mr. Vivek Rae	Ms. Sharmila Amin	Mr. P K Borthakur	
1	**Independent Directors**				
	Fee for attending board and committee meetings	3,25,000	4,75,000	5,75,000	13,75,000
	Commission *	6,00,000	6,00,000	6,00,000	18,00,000
	Others, please specify	–	–	–	–
	Total (1)	**9,25,000**	**10,75,000**	**11,75,000**	**31,75,000**
2	**Other Non-Executive Directors**	–	–	–	–
	Fee for attending board and committee meetings	–	–	–	–
	Commission	–	–	–	–
	Others, please specify	–	–	–	–
	Total (2)	**–**	**–**	**–**	**–**
	Total=(1+2)	**9,25,000**	**10,75,000**	**11,75,000**	**31,75,000**

* which is within 1% of the net profit of the Company for the financial year ended March 31, 2020.

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD (in ₹)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel	Total Amount
		Company Secretary Ms. G. Josephin Daisy	
1	**Gross salary**		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	10,45,860	10,45,860
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	–	–
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	–	–
2	**Stock Option**	–	–
3	**Sweat Equity**	–	–
4	**Commission**		
	- as % of profit	–	–
	- others, specify	–	–
5	**Others, please specify**	–	–
	Total	**10,45,860**	**10,45,860**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no penalties / punishment/ compounding of offences during the year ended March 31, 2020.

For and on behalf of the Board of Directors

Vivek Rae
Chairman
DIN: 01866765

P Elango
Managing Director
DIN: 06475821

Date: September 7, 2020
Place: Chennai

Annexure - III

Information pursuant to Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

a)

Name of Director / KMP	Title*	Remuneration FY 2019-20	Remuneration FY 2018-19	% increase in remuneration in FY 2019-20 as compared to FY 2018-19	Ratio of remuneration to MRE excluding WTDs	Ratio of remuneration to MRE including WTDs
Mr. Vivek Rae	NE-ID	9,25,000(1)	-	-	1.09	1.08
Ms. Sharmila Amin	NE-ID	10,75,000(1)	6,45,000	67%	1.27	1.26
Mr. P. K. Borthakur	NE-ID	11,75,000(1)	6,70,000	75%	1.39	1.37
Mr. Ashok Goel	NED	-	-	-	-	-
Mr. Rohit Dhoot	NED	-	-	-	-	-
Mr. P. Elango	MD	3,39,44,756(2)	1,92,88,477	76%	40.03	39.69
Mr. R. Jeevanandam	ED & CFO	3,29,86,960(2)	1,83,25,330	80%	38.90	38.57
Ms. G. Josephin Daisy	CS	10,45,860	9,80,508	7%	1.23	1.22

* [NE-ID - Non-Executive Independent Director NED - Non-Executive Director MD - Managing Director
ED & CFO - Executive Director & Chief Financial Officer CS - Company Secretary MRE - Median Remuneration Employees]

Note:

(1) The Commission payable for FY 2019-20 has been included.

(2) One-time Performance Bonus of ₹ 1.50 Crores each paid during FY 2019-20 is included. There is no other change in the annual compensation for FY 2019-20 as compared to FY 2018-19.

b) The MRE excluding WTDs was ₹ 8,47, 924 for FY 2019-20 as against ₹ 8,54,581 for FY 2018-19. There is a 1% decrease in MRE (excluding WTDs) for FY 2019-20 as compared to FY 2018-19 and a decrease of 2% in MRE (including WTDs) for FY 2019-20 as compared to FY 2018-19.

c) The number of permanent employees on the rolls of Company: 102 (including WTDs)

d) The overall salaries of employees (excluding WTDs) remained constant during FY 2019-20. Details of increase in the managerial remuneration is as given in note (2) above.

e) The Company affirms that the remuneration is as per the remuneration policy of the Company.

f) Names and details of top ten employees (excluding WTDs) in terms of remuneration drawn during the year:

Sr. No.	Name	Designation	Remuneration received (in ₹)	Qualifications and experience in yrs.	Date of commencement of employment	Age (in yrs.)	Last employment held	Percentage of equity shares held by the employee
1	2	3	4	5	6	7	8	9
1	Bhuwan Chandra Gariya	Group Head - Exploration & Development	75,01,305	M.Sc. Physics 35 yrs.	05.09.2008	59	ONGC	0.00
2	P Ramakrishna	Asset Manager-North East Asset	66,03,514	M.Tech. in Chemical Engineering 31 yrs.	01.10.2017	57	Cairn India	0.01
3	Debabrata Panda	Group Head - Technical & Operations	65,76,199	B.Tech Peroleum Eng., MBA (Oil & Gas) 27 yrs.	01.08.2018	51	Cairn India	–
4	Sagar Mehta	Head-Cambay Assets	63,40,212	M.Sc., MBA 29 yrs.	01.06.1989	55	Nil	0.00

1	2	3	4	5	6	7	8	9
5	Gopal Krishna Narasingh Panigrahy	Head - Operations - N.E. Assets	55,77,900	MS in Mechanical Eng. & MBA 28 yrs.	01.06.2018	57	TTOPCO	–
6	Sachin Bayond	Head-C&P, Head-Admin	44,62,320	PG Diploma in Management 19 yrs.	26.10.2015	41	Adani Power Ltd	0.00
7	Nagaraju Rangaraju	Asset Manager B80 & Head - Strategy	42,94,992	PG in Management 16 yrs.	16.04.2018	42	Cairn India	–
8	Satyanarayan Zanwar	Sr. Manager - Production	30,67,848	B.E Instrumentation 23 yrs.	03.02.2005	48	Swazi Paper Mills Swaziland Ltd	–
9	Srinivasan	Principal Engineer (Reservoir & WRFM)	27,88,968	M.Tech in Petroleum Exploration 22 yrs.	13.11.2015	40	Sterling Global Oil Resources Ltd	Nil
10	Sridhar N	Head-Finance	27,88,968	B. Com 23 yrs.	01.10.2015	43	Hardy Exploration & Production (India) Inc.	Nil

The aforementioned employees have / had been in permanent employment with the Company and are not relative of any directors or manager.

For and on behalf of the Board of Directors

Vivek Rae
Chairman
DIN: 01866765

P Elango
Managing Director
DIN: 06475821

Date : September 7, 2020
Place: Chennai

Annexure - IV

Form No. MR-3

Secretarial Audit Report

for the financial year ended 31st March 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members
Hindustan Oil Exploration Company Limited
CIN: L11100GJ1996PLC029880
Tandalja Road, Off Old Padra Road,
Baroda - 390020, Gujarat.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices of **M/s HINDUSTAN OIL EXPLORATION COMPANY LIMITED** (CIN: L11100GJ1996PLC029880) (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2020, has complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2020 according to the provisions of:
   (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
   (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
   (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
   (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and External Commercial Borrowings.
   (v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), as amended from time to time :
      a. The Securities and Exchange Board of India (Registrars to an Issue and Transfer Agents) Regulations, 1993, regarding Companies Act and dealing with client;
      b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
      c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015
      d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
      e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018 - Not Applicable for the year under review
      f. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable for the year under review

h. The Securities and Exchange Board of India (Delisting of Equity Shares Regulations), 2009; Not Applicable for the year under review

i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not Applicable for the year under review.

j. The Securities and Exchange Board of India (Issue and Listing of Non Convertible and Redeemable Preference Shares) Regulations, 2013; Not Applicable for the year under review.

2. We further report that, based on examination on test check basis, of the relevant documents, information received, records maintained and representation received, there are adequate systems and processes in place to monitor and ensure compliance with the below mentioned laws applicable specifically to the Company in the Oil and Gas Exploration Sector, and also all other applicable laws, rules, regulations and guidelines, which includes the following:

a) The Petroleum Act, 1934 and the rules made thereunder

b) Petroleum and Natural Gas Regulatory Board Act, 2006 and the Rules made thereunder

c) The Oilfields (Regulation & Development) Act, 1948 and the rules made thereunder

d) The Mines Act, 1952 and the rules made thereunder

e) Indian Explosives Act, 1910 and the rules made thereunder

3. We have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India

ii. The Listing Agreements entered into by the Company for the equity shares listed with BSE Limited and National Stock Exchange of India Limited and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We further report that during the period under review the Company has complied with the provisions of the applicable Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

4. We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance and a proper system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
- The Company has obtained all necessary approvals under the various provisions of the Companies Act, 2013 to the extent applicable; and
- There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Companies Act, 2013, Securities Exchange Board of India Act, 1992, The Securities Contracts (Regulation) Act, 1956, Depositories Act, 1996, Foreign Exchange Management Act, 1999 and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
- The Directors have complied with the disclosure requirements in respect of their eligibility for appointment, their independence, wherever applicable and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

- We further report that based on the information received, records maintained and representation received, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.
- We further report that during the period under review no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc referred to above have taken place.
- We further report that the Company has adopted and put in place Vigil Mechanism/Whistle Blower Policy in accordance with Section 177 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For S.Sandeep & Associates

S.Sandeep
Managing Partner
FCS No.: 5853
C P No.: 5987
UDIN: F005853B000303711

Place : Chennai
Date : May 30, 2020

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

'Annexure - A'

To,

The Members,
Hindustan Oil Exploration Company Limited
CIN: L11100GJ1996PLC029880
Tandalja Road, Off Old Padra Road,
Baroda - 390020, Gujarat.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For S.Sandeep & Associates

S.Sandeep
Managing Partner
FCS No.: 5853
C P No.: 5987

Place : Chennai
Date : May 30, 2020

Annexure - V

ANNUAL REPORT ON CSR ACTIVITIES

(Pursuant to Section 135 of the Companies Act, 2013)

1. Brief outline of the Company's CSR policy

HOEC's Corporate Social Responsibility policy is to:

* Proactively develop trusting and productive relationships with host communities through effective consultations
  - Positively engage with relevant stakeholders, understand their concerns and be responsive to their needs;
  - Use & encourage systematic processes to engage with the local stakeholders; and
  - Actively involve pertinent individuals and programme participants in designing and implementing CSR programmes.

* Respect local customs and traditions and leverage technology in all CSR programmes
  - Valuing cultural customs and pride of individuals and nurture positive relationship with the people in the project areas where the Company operates;
  - Aligning CSR programmes to build on existing capacities and initiatives to create greatest possible impact; and
  - Giving development opportunities to local communities in a culturally appropriate manner, in consultation & cooperation with local government authorities and other stakeholders, as may be appropriate.

* Treat host communities as valued partners in our resource development endeavours
  - Valuing local entrepreneurship and encouraging use of local goods, services and manpower to promote comprehensive economic growth of our operating footprint area;
  - Establishing infrastructure and platforms to make sustainable contribution to social and economic development; and
  - Enabling CSR programs to complement and support the developmental priorities at local and state level

In line with this CSR policy, the Company's CSR programmes focuses on the following five broad themes with the objective to improve overall socio- economic indicators in Company's area of operations:

- Promote local content by developing entrepreneurship;
- Improve access to clean drinking water;
- Enhance the quality of education in our Operating Area;
- Promote personal safety, environmental and technology awareness; and
- Support promotion of local culture and sports.

Details of the company's CSR policy is available in the weblink: *https://www.hoec.com/growing-responsibly/csr/*

2. Composition of CSR Committee

The Company has a CSR committee of directors, with Mr. Vivek Rae as Chairman of the Committee and Mr. P. K. Borthakur, Ms. Sharmila Amin and Mr. P. Elango as members as on March 31, 2020.

3. Average Net Profit of the company for the last three financial years for the purpose of computation of CSR: ₹ 6,012.55 Lakhs.

4. Prescribed CSR Expenditure (2% of amount as on item No. 3 above): ₹ 122.59 Lakhs.

5. Details of CSR Spend during the financial year:

a) Total amount spent for the financial year: ₹ 62.59 Lakhs

b) Amount Unspent, if any: ₹ 60 Lakhs

c) Manner in which the amount was spent during the financial year is detailed below:

S. No	CSR Project / Activity identified	Sector in which the project is covered	Project or Programs Location	Amount Outlay (budget) project or program-wise (₹ in lacs)	Amount Spent on projects or programs (₹ in lacs)	Cumulative Expenditure up to the reporting period (₹ in lacs)	Amount Spent: Direct or through Implementing agency
1	Promoting Education - Renovation of of existing Lower Primary school Building in Augbandha and providing furniture	Education	Tinsukia Dist., Assam	4.76	3.60	11.27	Directly by the Company
2	ELF English program at three selected lower primary schools in Augbandha Village	Education	Tinsukia Dist., Assam	1.34	0.86	1.73	Through Implementing agency
3	Setting up play school area in three primary schools	Education	Tinsukia Dist., Assam	1.27	1.34	1.34	Directly by the Company
4	Expenditure towards supplying study material and encouragement of students by way of organising competitions and felicitating the toppers	Education	Tinsukia Dist., Assam	0.20	0.20	0.35	Directly by the Company
5	Renovation of Anganwadi Centres	Education	Tinsukia Dist., Assam	3.17	0.94	0.94	Directly by the Company
6	Felicitating the top scorers of classes 10, 11 & 12 from Pillaiperumanallur Panchayat for the academic year	Education	Nagapattinam Dist., Tamil Nadu	0.53	0.54	0.92	Directly by the Company
7	Providing access to clean and safe drinking water to the students of Veppenchery Government Middle School	Education	Nagapattinam Dist., Tamil Nadu	0.09	0.09	0.35	Directly by the Company
8	ELF English program at in Government Middle School	Education	Nagapattinam Dist., Tamil Nadu	3.00	1.95	1.95	Through Implementing agency
9	Renovation of classroom buildings in Government Middle School	Education	Nagapattinam Dist. Tamil Nadu	8.26	5.22	5.22	Directly by the Company
10	Support to Socio - Cultural event	Support for promotion of ethnic art & Culture	Tinsukia & Dibrugarh Dist., Assam	2.59	2.59	4.25	Literary associations / Cultural Groups / Organization etc.
11	Support to Socio - Cultural event	Support for promotion of ethnic art & Culture	Nagapattinam Dist., Tamil Nadu	0.34	0.34	0.34	Directly by the Company
12	Support to Socio - Cultural event	Support for promotion of ethnic art & Culture	New Delhi	5.00	3.00	3.00	Literary associations / Cultural Groups / Organization etc.
13	Providing access to Drinking water in Margherita Civil Hospital	Health	Tinsukia Dist., Assam	3.81	2.90	2.90	Directly by the Company
14	Distribution of Sports Material to Youth	Sports	Nagapattinam Dist., Tamil Nadu	0.07	0.07	0.29	Directly by the Company
15	Solar Lamp Installation at Augbandha & Dirok Village	Rural development	Tinsukia Dist., Assam	11.57	9.62	11.28	Directly by the Company
16	Construction of Paver cement block road in Augbandha Village	Rural development	Tinsukia Dist., Assam	3.81	3.21	23.97	Directly by the Company

S. No	CSR Project / Activity identified	Sector in which the project is covered	Project or Programs Location	Amount Outlay (budget) project or program-wise (₹ in lacs)	Amount Spent on projects or programs (₹ in lacs)	Cumulative Expenditure up to the reporting period (₹ in lacs)	Amount Spent: Direct or through Implementing agency
17	Construction of water bound macadam and Paver cement block roads in Augbandha Village	Rural development	Tinsukia Dist., Assam	11.10	7.80	7.80	Directly by the Company
18	Sanitation facility - Construction of toilets in Augbandha Village	Rural development	Tinsukia Dist., Assam	1.59	1.15	1.15	Directly by the Company
19	Setting up of Open Gym in a Park at Margherita	Rural development	Tinsukia Dist., Assam	6.34	4.35	4.35	Directly by the Company
20	Construction of Dug well in Dirok Village	Rural development	Tinsukia Dist., Assam	1.90	1.64	1.64	Directly by the Company
21	Restoration of water bodies	Rural development	Nagapattinam Dist., Tamil Nadu	15	4.03	4.03	Directly by the Company
22	Contribution to relief fund during monsoon floods in Assam	Relief Measures	Tinsukia Dist., Assam	4.32	4.32	4.32	Directly by the Company
23	Distribution of Provisions during Covid-19 Pandemic	Relief Measures	Nagapattinam Dist., Tamil Nadu	1.96	1.77	1.77	Directly by the Company
24	Charges for consultant & Resources	Administrative Overheads	Tinsukia Dist., Assam	1.50	1.50	1.50	Directly by the Company

Note: A few projects undertaken in the table above are multi-year projects.

6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report:

The Company believes in creating a positive impact on the society to the extent feasible and is strongly committed towards Corporate Social Responsibility (CSR) and has been implementing various socially useful projects in accordance with its CSR Policy.

During the year under review, the Company, while continuing to support its ongoing projects, has associated itself with few new projects and also envisages valuable CSR spend in a more structured manner in the future for which it has initiated certain multi-year projects in the fields of education, sports and rural development.

During FY 2019-20 an amount of Rs. 60 lakhs was earmarked for contribution to these projects. Since the projects were in the initial stage and subsequent implementation was impacted by the COVID-19 lockdown, the Board has decided to carry forward the unspent balance of ₹ 60 Lakhs to FY 2020-21 and continue the implementation of those projects through FY 2020-21.

7. A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors

Vivek Rae
Chairman
DIN: 01866765

P Elango
Managing Director
DIN: 06475821

Date : September 7, 2020
Place: Chennai

Management's Discussion and Analysis Report

OIL AND GAS INDUSTRY OUTLOOK AND OPPORTUNITIES

One of history's Black Swan event the coronavirus pandemic that spread around the world during Jan- Mar this year continues to this day. While no industry has been spared the effects of this pandemic, the Oil & Gas industry, arguably, has been one of the worst hit due to sharp decline in demand and crash in prices. Even if uncertainty still remains, oil, like many a time before has proven to be resilient and prices have risen up to the range of $40-$45 since then.

This would prove to be a transformational moment for Oil & Gas because oil prices were stressed, even before the pandemic, on account of disagreement between oil producing countries resulting in a supply shock. Dual supply & demand pressures are therefore pushing Oil & Gas companies toward discipline in finance, prudent capital allocation, risk management & environmental Governance. For E&P companies, in particular, it would mean achieving the same level of performance more cost effectively and re-imagining the operating model towards greater efficiency.

For India, the disruption of supply chains due to the pandemic, has pushed the Govt. to focus its policy initiatives toward a 'Atmanirbhar Bharat'. This applies to the Oil & Gas industry as well, where the Govt. further strengthened its commitment toward reducing oil import dependence. After implementing progressive Initiatives like the National Data Repository (NDR), Open Acreage Licensing Policy (OALP) & Hydrocarbon Exploration and Licensing Policy (HELP), the Govt. is now putting its efforts toward a market driven pricing mechanism for Natural Gas. The Indian Gas Exchange (IGX) was inaugurated on 15th June 2020 which forms an important milestone in freeing up the domestic natural gas market.

These policies include some very welcome changes. The move to a revenue sharing regime, rationalization of royalty and cess, full pricing and marketing freedom for oil & gas, ability to quickly identify areas of interest, bid and secure them are noteworthy. Even in the turbulent times globally, the oil & gas sector in India, is opening up. Demand for domestically produced oil remains intact as there is a captive market for the oil & gas produced in India.

HOEC, with its focus on low-cost operations, prudent capital management, diverse asset portfolio and proven capabilities in execution is well-positioned to weather this storm by enhancing its oil production from its block B-80 in Western Offshore and by leveraging the opportunities from the transition and push toward a gas-based economy.

Global Oil Price

Crude Oil Prices (Brent) decreased from US$ 71 per barrel in April 2019 to US$ 32 per barrel in March 2020.

Indian Gas Price

The price for domestic natural gas (derived from a cocktail of gas prices prevailing in multiple global gas markets) issued by the Petroleum Planning & Analysis Cell (PPAC), Ministry of Petroleum & Natural Gas (MoP&NG), Government of India has decreased from US$ 3.69/MMBTU during April 2019 - September 2019 to US$ 3.23/ MMBTU during October 2019 - March 2020.

HOEC VISION

HOEC is India's first private E&P company and has decades of experience operating multiple fields, both onshore and offshore in leading producing basins. Energy security being a strategic priority for the country, HOEC's business is, therefore, linked with the National Priority. We will work closely with all stakeholders to explore, develop and produce hydrocarbons in a safe and responsible manner.

Our passion is to find, develop and deliver oil & gas that everybody in our country needs. We believe talent and technology are the key ingredients to building and sustaining a successful E & P business.

Our vision is to establish and transform 'Resources' to 'Assets' to create value for all stakeholders and Grow Responsibly. We seek to realize our vision by;

- Exploring for Oil & Gas;
- Executing to transform Resources to Reserves; and
- Enhancing value for all stakeholders by converting Reserves to Revenues.

HOEC Business Strategy and Values

HOEC's strategy is focused on delivering growth in the Company's core business, while enhancing profitability through:

- Establishing and sustaining low cost operations in all our assets
- Identifying and developing low risk, short cycle projects for rapidly increasing production
- Improve value maximization by increasing realised price & by increasing production through optimising existing facilities

Our near-term focus is to secure the best possible value from the excellent set of opportunities presented by our portfolio of discovered resources along with prudent capital allocation and carefully planned market strategies.

Values of HOEC

Honesty	We believe in honesty and are committed to conduct our business ethically and transparently.
Ownership	We are One Team and hold ourselves personally accountable for our decisions, actions, attitudes and results.
Entrepreneurship	We are entrepreneurs at heart and are passionate about adding value to make a difference to all our stakeholders.
Care	We care for each other, the communities and the environment in which we operate.

HOEC believes that securing and maintaining the social licence to operate through good environmental, social, health and safe performance is an integral part of our business success.

Our commitment to these principles is demonstrated by the fact that we have had no lost-time accidents or environmental incidents during the year under review.

We conduct our business with respect and care for our communities and the environment in which we operate. We will be a good corporate citizen of India, and will maximise utilization of local talent, services, and equipment.

To sum up, HOEC business strategy is to continue to invest in low risk and short cycle projects & to remain focused on innovative management of cost and speed of execution to create value to all stakeholders and Grow Responsibly.

Some operational highlights of FY 2019-20 to deliver the Strategy, guided by our Values are summarized below:

- Sourced men & material from across the world and managed local logistics to complete the two-well drilling campaign in Mumbai offshore.
- Conversion of MOPU is now completed and it is ready to sail-out from the Middle East. FSO is procured and is undergoing maintenance activities. Testing from both wells in B-80 has established a production potential of > 8000 boepd.

- Dirok continued its 3rd successful year of commercial production, safe and reliable operations.
- PSC extension of PY-1 and Kharsang was reviewed and recommended by the Management Committee.
- We continued operations in our operational blocks and maintained production during majority period of the prevailing lockdown safely.

OPERATIONAL AND FINANCIAL DISCIPLINE

Oil & Gas exploration is a capital-intensive industry with associated risks. The financial strategy of the Company is focused on monetising the existing assets and bringing value to the stakeholders. Accordingly, our near-term focus is to bring the B-80 field to production, execute the revised field development plan in Assam, improve production from PY-1 and increase the value of other assets in our portfolio of discovered resources.

Corporate Responsibility

Safety First	Never put any person or asset in an un-safe situation.
Environment Friendly	Not to harm the environment.
Regulation Compliant	Compliant with applicable laws all the time.
Optimum Cost (US$/bbl)	Complete the development in a cost and time effective manner.
Investment Prudence	Not to take risk beyond the means and to prioritize the opportunities in our portfolio on risked expected monetary value in any given year.

In pursuit of its business strategy, all projects are screened on a rigorous, consistent basis for technical and commercial viability. We use our in-house geoscience expertise and third-party independent experts to identify, evaluate and prioritize the opportunities.

As an Optimum Cost Operator in the industry, we scrutinize every value proposition to derive excellence in execution. Cost is considered an element to control when it does not result in value sacrifice in the E&P business.

Our objective is to provide a consistent compounded annual growth rate to our shareholders, commensurate to the risks in this business.

Operations Overview

The Company's activities relate to exploration, development and production (based on exploration success) of hydrocarbons (crude oil and natural gas), which are natural resources. HOEC assets are geographically spread across Tamil Nadu, Maharashtra, Gujarat, Assam and Arunachal Pradesh (both offshore and onshore) with a balanced portfolio of development and production assets, both in onshore and offshore.

Product-wise Performance

The Company's aggregate production during the FY 2019-20 was 1.10 million barrels of oil equivalent (MMBOE) (Crude oil: 0.10 million barrels; Gas: 5.25 BCF) as against 1.43 million barrels of oil equivalent (MMBOE) (Crude oil: 0.14 million barrels; Gas: 6.98 BCF) during the previous year. This decrease in production is mainly due to certain consumer shutdowns and resulting reduced production capacity from PY-1, resulting in lower gas offtake levels at Dirok field in Assam and PY-1 field.

Reserves

As of March 31, 2020, the in-house estimates of Proved and Probable (P+P) reserves on working interest basis for the Company were 26.65 MMBOE.

RISKS, THREATS, UNCERTAINTIES AND CONCERNS

HOEC's business, financial standing and reputation may be impacted by various risks and uncertainties, not all of which are within its control. Company identifies and monitors the key risks and uncertainties affecting our operations and runs the business in a way that minimizes their impact where possible.

The Company's level of risk and its management approach is discussed and reviewed by the Board, Audit Committee and Senior Management. The principal risks and uncertainties facing the Company and the actions taken to mitigate these risks are as follows:

Strategic and Operational Risk

Description of Risk	Mitigation
Business Model	Our Board Members along with Management team periodically reviews the Company's business model and effect necessary adjustments if economic circumstances so demand. The Board has constituted a Risk Management Committee under the chairmanship of Mr. Pronip Kumar Borthakur, a Non-Executive Independent Director (former Director Offshore, ONGC).
Portfolio Mix	The Company maintains a diverse portfolio of oil and gas assets across a range of sedimentary basins and at different project life cycles to minimize exposure to geographical, geological and commodity market risk.
Health, Safety and Environment	Oil and gas operations by its very nature carry a potentially high level of attendant safety and environmental risks and the impact of an accident can be significant in terms of human, environmental and financial cost. HOEC carries out HAZOP, HAZID, SIMOPS and maintains risk register and Emergency Response Plan covering risks specific to various operations. The Company has devised a comprehensive policy framework as well as health and safety management and reporting systems. These are regularly monitored and reviewed by the Board and the Management. The Company also works closely with various regulatory authorities of the Central and State Governments and compliance audits are conducted. To mitigate disruptions in production and other losses due to coronavirus, protocols and SoPs like mandatory wearing of masks, temperature checks, social distancing and other hygiene practises are in place and are adhered to strictly. The Company undertakes operations as per international environmental standards of the Oil Industry. Environmental Impact Assessments are prepared and approvals from authorities are secured before any project is executed.
Exploration Geological and Reservoir Risk	Exploration is inherently a risky business, with statistically only a relatively small proportion of exploration wells resulting in commercial discovery. Systematic geo-scientific workflow is pursued under internal technical stewardship and peer reviewed by third party experts to minimise geological and reservoir risks and maximize opportunities. HOEC has now set up a Technical Advisory Committee (TAC) with seven domain experts.
Reserves Estimation and Recovery Risk	Numerous uncertainties are inherent in estimating crude oil and natural gas reserves. Reservoir engineering follows a subjective process of estimating underground accumulations of crude oil and natural gas. It is well recognized that these cannot be measured in an exact manner. Reserves estimations involve a high degree of technical judgment and it is a function of the quality of the available geological and reservoir data. Results of drilling, testing and production may substantially change the reserve estimates for a given reservoir over a period of time. For these reasons, actual recoverable reserves may vary substantially from original estimates.
Community Relationship	Continuous dialogue and engagement exist between the Company and its stakeholders, which is central to harmonious operations. A robust local content policy has been announced and being implemented. Local personnel are employed wherever possible and Company helps in developing skill sets of such personnel.

Financial Risk

Description of Risk	Mitigation
Commodity Price Volatility	HOEC is exposed to volatility in the oil and gas prices since the Company does not undertake any oil price hedge. The impact of a falling oil price is however partly mitigated via the production sharing formula in the PSCs, whereby our share of gross production increases in a falling oil price environment due to cost recovery mechanism. Gas prices are fixed for certain duration and the same are based on policy guidelines issued by the Government.
Foreign Exchange Exposure and Interest Rate Risk	Company enjoys a natural hedge to a certain extent as its receivable and significant expenditure are denominated in United States Dollar (US$).
Cost Inflation impacting both Goods and Services	The Company pursues structured planning processes which allow sufficient time for procurement of services and tracking the critical path activities. Company maintains past procurement cost data and constantly monitors changes in market.

Compliance, Ethical and Governance Risk

Description of Risk	Mitigation
Legal, Regulatory and Litigation	The Company's activities are subject to various laws and regulations. Regulatory changes may impact the value of the Company. Risks are mitigated by proactive assessment and ensuring compliance. The Company is party to various ongoing litigations, which if decided against the Company, may have an adverse impact on the financial position of the Company.
Ethical Conduct	The Company recognizes the importance and maintains transparent and responsible relationships with all its stakeholders and has a robust Whistle Blower Policy wherein the employees have a direct access to the Chairman of the Board.
Corporate Governance	The Company recognizes the importance of maintaining strong corporate governance procedures and processes. The Company has a robust governance framework in place. The Board reviews compliance with the applicable regulatory guidelines and best practices.

Insurance Coverage

Our business is subject to the operating risks. As protection against financial loss resulting from some of the operating hazards, we maintain insurance coverage for all operated and non-operated assets, including physical damage, control of well, seepage and pollution and employer's liability, third party liability, goods in transit, coverage for assets and comprehensive general liability insurance.

The coverage is subject to customary deductibles, waiting periods and recovery limits. We maintain insurance at levels that we believe are appropriate and consistent with industry practice and we regularly review our potential risks of loss and the cost and availability of insurance and revise our insurance program accordingly. The Company also procures director's liability insurance covering the cost of legal representation and crisis management.

FINANCIAL REVIEW

The revenue for the current year has declined to ₹ 17,983.54 lakhs from ₹ 23,689.41 lakhs in the previous year. This decrease is primarily for reasons as detailed in the section 'Operational and Financial Discipline' of the Management's Discussion & Analysis Report.

The Company's production on working interest basis during the year is 11,00,293 boe (3,006 boepd) and for the previous year was 14,26,872 boe (3,909 boepd) which is 23% lower than the previous year.

Other income for the current year stands at ₹ 2,157.73 lakhs as against ₹ 1,006.32 lakhs in the previous year, which includes interest income and income from financial investments.

The average price realised on sale of crude oil for current financial year is US$ 53.82/bbl and for gas is US$ 3.82 per mmbtu against US$ 63.27/bbl for crude oil and US$ 3.62 per mmbtu for gas in the previous year.

Operating Costs

During the year, the cost towards production expenses has reduced to ₹ 2,599.54 lakhs compared to ₹ 2,823 lakhs in the previous year. Other expenses have reduced to ₹ 599.79 lakhs from ₹ 711.13 lakhs in the current year.

Finance Costs

The Company has not incurred any interest or finance cost during the financial year 2019-20 except the impact of unwinding the decommissioning cost.

Net Profit/Loss

On a standalone basis, the Profit-After-Tax is ₹ 14,083.39 lakhs as against the profit of ₹ 14,896.46 lakhs in the previous year.

Cash Flow

The Operating profit before exceptional items and tax is ₹ 11,461.90 lakhs in the current financial year against ₹ 14,758.75 lakhs in the previous year. Operating profit before the working capital changes is ₹ 12,668.05 lakhs in the current financial year and for the previous year was ₹ 17,709.59 lakhs. The exceptional item for the current year is ₹ 2,621.49 lakhs and for the previous year was ₹ 230.69 lakhs. The net increase in cash and cash equivalents during the financial year is ₹ 1,190.48 lakhs. The effective cash and cash equivalents of the Company at the end of the financial year is ₹ 14,059.59 lakhs as against ₹ 12,869.11 lakhs in the previous year.

Ratio Analysis

The details of significant changes (i.e. changes of 25% or more) in key financial ratios, along with the explanations therefor, are as follows:

Ratio	Level change
Debtors Turnover	4.68 times
Inventory Turnover	4.08 times
Return on Net worth	21%

Companies (Indian Accounting Standards) Rules, 2015

In accordance with the Companies (Indian Accounting Standards), Rules 2015 of the Companies Act, 2013, HOEC has followed the Indian Accounting Standards (Ind AS) for preparation of its financial statements.

Critical Accounting Policies and Estimates

The preparation of the financial statements requires the Company's management to make several estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. When alternatives exist among various accounting methods, the choice of accounting method can have a significant impact on reported amounts. The following is a discussion of the accounting policies, estimates and judgment which management believes are most significant in the preparation of the financial statements.

Oil and Gas Properties

We account for crude oil and natural gas properties under the Successful Efforts Method (SEM) of accounting. Under the SEM, costs to acquire mineral interests in crude oil and natural gas properties, to drill and equip exploratory wells that find commercial quantities of proved reserves, and to drill and equip development wells are capitalized. Proved property acquisition costs are amortized by the unit of production method on a field-by-field basis, based on total proved developed crude oil and natural gas reserves, as approved by the Management Committees of the respective Unincorporated Joint Ventures. Costs associated with drilling successful exploratory wells and drilling development wells are amortized by the unit of production method on a field-by-field basis. These costs, along with support equipment and facilities, are amortized based on proved developed crude oil and natural gas reserves. Survey and seismic acquisition costs are expensed.

Besides being the recommended method under the Guidance Note issued by the Institute of Chartered Accountants of India, we believe that the SEM is the most appropriate method to use in accounting for our crude oil and natural gas properties because it provides a better representation of results of operations for a Company of our size.

Site Restoration Liability

Our site restoration liability consists of estimated costs of dismantling and abandoning producing well sites and facilities, site reclamation and similar activities associated with our oil and gas properties. The recognition of Site Restoration Liability requires that management make estimates, assumptions and judgments regarding such factors as estimated probabilities, amounts and timings of obligation. The corresponding amount is added to the cost of the producing property and is expensed in proportion to the production for the year and the remaining estimated proved reserves of hydrocarbons based on latest technical assessment available with the Company. Any change in the value of the estimated liability is dealt with prospectively and reflected as an adjustment to the provision and the corresponding producing property.

FINANCIAL POSITION

Liquidity

At the year end, HOEC had cash and cash equivalent of ₹ 14,059.59 lakhs. Cash surplus is placed in debt oriented liquid funds and bank deposits as approved by the Board. HOEC manages its short-term liquidity to generate returns by investing its surplus funds, while ensuring safety of capital.

Capital Requirements

The Company has adequate cash in hand, working capital and internal accruals to implement its business plan to drive organic growth of its portfolio. The Board recognizes that the Company has a successful track record of raising capital in the past and that the Company shall raise financial resources as and when needed to meet any new growth opportunities.

OUTLOOK

Based on our business plan to convert the discovered resources in our portfolio of assets, our outlook remains positive.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company maintains a comprehensive system of internal control. This comprises the management systems, organizational structures, processes and standards that are implemented to conduct our business operations. The Company has a proper and adequate system of internal control commensurate with the size and nature of business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company and ensuring compliance with corporate policies.

The Company also conducts periodic evaluations, mainly through its Internal Audit, to determine the adequacy of its Internal Controls System.

The Company has appointed M/s Guru & Ram LLP, an independent firm with expertise in internal audit and assurance, which inter-alia ensures the adequacy of the procedures of recognizing and managing risks applied by the Management, the effectiveness of the Internal Controls System and the quality and reliability of the information given to the Management with regards to the System of Internal Controls. The adequacy of the Internal Controls System is monitored on a systematic basis by the Audit Committee, through reports submitted to it by the Internal Auditors. Reports by the Management and the Internal Auditors include assessments of the major risks and the effectiveness of the Internal Controls System in addressing them.

Systemic weaknesses identified, if any, are incorporated in the reports, including the impact they had or could have had, as well as the actions of Management to correct them. No significant control failures were reported during the year.

As part of the Company's internal control process, any transactions with related parties are approved by the Audit Committee and Board of Directors, and appropriately disclosed in the financial statements.

The Company's Information Technology (IT) Department provides the required tools and solutions to all employees and manage the operations and support of IT systems and applications efficiently using internal and external resources.

The Company has internal controls regarding fixed assets, inventories, cash and bank checks, etc., such as physical security, inventory counts and reconciliations of physically counted quantities with the recorded ones. Further, the Company has schedule of quarterly inventory counts to confirm inventory levels as per accounting records. The Company also has a delegated authorities and responsibilities, which depicts assigned authorities to various Company executives, to conduct certain transactions or actions (e.g. payments, receipts, contracts, etc.).

WHISTLE-BLOWER POLICY

The Company has a whistle-blower policy in place. A copy of the policy has been made available on the website of the Company at *https://www.hoec.com/grow-with-us/corporate-governance/*. All employees, contractual persons, consultants, vendors and customers of HOEC can raise concerns about possible wrongdoing by contacting the Ombudsperson (Chairman - HOEC Board) in a confidential manner.

TALENT DEVELOPMENT

Oil & Gas discoveries around the world happen because of talented people supported by technology. HOEC is committed to provide a robust platform for talented people to develop ideas, work as a team to create value and make a difference to all the stakeholders. Our ability to create sustainable stakeholder value is linked with our ability to recruit, motivate and retain top talent. Accordingly, technical talent pool is being strengthened continuously both by engaging experienced experts on full and part time basis in Technical Advisory Committee (TAC) and by inducting young talent.

HOEC strives to ensure a caring and energised work environment, where employee engagement is high. This is sought to be achieved by empowering employees and encouraging innovation and ownership. Being a small team helps in seamless communication, where relationships amongst our employees are cohesive and team spirit is high.

HOEC values all employees for their contribution to our business. We are committed to develop and deploy people with the skills, capability and determination required to meet our business objectives. Opportunities for advancement are equal and not influenced by considerations other than performance and aptitude. Employees are motivated to develop within a flexible framework and are encouraged to provide feedback on their expectations.

HEALTH, SAFETY, ENVIRONMENT & SOCIAL RESPONSIBILITY

We believe that "All Lives Have Equal Value" and nothing that we do can be more important than ensuring safety. We are committed to making a positive contribution to the protection of the environment in areas in which we operate and to do everything possible to minimize any adverse effects of our operations.

A series of reports are generated on a regular basis to monitor compliance with standards on gas emissions, liquid effluents, solid waste, noise and incident statistics monitoring. These reports are then collated and used to highlight and propose an action plan for any area of non-compliance or where there is potential for improvement. Emergency Response Plan (ERP) is also in place for operational areas.

HOEC continued to maintain a sound health and safety record in FY 2019-2020. As always, special skills training on Job Safety Awareness (JSA) and Risk Assessment and several HSE awareness campaigns have been conducted in our operating sites in Assam and best practices have been felicitated by HSE Awards Program.

The Key Performance Indicators (KPIs) related to HSE are as below:

KPIs statistics	FY 2019-20	FY 2018-19
Fatalities Accident Rate (FAR)	0	0
No. of LTIs	0	0
Days since last LTI	1,209	844
Oil Spill Incidents	0	0
Fatal Accident Rate	0	0
LTI Frequency	0.01	0.01
LTI Severity	0	0

Corporate Social Responsibility

HOEC believes that its License to Operate is to be earned from the local community in the area of its operations and it is keen to leave a positive economic and social impact through its operations and make a difference to the quality of life of its local stakeholders. Promoting local content in all our operations is at the core of our CSR policy and accordingly, Company has rolled-out a local content policy for our North East Operations.

Our CSR Policy and Programmes seek to:

- Promote local content by developing entrepreneurship and local enterprises
- Improve access to clean drinking water
- Enhance the quality of education in our operating area
- Promote personal safety, environmental and technology awareness
- Support promotion of local culture and sports

KEY STRENGTHS OF HOEC

Quality Asset Portfolio

- Portfolio of discovered resources - all blocks with discoveries producing or ready to be developed
- Diverse geographical footprint - Presence in 4 out of 7 producing basins in India
- Balanced portfolio - Offshore/Onshore & Oil / Gas
- Upside potential for exploration within portfolio with infrastructure for rapid monetisation
- Operatorship in majority of blocks to drive value creation

Strong Organization

- India's first private E&P company with decades of experience operating onshore and offshore fields
- Professional management with proven industry experience
- Delivered leading HSE performance with strong focus on safe and sustainable operations
- Superior technical capability across the E&P value chain
- Proven experience in fast track development and low-cost operations, both on-shore and off-shore
- Recognised as a partner of choice to develop and maintain social and regulatory license to operate

Note:

In preceding sections of this Annual Report, in particular the Board's Report, and the Management's Discussion and Analysis Report:

(a) previous year figures have been re-grouped to conform to the current year presentation; and

(b) figures have been rounded off.

Business Responsibility Report

This section is as per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	**Corporate Identity Number (CIN) of the Company**	L11100GJ1996PLC029880
2.	**Name of the Company**	Hindustan Oil Exploration Company Limited
3.	**Registered address**	"HOEC House", Tandalja Road, Off Old Padra Road, Vadodara - 390 020, Gujarat, India
4.	**Website**	www.hoec.com
5.	**E-mail id**	hoecshare@hoec.com
6.	**Financial Year reported**	April 01, 2019 - March 31, 2020
7.	**Sector(s) that the Company is engaged in (industrial activity code-wise)**	<table><tr><th>Group</th><th>Class</th><th>Sub Class</th><th>Description</th></tr><tr><td>061</td><td>061</td><td>06101</td><td>Offshore extraction of crude Petroleum</td></tr><tr><td></td><td></td><td>06102</td><td>Onshore extraction of crude Petroleum</td></tr><tr><td>062</td><td>062</td><td>06201</td><td>Offshore extraction of Natural gas</td></tr><tr><td></td><td></td><td>06202</td><td>Onshore extraction of Natural gas</td></tr></table>
8.	**List three key products/services that the Company manufactures/ provides (as in balance sheet)**	Crude Oil and Natural gas
9.	**Total number of locations where business activity is undertaken by the Company**	The Company has Pan-India business activities, both onshore and offshore. The Company operates in ten (10) Oil & Gas blocks of Discovered Resources and one (1) exploratory block. Details of the same are mentioned at "Our Asset Portfolio" section of this Annual Report.
10.	**Markets served by the Company**	National

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	**Paid up Capital (INR)**	13,225.93 lakhs
2.	**Total Turnover (INR)**	17,983.54 lakhs
3.	**Total profit after taxes (INR)**	14,083.39 lakhs
4.	**Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)**	0.44%
5.	**List of activities in which expenditure in 4 above has been incurred**	Details are provided at point 5 of the Annual Report on CSR activities which forms part of Board's Report.

SECTION C: OTHER DETAILS

1.	**Does the Company have any Subsidiary Company / Companies?**	Yes
2.	**Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)?**	No
3.	**Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**	No

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Directors responsible for implementation of the BR policy/policies

The Corporate Social Responsibility Committee of the Board of Directors is responsible for implementation of BR policies. The members of the CSR Committee are as follows:

DIN	Name	Designation
01866765	Mr. Vivek Rae	Chairman / Non Executive Independent Director
06770401	Ms. Sharmila Amin	Non Executive Independent Director
06417854	Mr. P. K. Borthakur	Non Executive Independent Director
06475821	Mr. P. Elango	Managing Director

(b) Details of the BR head

Name : G. Janakiraman
Designation : Head - HSE & CSR
Telephone No. : 044-66229000
E-mail ID : *gjanakiraman@hoec.com*

2. Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

P1	Business should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the wellbeing of all employees
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
P5	Businesses should respect and promote human rights
P6	Business should respect, protect, and make efforts to restore the environment
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

S.No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for..	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Has the policy being formulated in consultation with the relevant stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Does the policy conform to any national / international standards?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Designated department heads, who report to the MD & CFO monitor and oversee the policy implementation. Also, the MD & CFO monitor the policy implementation and progress on initiatives and actions through periodic reviews.								
6	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
7	Does the company have in-house structure to implement the policy/policies.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
8	Indicate the link for the policy to be viewed online?	Policies of the Company are available at the following links: - *https://www.hoec.com/grow-with-us/corporate-governance/* - *https://www.hoec.com/growing-responsibly/csr/* - *https://www.hoec.com/growing-responsibly/hse-policies-reports-disclosures/* Policies on HR are available on the Company's intranet.								
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	At regular intervals, audits are conducted by the Internal Audit Team combined with audit conducted by Statutory Auditors.								

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The Board of Directors, committees of the Board, and the CEO assess the BR performance of the Company every three months. For more information, read the Corporate governance report, which is part of this Annual Report.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Yes, the company publishes its Sustainability Report annually, which can be accessed at - *https://www.hoec.com/results-and-reports/annual-reports/*.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1 - Conduct, Governance, Ethics, Transparency and Accountability

1. **Does the Company have policy for Principle 1? Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs/Others?**

   Yes. HOEC's Group Companies/Suppliers/Contractors are separate legal entities having their own policies and procedures.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?**

   During FY 2019-20 no Whistle-blowing cases were reported. For details on investor complaints and resolution, refer to the 'Investor complaints' in the Shareholder information section under Corporate Governance Report of this Annual Report.

Principle 2 - Safety and Optimal Resource Utilisation across Product Lifecycle

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   HOEC operates in the Oil & Gas Exploration and Production sector. We produce only Crude Oil and Natural Gas. While there is a limitation in being able to incorporate environmental and social design concerns in the composition of our products, we ensure that best-in-class practices are followed while designing and operating our production facilities.

   The major component of company's product is Natural Gas, which is a clean fuel with less carbon content. The combustion of natural gas, releases very small amounts of sulfur dioxide and nitrogen oxides, virtually no ash or particulate matter and lower levels of carbon dioxide, carbon monoxide, and other reactive hydrocarbons.

   All designing and project planning is done in a way to minimize environmental damage, and all procured machinery is assessed to ensure that it meets desired environmental standards.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

   (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

   i. The Company works with regulators and land owners to minimize surface impacts from our operations and prioritize use of Degraded Non-Agricultural land for project execution.

   ii. The Company has installed 105 Nos of solar lamps in the Block area to generate solar based energy for illumination to minimize dependency on conventional energy sources.

   iii. Water conservation is a priority of the Company, and we continually pursue sustainable and diverse sources of non-potable or non-fresh water for drilling and completions of oil and gas wells, Green Belt development and washing of equipment etc. Our comprehensive approach includes utilizing effluent water (wastewater), brackish water and recycled produced water to meet our operational requirement. Dedicated Sewage water treatment and effluent water treatment facility commissioned at our operational site.

   iv. The Company also minimizes the flaring of gas in all of its operations; exceptions are related to safety concerns during emergency or upset conditions. HOEC has commissioned horizontal flare system fitted with six burners, four pilots, one ignition control panel and one flare header. A fence is provided around the ground flare to guarantee that the flames are concealed, thereby preventing exposure to the surrounding environment

   v. Our site operations have developed the practice of using of low sulphur diesel oil (0.25% sulphur content) in DG sets for emergency operations.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

8. **What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?**
   - **(a) Permanent Employees** - Nil
   - **(b) Permanent Women Employees** - Nil
   - **(c) Casual/Temporary/Contractual Employees** - Nil
   - **(d) Employees with Disabilities** - Nil

Principle 4 - Engaging Stakeholders - Sustaining Value

1. **Has the company mapped its internal and external stakeholders?** - Yes.
2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.**

   Identification of the disadvantaged, vulnerable and marginalised stakeholders is an on-going process. However, we emphasize on improvement in the areas of children's education and skill development for women in our nearby communities and have initiated certain programmes for the same.
3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders?**

   Yes. We engage with the disadvantaged, vulnerable and marginalised stakeholders through our CSR projects, mainly in the areas of our operations at North-East. For details, refer to the Annual Report on CSR activities set out in Annexure V of the Board Report.

Principle 5 - Businesses should respect and promote human rights

1. **Does the policy related to Principle 5 cover only the company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?**

   The principles stated in our code and policies covers the Company. HOEC's Group Companies/Suppliers/ Contractors are separate legal entities having their own policies and procedures.
2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?** Nil

Principle 6 - Nurturing the Environment

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.**

   The Company has in place a Sustainability Policy. HOEC's Group Companies/Suppliers/Contractors are separate legal entities having their own policies and procedures.
2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

   The Company having the strategy to proactively manage our environmental footprint and limit emissions of methane and other greenhouse gases from our operations. We are committed to working with all our service contractors and communities to address our impacts to the environment while ensuring the supply of sustainable, abundant and affordable energy.

   The Company has in place an Environmental Policy, which is available on our website at *https://www.hoec.com/growing-responsibly/hse-policies-reports-disclosures/*.
3. **Does the company identify and assess potential environmental risks?**

   Yes. The Company has the practice of conducting Environmental Impact Assessment study with a thorough assessment of potential environmental risk and mitigation measures applicable to all our project. This is being evaluated by the Ministry of Environment and Forest and Climate Change and then the projects are awarded with Environmental Clearance.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   All processing facilities are equipped with flare systems for the safe and clean disposal of hydrocarbon vapour during operations. Appropriate management of power generation source to achieve fuel efficiency and therefore reduce emissions. Adequate DG stack height is accounted for to enable effective dispersion of air pollutants, and to meet the minimum stack height and emission concentrations criteria set by the Central Pollution Control Board (CPCB).

   The Company complies with the specific and generic condition recommended by the Ministry of Environment and Forest and Climate Change and files half yearly environmental compliance report to Regional Office for each operational Block.

5. **Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   Use of low sulphur diesel oil (0.25% sulphur content) in all diesel driven engines at operational sites are followed for cleaner emission. All the machineries and equipment at production installation undergoes periodical preventive maintenance in compliance with OEM recommendation to increase the energy efficiency and to minimize breakdown time.

   Details of the same are available on the Sustainability Report published by the Company which is available on our website at *https://www.hoec.com/results-and-reports/annual-reports/*.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   The emissions/waste generated by the company are within the permissible limits given by CPCB/SPCB. Emission monitoring is carried out periodically through SPCB approved environment monitoring agency and the reports are submitted to SPCB regularly. All the operational Blocks of the Company are approved by State Pollution Control Board with a Consent to Establish and Operate.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.** - Nil

Principle 7 - Responsible Policy Advocacy

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with.** - No
2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)** - Not applicable

Principle 8 - Support Inclusive Development

1. **Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   Yes. The Company rolls out various projects and programmes under different sectors in line with the CSR policy and the guidelines provided under Schedule VII of the Companies Act, 2013.

   Rural Development Projects: Construction of Road and Installation of Solar street lamps

   Promoting Education: Proving infrastructure support in schools by constructing classrooms, English Language Program in Government schools for Primary section.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**

   The projects and programmes are undertaken by the in-house team consisting of CSR Head and other company representatives at respective operating area of the Company.

3. **Have you done any impact assessment of your initiative?**

   Yes. The Company carries out Impact Assessment at our operating areas through an in-house team at regular intervals and through an external resource person on a yearly basis to understand the impact created by our initiatives and projects.

4. **What is your company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken.**

   Amount spent by the Company for community development projects for the FY 2019-20 is ₹ 55.17 lakhs

   Projects undertaken:

   - Installation of RO Plant in Civil Hospital
   - Construction of Dugwells & Toilets
   - Construction of Paver Cement Block Road & WBM Road
   - Setting up of Open Gym & Children play area
   - Renovation of school Building, Anganwadi's and providing furniture
   - Installation of Solar Street Lamps
   - Restoration of Waterbodies

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community?**

   The initiatives are monitored through company representatives in the operating area by interacting with the stake holders to get feedback on the completed projects. Thus, the Company considers the feedback of the stakeholders and designs the project/programme such that they are successfully adopted by the community.

   Also, the community development initiatives chosen are based on the following criteria such as

   - identifying the need through an internal assessment by the company representatives in its operational areas.
   - request and demand made by the stake holders in Public hearing
   - discussion with the stakeholders from the villages (Local Leaders, Local representatives, Voluntary Organisations, Youth, Student Organisations, SHG's and Mahila Samitte)

Principle 9 - Providing Customer Value

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year?** - Nil
2. **Does the company display product information on the product label, over and above what is mandated as per local laws?** Not Applicable
3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year?** No
4. **Did your company carry out any consumer survey/ consumer satisfaction trends?** - No

Report on Corporate Governance

HOEC adheres to the prescribed corporate governance practices as per SEBI Listing Regulations and is also committed to adopt emerging best principles and practices worldwide. In accordance with provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI Listing Regulations"), and some of the best practices followed internationally on Corporate Governance, the report containing the details of corporate governance systems and processes at HOEC is as follows:

1. STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Good governance practices stem from a progressive culture and positive mind set of an organization, anchored to the principles of transparency and trust thereby creating an enduring value for all the stakeholders.

The key to your Company's Corporate Governance principles are to maintain a highest degree of integrity, transparency, accountability, ethical behaviour and long-term sustainability in its business conduct. HOEC aspires to be a good corporate citizen by ensuring investor protection, better compliance with statutory laws and regulations and by adopting best industry practices.

The Board's actions and decisions are aligned with the Company's best interests. It is committed to the goal of sustainability to increase the Company's value and to 'Grow Responsibly'. The Company has defined policy and guidelines for ethical conduct of business and has established framework for the meetings of the Board and its Committees. These guidelines seek to systematize the decision-making process at the meeting of the Board and the Committees in an informed and efficient manner.

The Board critically evaluates strategic direction of the Company, management policies and their effectiveness. The agenda for Board reviews include strategic review from each of the Board Committees, a detailed analysis and review of annual strategic plans, operating plans, capital allocation, budgets and financial reports.

At the heart of our processes is the extensive use of technology. This ensures robustness and integrity of financial reporting, internal controls, allows optimal use and protection of assets, facilitates accurate and timely compilation of financial statements and management reports and ensures compliance with statutory laws, regulations and company policies.

Over the years, governance processes and systems have been strengthened at HOEC. Corporate Governance is a continuous process for constant improvement of governance. We have undertaken several initiatives towards maintaining the highest standards of governance which includes formulating and adhering to the following management systems, guidelines, policies and codes.

- Corporate Governance Policy
- Whistle Blower Policy
- Directors' Code of Conduct
- Code of Conduct for Independent Directors
- Code of Ethics for Senior Management
- Code of Conduct for Regulating, Monitoring and Trading by Insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
- Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions
- Policy for Disclosure of Event or Information and Determination of Materiality

- Policy on Material Subsidiaries
- Policy on Board papers
- Policy on Information Management
- Policy on Document Retention
- Corporate Social Responsibility Policy
- Health Safety and Environment (HSE) Policy
- Contracts and Procurement Procedure Manual
- Human Resources Policies and Guidelines
- Policy on Anti Sexual Harassment of Employees
- Operational Excellence Policy
- Policy on Sustainability
- Policy on Security
- Anti-Corruption Guideline
- Management and Control Model

In addition, Your Company positions itself for a meaningful role towards communities and its environs which directly or indirectly co-relate themselves with Company's success and growth.

The Company has a strong sense of participation in community development such as using and developing local sources wherever possible for our operations. It has an established system to encourage and recognize employees' participation in environmental and social initiatives, that contribute to organizational sustainability, conservation of energy and promotion of safety and health.

2. BOARD OF DIRECTORS

(i) Board composition and category of Directors

As on March 31, 2020, the Company has seven (7) Directors - three (3) Non-Executive Independent Directors, two (2) Non-Executive Non-Independent Directors and two (2) Executive Directors.

Mr Vivek Rae is the Non-Executive Independent Director & Chairman of the Company. Ms. Sharmila Amin is a Non-Executive Independent Woman Director. There are no inter-se relationships between the Board members.

Accordingly, the composition of the Board is in compliance with provisions of Regulation 17 of SEBI Listing Regulations and Section 149 of Companies Act, 2013. The profile of the Directors is available at *https://www.hoec.com/who-we-are/board-of-directors/*.

None of the Directors on the Board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he or she is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2020 have been made by the Directors.

(ii) Functions of the Board

Board is the highest decision-making body subject to the powers and matters reserved to Members that may be exercised in their meeting. Board accords its approval to all the key decisions of the Company. For day to day routine operations, the Board has delegated authority to the Managing Director. All matters of strategic or material nature are placed before the Board with background, proposal, situational and option analysis, notes and relevant documents thereby enabling the Board to take informed decisions.

(iii) Separation of Board's supervisory role from Executive Management

The Company, in line with the best corporate governance practice, has separated the Board's supervisory role from that of the executive management.

(iv) Selection of Directors and their Role

Considering the requirement of skill sets on the Board, eminent people having a good standing in their respective field / profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination & Remuneration Committee for appointment as Directors on the Board. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorships and memberships held in various Committees of other companies by such persons. The Board considers the Committee's recommendations and takes appropriate decision.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act, having vast, diversified, professional and operational experience in the areas of oil and gas, general management, finance, insurance and public administration. This pool of rich and diverse experience enriches and adds value to the discussions and decisions arrived by the Board.

The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. In the opinion of the Board, the independent directors fulfill the conditions specified in these regulations and are independent of the management.

Also, all independent directors have completed the registration with the Independent Directors Databank pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs. Requisite disclosures have been received from the directors in this regard.

The format of letter of appointment issued to Independent Directors is available on our website at *https://www.hoec.com/grow-with-us/corporate-governance/*.

During the year, a meeting of the Independent Directors was held on February 13, 2020. The Independent Directors, inter-alia, reviewed the performance of non-independent directors, Chairman of the Company and the Board as a whole.

(v) Key Board qualifications, expertise and attributes

The Board of Directors of the Company comprises of qualified members who possess the requisite skills, expertise and competency to effectively contribute to the functioning of the Board and its Committees.

The following are the key skills, qualifications and attributes which are taken into consideration when nominating candidates to the Board of the Company.

Vision and Leadership	The ability to see the big picture and the courage to set direction to achieve the organization's mission
Sector Specific Knowledge and Expertise	Knowledge of the organization's operations and relevant work experience
Financial Acumen	Management of the organization's finance function with proficiency in complex financial management, capital allocation and financial reporting processes.
Collegiality	A sincere and respectful attitude towards fellow Board members and their views.
Diligence and Discretion	Commitment to fulfilling the organization's goals and maintaining confidentiality of Board discussions and decisions.

Name of Director	Key skills / qualification / attributes				
	Vision and Leadership	Sector specific knowledge and expertise	Financial Acumen	Collegiality	Diligence & Discretion
Mr. Vivek Rae	✓	✓	✓	✓	✓
Ms. Sharmila Amin	✓		✓	✓	✓
Mr. P K Borthakur	✓	✓	✓	✓	✓
Mr. Ashok Goel	✓		✓	✓	✓
Mr. Rohit Dhoot	✓		✓	✓	✓
Mr. P Elango	✓	✓	✓	✓	✓
Mr. R Jeevanandam	✓	✓	✓	✓	✓

Note: The above table reflects the specific areas of focus or expertise of the existing individual Board members as on the date of this Report. However, the absence of a mark against a member's name does not necessarily mean that the member does not possess the corresponding qualification / attribute.

(vi) Names and categories of the Directors on Board, other Directorships and Committee Chairmanships / Memberships and shareholding as on March 31, 2020

Name of the Directors	Initial Date of Appointment	Category	No. of Directorship(s) including in this listed Entity		No. of Committee positions held including in this listed entity		No. of shares held in the company
			Chairperson	Member	Chairperson	Member	
Mr. Vivek Rae (Chairman)	18.04.2019	Independent, Non-Executive	1	1	Nil	Nil	Nil
Ms. Sharmila Amin	17.12.2014	Independent, Non-Executive	Nil	2	1	1	Nil
Mr. Pronip Kumar Borthakur	15.06.2016	Independent, Non-Executive	Nil	2	1	2	Nil
Mr. Ashok Kumar Goel	01.03.2018	Non-Independent, Non-Executive	Nil	2	Nil	2	1,84,65,078[4]
Mr. Rohit Rajgopal Dhoot	10.03.2018	Non-Independent, Non-Executive	Nil	5	Nil	2	30,34,107[5]
Mr. Elango Pandarinathan	02.02.2015	Managing Director	1	3	Nil	1	50,45,879
Mr. Ramasamy Jeevanandam	02.02.2015	Executive Director & Chief Financial Officer	Nil	3	Nil	1	50,02,124

Note: (1) Other directorships and committee positions do not include directorships/memberships of private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

(2) As per Regulation 26 of SEBI Listing Regulations, Chairmanships / Memberships of Board Committees shall only include Audit Committee and Stakeholders' Relationship Committee.

(3) In the Board Directorship and Committee details provided, every chairpersonship is also considered as a membership.

(4) Mr. Ashok Kumar Goel holds the said shares on behalf of Ashok Goel Trust.

(5) Mr. Rohit Rajgopal Dhoot holds the said shares on behalf of Dhoot Rohit Kumar Family Trust I.

Apart from the Board of HOEC, Mr. Ashok Kumar Goel is a Director of Solid Containers Limited in his capacity as as Non-Executive Non-Independent Director and Mr. Rohit Rajgopal Dhoot serves on the Boards of two (2) other listed entities namely Dhoot Industrial Finance Limited and Sutlej Textiles and Industries Limited in his capacity as Managing Director and as Non-Executive Non-Independent Director respectively.

(vii) Board Meetings

During the year under review, six (6) Board meetings were held and the intervening gap between the meetings did not exceed one hundred and twenty days. The required quorum was present for all the meetings.

Details of the attendance of Directors at the Board meetings and Annual General Meeting held during the year are as follows:

Name of the Director	Date of the Meeting						No. of Meetings entitled to attended	No. of Meetings attended	Attendance at last AGM 26-Aug-19
	14-05-19 (1)	05-08-19 (2)	25-08-19 (3)	06-11-19 (4)	17-01-20 (5)	13-02-20 (6)			
Mr. Vivek Rae	Yes	Yes	Yes	Yes	Yes*	Yes	6	6	Yes
Ms. Sharmila Amin	Yes	Yes	Yes	Yes	Yes*	Yes	6	6	Yes
Mr. P. K. Borthakur	Yes*	Yes	Yes	Yes	Yes*	Yes	6	6	Yes
Mr. Ashok Goel	Yes	Yes	-	Yes	-	Yes	6	4	No
Mr. Rohit Dhoot	Yes	Yes	Yes	Yes	-	Yes	6	5	Yes
Mr. P. Elango	Yes	Yes	Yes	Yes	Yes	Yes	6	6	Yes
Mr. R. Jeevanandam	Yes	Yes	Yes	Yes	Yes	Yes	6	6	Yes
Total strength	7	7	7	7	7	7			
Directors present	7	7	6	7	5	7			

* Meeting attended by the Director through video conferencing

(viii) Directors appointment / re-appointment / retiring during the year

The details of the appointment / re-appointment of directors during the year are given in the Board's Report section of this Annual Report.

(ix) Code of Conduct for the Directors and Senior Executives

In compliance with the SEBI Listing Regulations, the Company has laid down and implemented the Directors' Code of Conduct and Code of Ethics for Senior Management of the Company.

All Board Members, Senior Management and personnel who are one level below the Senior Management but instrumental in the critical operations / functions are covered under the said Codes and have affirmed their compliance thereof to the said Code.

The Company continues to ensure effective implementation and enforcement of these Codes to achieve the objectives enshrined in these Codes. All directors and employees are updated and sensitized about these Codes. Copies of the Codes are available on the intranet and have been also hosted on the Company's website *https://www.hoec.com/grow-with-us/corporate-governance/* for their reference and compliance.

The annual report of the Company contains a certificate from the Managing Director in terms of SEBI Listing Regulations on affirmation of compliance with the Company's Code of Conduct by the Board members and Senior Management Personnel.

(x) Code of Conduct for prevention of Insider Trading

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Company has laid down and adopted a Code of Conduct for Regulating, Monitoring and Trading by Insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information based and modelled on said Regulations. The said Code incorporates the amendments made in the aforesaid Regulations from time to time. The Company inter-alia observes a closed period for trading in securities of the Company for Directors / Officers and Designated Employees of the Company for the period of at-least seven days prior to the consideration of quarterly / half-yearly / yearly results.

The trading window is also closed in anticipation of price sensitive information / announcements / events. The said closure extends up to at least 48 hours after the disclosure of the said results / price sensitive information / announcements / events to the Stock Exchanges.

(xi) Information provided to the Board

During the year, the information as mentioned in Schedule II Part A of the SEBI Listing Regulations has been placed before the Board for its consideration.

The Managing Director & Chief Financial Officer jointly give certificate of compliance of the laws applicable to the Company on a periodical basis to the Board, for its review and noting. These certificates also contain reasons and action plans to remedy non-compliance, if any.

The agenda and notes on the agenda items are circulated to the Directors in advance. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, the same is circulated prior to the day of the meeting and tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted by the Chairman.

Draft minutes are circulated to all the members of the Board / Committee for their comments within the prescribed time. The minutes are entered in the Minutes Book within thirty (30) days from conclusion of the meeting.

The company complies with all applicable Secretarial Standards.

3. COMMITTEES OF THE BOARD

(i) Procedure at the Committee Meetings

The Company's guidelines relating to the Board Meetings are also applicable to the Committee Meetings as far as practicable. Each Committee and also their Chairman have the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its function. Minutes of proceedings of the Committee Meetings are circulated to the concerned Committee members for approval and then placed before the Board for taking note thereof.

(ii) Audit Committee

The Audit Committee of the Company is constituted in line with the provisions of the Companies Act, 2013 and SEBI Listing Regulations. As on March 31, 2020, the Audit Committee comprised of Ms. Sharmila Amin as Chairperson, Mr. Pronip Kumar Borthakur and Mr. Rohit Rajgopal Dhoot as members.

All the members of this Committee possess relevant financial / accounting expertise / exposure. The Audit Committee invites such of the executives as it considers appropriate, representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings.

The Company Secretary acts as the Secretary to the Audit Committee. The Chairman of the Audit Committee was present at the last Annual General Meeting held on August 26, 2019.

During the year under review, four (4) Audit Committee meetings were held and the intervening gap between the meetings did not exceed one hundred and twenty days. The required quorum was present for all the meetings.

The Audit Committee is empowered to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

An extract of the terms of reference of the Audit Committee is as follows.

- Oversight of the Company's financial reporting process.
- Reviewing with the management, the quarterly financial results, annual financial statements and the auditors' report thereon, before submission to the Board for approval.

- Recommendation for the appointment, remuneration and terms of appointment of the auditors of the Company.
- Reviewing and monitoring the auditor's independence, performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Evaluation of internal financial controls and risk management systems.
- Reviewing the adequacy of internal audit function, coverage and frequency of internal audit.
- Discussion with the auditors of any significant findings on matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- To review the investments made by the Company and its subsidiaries
- To review the functioning of the Whistle Blower mechanism.

Whistle Blower Policy

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour. The Company has a whistle blower policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the management to the workgroups. During the year, no personnel have been denied access to the Audit Committee. The Whistle Blower Policy is available on the website of the Company at *https://www.hoec.com/grow-with-us/corporate-governance/*. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice.

(iii) Nomination and Remuneration Committee

The Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and SEBI Regulations as amended from time to time.

As on March 31, 2020, the Nomination and Remuneration Committee comprised of Ms. Sharmila Amin as Chairperson, Mr. Vivek Rae, Mr. Pronip Kumar Borthakur and Mr. Ashok Kumar Goel as Members.

During the year under review, three (3) Nomination and Remuneration Committee meetings were held and the required quorum was present for all the meetings. The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting held on August 26, 2019.

An extract of the terms of reference of the Nomination and Remuneration Committee is as follows.

- Identification of persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment / removal.
- Recommendation to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- Formulation of criteria for determining qualifications, positive attributes and independence of a Director.
- Formulation of the criteria for evaluation of Independent Directors and the Board.
- To administer, monitor and formulate detailed terms and conditions of the Incentive schemes.

Remuneration Policy

The Company inter-alia while deciding the remuneration package takes into consideration, the employment scenario and demand for talent in the upstream oil and gas sector. In addition, the remuneration package of the industry / other industries for the requisite managerial talent and the qualification and experience held by the appointee are being considered. Annual increments, if any, of the employees are considered and recommended by the Nomination and Remuneration Committee and approved by the Board.

The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Executive Directors within the ceilings prescribed under the Act, based on the performance of the Company as well as that of the Executive Director.

During the year under review, the Company paid sitting fees of ₹ 25,000 per meeting to its Non-Executive Directors for attending meetings of the Board and meetings of committees of the Board. The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending the meetings.

The shareholders of the Company have at the 34th Annual General Meeting held on August 20, 2018, approved payment of commission to the Non-Executive Independent Directors within the ceiling of 1% of the net profits of the Company as computed under the applicable provisions of the Companies Act, 2013 from the financial year 2017-18. The said commission is decided by the Board of Directors and distributed amongst the Non-Executive Independent Directors based on their attendance and contribution at the Board and Committee meetings, as well as the time spent on operational matters other than at meetings.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations, annual performance evaluation of Board, the Committees of the Board and the individual Directors were carried out.

The performance of the Board was evaluated by the Board by seeking inputs from all the directors on the basis of criteria such as board composition and quality, effectiveness of meetings and procedure, board development, strategy and risk management and board and management relations.

The performance of the Committees was evaluated by the Board by seeking inputs from the Committee members on the basis of criteria such as committee composition, function and duties and effectiveness of meetings and procedure.

In a separate meeting of the independent directors, performance of the non-independent directors, the Chairman and the Board as a whole was evaluated, taking into account the views of the executive and non-executive directors.

Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

The Board and Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as contribution of the individual director to the meetings, preparedness, adherence to Code of Conduct, initiatives and advisory role, ability to contribute and monitor governance level at Board/ Committee meetings, effective deployment of domain knowledge and expertise, independence of behaviour and judgement, etc.

Details of Remuneration of Directors for the year ended March 31, 2020

Remuneration to Executive Directors:

The remuneration paid to Executive Directors comprises of salary, allowances, perquisites and bonuses, if any, which were approved by the shareholders as recommended by the Board.

Name of Director	Fixed Component (in ₹)				Performance Linked Incentive (in ₹)		Total Remuneration (in ₹) (Refer Note 2 Fund below)
	Salary	Contribution to Provident Fund & Superannuation	Other allowances/ perquisites (Refer Note 1 below)	Total (A)	Bonus	Total (B)	
Mr. P. Elango	62,77,500	7,53,300	76,67,252	1,46,98,052	2,00,00,000[3]	2,00,00,000	3,46,98,052
Mr. R. Jeevanandam	60,26,400	7,23,168	73,60,562	1,41,10,130	1,96,00,000[3]	1,96,00,000	3,37,10,130

Notes: 1. In computing the above Managerial Remuneration, perquisites have been valued in terms of actual expenditure incurred by the Company in providing the benefits.

2. As per the policy of the Company, gratuity and eligible leave encashment is payable at the time of retirement / separation and hence, gratuity and leave encashment are included in the remuneration of the year in which they are payable.

3. Comrpises of the one-time performance bonus and variable pay for FY 2019-20.

During the year, 17,50,000 employee stock options were exercised under Associate Stock Option Plan 2015. Brief details of the same are as follows.

Date of grant	Grantee	Date of vesting	No. of options vested	Exercise Date	Exercise Price
25.09.2015	Mr. P. Elango	26.08.2017	10,00,000	23.08.2019	₹ 10 per share
25.09.2015	Mr.R. Jeevanandam	26.08.2017	7,50,000	23.08.2019	₹ 10 per share

Remuneration to Non-Executive Directors:

The details of remuneration paid to the Non-Executive Directors for the year ended March 31, 2020 is as follows.

Name of Director	Sitting Fees (in ₹)	Commission (in ₹)
Mr. Vivek Rae	3,25,000	6,00,000
Ms. Sharmila Amin	4,75,000	6,00,000
Mr. Pronip Kumar Borthakur	5,75,000	6,00,000
Mr. Ashok Kumar Goel	–	–
Mr. Rohit Rajgopal Dhoot	–	–

The Company has not granted any stock option to any of its Non-Executive Directors.

(iv) Stakeholders Relationship Committee

The Stakeholders Relationship Committee of the Company is constituted in line with the provisions of the Companies Act, 2013 and SEBI Listing Regulations. As on March 31, 2020, the Committee was constituted with Mr. Pronip Kumar Borthakur as Chairman and Mr. P. Elango and Mr. R. Jeevanandam as members.

During the year under review, four (4) Stakeholders Relationship Committee meetings were held and the intervening gap between the meetings did not exceed one hundred and twenty days. The required quorum was present for all the meetings.

An extract of the terms of reference of the Stakeholders Relationship Committee is as follows.

- To consider and resolve the investor grievances / complaints pertaining to transfer and transmission of shares, issue of duplicate shares, non-receipt of annual report, non-receipt of dividends declared, etc.
- Oversight of the performance of the Company's Registrars and Transfer Agent.
- Monitoring the implementation and compliance with the Company's Code of Conduct for prohibition of Insider Trading.

Details of the Compliance Officer & Nodal Officer for the purpose of IEPF Regulations:

Ms. G. Josephin Daisy
Company Secretary & Compliance Officer,
Hindustan Oil Exploration Company Limited,
Lakshmi Chambers', 192, St. Mary's Road, Alwarpet,
Chennai - 600 018, Tamil Nadu, India.
Tel: +91 (044) 66229000 Fax: +91 (044) 66229011/12 E-mail: *hoecshare@hoec.com*

Details of investor complaints received and replied / resolved during the year

Particulars	Total grievances / complaints received	Total grievances / complaints addressed	Pending grievances / complaints as on March 31, 2020
Received from Investors	3	3	Nil
Received from NSDL / CDSL	–	–	–
Referred by SEBI	5	5	Nil
Referred by Stock Exchange(s)	1	1	Nil
RBI / Govt. Authorities	–	–	–
Total	**9**	**9**	**Nil**

There were no grievances / complaints from shareholders which remained unaddressed / unresolved except where Company was restrained by courts or constrained because of courts' proceedings or subject matters of complaints were disputed. Every effort is made to redress investors' grievances / complaints in least possible time.

(v) Other Committees

Corporate Social Responsibility (CSR) Committee

CSR Committee of the Company is constituted in line with the provisions of Section 135 of the Act. As on March 31, 2020, the Committee comprised of Mr. Vivek Rae as Chairman and Mr. Pronip Kumar Borthakur, Ms. Sharmila Amin and Mr. P. Elango as members.

Policy on Corporate Social Responsibility for the Company has been formulated and the same is available on the company's website *https://www.hoec.com/growing-responsibly/csr/*.

The broad terms of reference of the CSR committee is as follows:

- To formulate and recommend to the Board, a CSR policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act.
- To recommend the amount of expenditure to be incurred on the activities referred to above.
- To monitor the CSR Policy of the Company from time to time.

Risk Management Committee

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

Risk Management Committee of the Company is constituted with Mr. Mr. Pronip Kumar Borthakur as Chairman, Mr. P. Elango and Mr. R. Jeevanandam as members and also a member of the Senior Management. During the year under review, a Risk Management Committee meeting was held on October 09, 2019.

(vi) Details of of committee meetings held and attendance records

Name of the Committee	Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee	CSR Committee	Risk Management Committee
No. of meetings held	4	3	4	4	1
Date of meetings	14-May-19 05-Aug-19 06-Nov-19 13-Feb-20	05-Aug-19 06-Nov-19 13-Feb-20	14-May-19 05-Aug-19 06-Nov-19 13-Feb-20	14-May-19 05-Aug-19 06-Nov-19 13-Feb-20	09-Oct-19
Name of Member	**No. of meetings attended**				
Mr. Vivek Rae	–	3	–	3	–
Ms. Sharmila Amin	4	3	1	4	–
Mr. P. K. Borthakur	4	3	4	4	1
Mr. Ashok Goel	–	3	–	–	–
Mr. Rohit Dhoot	4	–	–	–	–
Mr. P. Elango	–	–	4	4	1
Mr. R. Jeevanandam	–	–	4	–	1

Notes: 1. The Committee meetings held on May 14, 2019 was attended through video conferencing by Mr. P. K. Borthakur.

2. Mr. P. K. Borthakur is the Chairman of Stakeholders Relationship Committee w.e.f. May 14, 2019.

3. Ms. Sharmila Amin was a member of Stakeholders Relationship Committee and Chairperson of CSR Committee upto May 14, 2020.

4. Mr. Vivek Rae was appointed as a member and Chairman of CSR Committee w.e.f. May 15, 2019.

The necessary quorum was present for all the above committee meetings.

(vii) Independent Directors' Meeting

During the year under review, the Independent Directors met on February 13, 2020 to:

- review the performance of the non-independent directors and the board as a whole;
- review the performance of the Chairman of the Company, taking into account the views of executive directors and non-executive directors; and
- assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

4. GENERAL BODY MEETINGS

(a) Location, Date and Time of last three Annual General Meetings are as follows:

Year	Location	Date	Time
2016-17	'Tropicana Hall', The Gateway Hotel Vadodara, Akota Gardens, Akota, Vadodara - 390020	25.09.2017	10.30 a.m.
2017-18		20.08.2018	10.30 a.m.
2018-19		26.08.2019	10.30 a.m.

b) Special resolutions passed at the Annual General Meeting (AGM) for the last 3 years are as under:

i) At the Annual General Meeting held on September 25, 2017:

- Re-classification of Burren Energy India Limited to Public Category

ii) At the Annual General Meeting held on August 20, 2018:

- Re-appointment of Mr. Elango Pandarinathan as Managing Director of the Company
- Re-appointment of Mr. Ramasamy Jeevanandam as Executive Director and Chief Financial Officer of the Company

iii) At the Annual General Meeting held on August 26, 2019:

- Re-classification of Burren Energy India Limited to public category

No Special Resolution was passed through postal ballot during the last three years. None of the business proposed to be transacted in the 36th AGM required passing resolution through postal ballot.

No Extra-Ordinary General Meetings of the members held during the financial year 2019-20.

5. MATERIAL SUBSIDIARY

Geopetrol International Inc. contributes to 10.11% of the consolidated income and 9.53% of the consolidated net worth of the Company as on March 31, 2020. Hence, Geopetrol International Inc. would be classified as a material subsidiary of the Company. However, since the threshold is maintained at 20% for the purpose of appointment of an independent director of a listed entity as a director on the board of an unlisted material subsidiary, the said provision is not applicable to the Company in the current financial year.

6. MEANS OF COMMUNICATION

a) Quarterly / Annual Results of the Company are published in the newspapers viz., Business Line, Business Standard and Loksatta. The results are displayed on the Company's website *www.hoec.com*.

b) Presentations made to the institutional investors and analysts after the declaration of the quarterly, half-yearly and annual results are sent to the Stock Exchanges and are also displayed on the Company's website *https://www.hoec.com/results-and-reports/financial-results/* .

c) Official news releases and official media releases are sent to the Stock Exchanges and are also displayed on the Company's website *https://www.hoec.com/interact-with-us/news-releases/*.

d) Annual Report

The Annual Report containing, inter-alia, the Audited Annual Standalone and Consolidated Financial Statements, Board's Report, Auditors' Report and other important information are circulated to the members and others entitled thereto and is also available on the website in a user-friendly and downloadable form.

e) Chairman's Communique

Printed copy of the Chairman's speech is distributed to the shareholders at the Annual General Meeting.

f) SEBI Complaints Redressal System (SCORES)

The investors' complaints are processed through SCORES, a centralized web-based redressal system. The salient features of this system are: (i) centralized database of all complaints; (ii) online upload of Action Taken Reports (ATRs) by the concerned companies; and (iii) online viewing by investors of actions taken on the complaint and its current status.

g) Electronic filing with the Stock Exchanges

i) NSE Electronic Application Processing System (NEAPS) is a web-based application designed by NSE for Corporates. The Shareholding pattern, Corporate Governance Report and other announcements are also filed electronically on NEAPS.

ii) BSE Corporate Compliance & Listing Centre (the 'Listing Centre') is a web-based application designed for Corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

h) Designated exclusive e-mail ID

The Company has designated the email-id *hoecshare@hoec.com* exclusively for investor servicing.

i) Green Initiative

As a responsible corporate citizen, the Company supports the 'Green Initiative' taken by the Ministry of Corporate Affairs, by its Circulars, enabling electronic delivery of documents including the Annual Report to the shareholders at their e-mail address registered with the Depository Participants (DPs) / Registrars & Share Transfer Agents.

Shareholders who have not registered their e-mail addresses so far, and who hold shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the RTA - M/s Link Intime India Pvt. Ltd. Also, the shareholders may register / update their email ID with the Company by filling the registration form given at *https://www.hoec.com/green-initiative/*.

Company's website is a comprehensive reference on the Company's management, business, policies, corporate governance, investor relations, HSE, updates and news, as it serves to inform the shareholders by giving complete financial details, annual reports, shareholding patterns, corporate benefits, information relating to stock exchanges, Registrars and Share Transfer Agent etc.

7. GENERAL SHAREHOLDERS INFORMATION

a) Annual General Meeting:

Day and Date	:	Wednesday, September 30, 2020
Time	:	10:30 a.m.
Mode	:	The Company is conducting the meeting through VC / OAVM. Detailed instructions for participation and voting at the meeting is available in the notice of the 36th AGM.

b) Financial Year: 1st April to 31st March

c) Dividend Payment Date: Board has not recommended dividend for the FY 2019-20

d) Corporate Identity Number (CIN) of the Company: L11100GJ1996PLC029880

e) Listing on Stock Exchanges:
Equity Shares of the Company at present are listed at -
(i) BSE Limited (BSE)
(ii) National Stock Exchange of India Limited (NSE)
The Company has paid the applicable annual listing fees to the said Stock Exchanges.

f) Stock / Scrip Code: BSE: 500186 NSE: HINDOILEXP
The Company has established connectivity for trading of equity shares in the depository system with both depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
ISIN Number for NSDL/CDSL (Dematerialised Shares): INE345A01011

g) Registrar & Transfer Agents: Link Intime India Private Limited
Regd. Office: C-101, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai - 400083, Maharashtra
Tel No.: 022 49186270 ; Fax: 022 49186060
E-mail id: *rnt.helpdesk@linkintime.co.in*

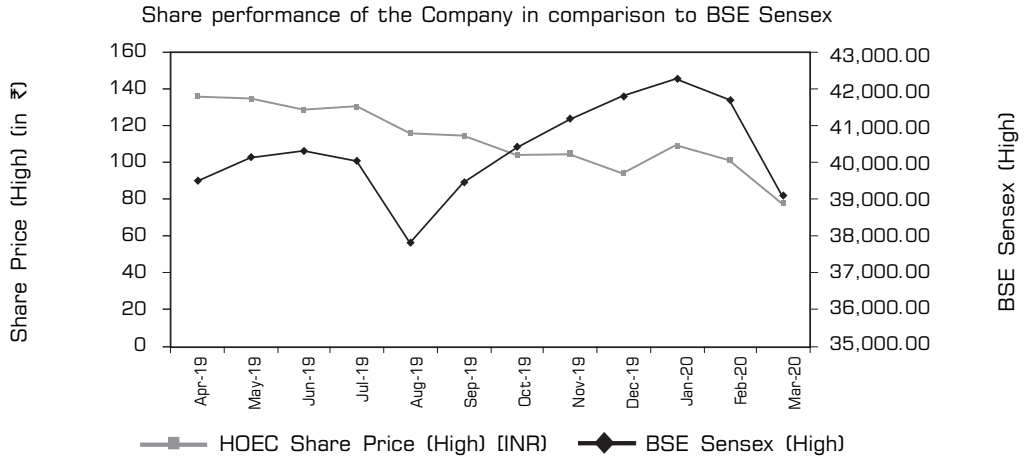
Service Branch: B-102 & 103, Shangrila Complex, First Floor,
Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota,
Vadodara - 390020, Gujarat
Tel: 0265-2356573, 2356794 ; Fax: 0265-2356791
E-mail id: *vadodara@linkintime.co.in*

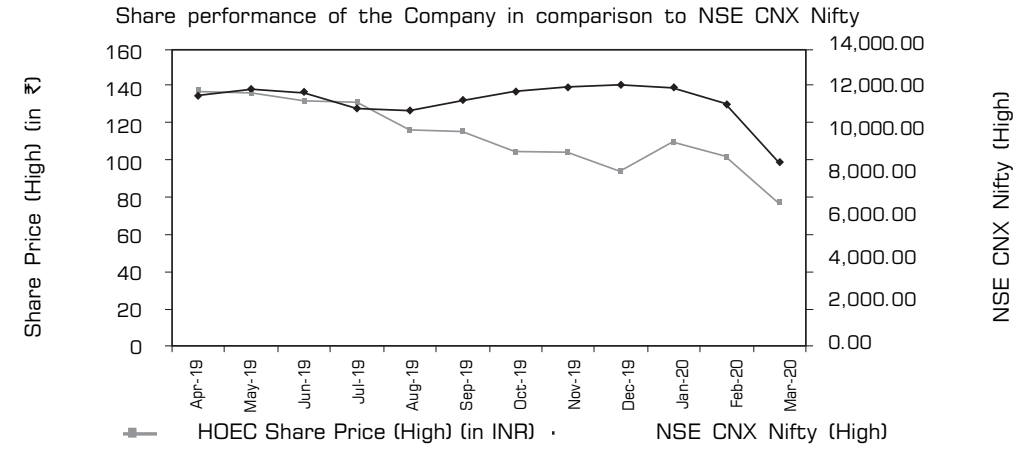
h) Stock market data:

The monthly high and low prices, as well as the volume of shares traded at BSE and NSE for FY 2019-20 are provided as follows:

2019-20	BSE				NSE			
Month	HOEC Share price			Number of shares traded	HOEC Share price			Number of shares traded
	High	Low	Close		High	Low	Close	
Apr-19	135.75	122.45	123.75	7,33,327	136.40	122.40	124.10	57,69,498
May-19	134.75	120.00	129.10	11,53,185	135.60	120.00	129.15	53,30,324
Jun-19	128.70	110.35	123.10	5,47,976	131.40	110.00	123.30	29,95,698
Jul-19	130.50	114.25	115.15	6,30,362	130.70	114.15	115.10	43,96,207
Aug-19	115.80	89.60	95.95	4,32,177	115.95	89.35	96.00	47,91,565
Sep-19	114.60	91.55	98.35	3,73,438	115.00	91.55	98.30	33,78,281
Oct-19	104.00	87.50	99.60	2,60,350	104.40	87.45	99.90	29,65,034
Nov-19	104.35	90.35	91.85	3,13,380	104.00	90.20	91.90	37,70,894
Dec-19	93.95	82.55	90.65	3,26,046	93.80	82.15	90.70	39,54,357
Jan-20	109.40	90.70	103.25	6,58,441	109.50	90.50	103.15	70,81,792
Feb-20	101.15	74.40	74.80	9,20,872	101.85	74.30	74.75	46,18,013
Mar-20	77.50	30.55	34.25	6,32,839	77.25	31.00	34.75	79,81,461

i) Share Price Chart (BSE)





j) De-materialisation of shares and liquidity

The break-up of equity shares held in Physical and Dematerialized form as on March 31, 2020 is as given below:

Particulars	Physical Segment	Demat Segment		Total
		NSDL	CDSL	
No. of Shares	9,65,637	10,64,71,632	2,48,06,020	13,22,43,289
Percentage	0.73	80.51	18.76	100.00

k) Distribution of Shareholding as on March 31, 2020

Distribution of Shares	Number of Shareholders	Percentage of total shareholders	Shares	Percentage of Total Share Capital
1-500	56,474	84.55	77,77,743	5.88
501-1000	5,196	7.78	40,99,387	3.10
1001-2000	2,612	3.91	38,86,241	2.94
2001-3000	810	1.21	20,52,551	1.55
3001-4000	400	0.60	14,47,948	1.10
4001-5000	333	0.50	15,73,982	1.19
5001-10000	477	0.71	35,05,024	2.65
10001 & above	492	0.74	10,79,00,413	81.59
Total	**66,794**	**100.00**	**13,22,43,289**	**100.00**

l) Shareholding Pattern as on March 31, 2020

Category of Shareholders	No. of Shares held	% of Total Shares
Foreign Promoter - Body Corporate	5,745	0.00
Mutual Funds	35,52,488	2.69
Alternate Investment Funds	5,60,124	0.42
Foreign Portfolio Investors	1,00,50,902	7.60
Financial Institutions/ Banks	2,84,389	0.22
Indian Public - individuals	6,60,85,793	49.98
NBFCs registered with RBI	76,575	0.06
Bodies Corporate	4,66,90,958	35.31
IEPF	7,48,499	0.57
Non-Resident Indian (NRI)	20,51,651	1.55
HUF	18,74,083	1.42
Others	2,62,082	0.18
Total	**13,22,43,289**	**100.00**

m) Statement showing shareholding of more than 1% of the Capital as on March 31, 2020

Sr.No.	Name of Shareholders	No. of Shares	% of Capital
1	Ashok Kumar Goel (1)	1,84,65,078	13.96
2	Housing Development Finance Corporation Limited	1,40,86,303	10.65
3	LCI Estates LLP	81,00,000	6.13
4	Dhoot Industrial Finance Limited	61,98,431	4.69
5	Elango Pandarinathan	50,45,879	3.82
6	Ramasamy Jeevanandam	50,02,124	3.78
7	Poddar Pigments Ltd	50,00,000	3.78
8	Vijai Shree Private Ltd	46,16,270	3.49
9	Fil Investments (Mauritius) Ltd	43,18,247	3.27
10	Kotak Small Cap Fund	35,52,188	2.69
11	Rohit Rajgopal Dhoot (2)	30,34,107	2.29
12	GKS Logistics Private Limited	23,00,000	1.74
13	Fidelity Funds - India Focus Fund	17,10,898	1.29

Note: (1) Mr. Ashok Kumar Goel holds the said shares on behalf of Ashok Goel Trust
(2) Mr. Rohit Rajgopal Dhoot holds the said shares on behalf of Dhoot Rohit Kumar Family Trust I
(3) Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder

n) Share Transfer System

i) Share Transfer in physical form requests are generally registered and returned within a period of 15 days from the date of receipt and requests for dematerialization are generally confirmed within a period of 21 days from the date of its receipt, if documents are complete in all respect.

ii) As on March 31, 2020, 13,12,77,652 equity shares representing 99.27% of total equity shares are dematerialized. Promoters hold their shareholding in dematerialized form.

iii) Nomination facility for shareholding

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form from the Company. Members holding shares in dematerialized form shall contact their Depository Participants (DP) in this regard.

iv) Permanent Account Number (PAN)

Members who hold shares in physical form are advised to furnish to the Company a copy of the PAN card of the transferees, members, surviving joint holders, legal heirs while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates in accordance with the SEBI mandates.

o) Dividend

i) Payment of dividend through National Electronic Clearing Service (NECS)

The Company provides the facility for remittance of dividend to the Members through NECS. To facilitate dividend payment through NECS, Members who hold shares in Demat mode should inform their Depository Participant and such of the Members holding shares in physical form should inform the Company of the core banking account number allotted to them by their bankers. In cases where the core banking account number is not intimated to the Company / Depository Participant, the Company will issue dividend warrants to the Members.

ii) Transfer of unclaimed dividend and corresponding shares to the Investor Education and Protection Fund

Your Company has transferred the funds lying unpaid or unclaimed for a period of more than seven years and the corresponding shares in accordance with the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time), to Investor Education and Protection Fund (IEPF). As on the date of this Report there is no outstanding dividends liable to be transferred to IEPF

Dividend remitted to IEPF during the last three years:

Financial year	Type of Dividend	Date of declaration	Date of transfer to IEPF	Amount transferred to IEPF (in ₹)
2010-11	Interim Dividend	12.08.2010	26.09.2017	6,29,219

Details of the same are uploaded on the Company's website at *https://www.hoec.com/grow-with-us/shareholder-information/*.

Shareholders may note that both the unclaimed dividend and corresponding shares transferred to IEPF including all the benefits accruing on such shares, if any, can be claimed back from IEPF by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/ shares so transferred.

p) No ADR / GDR / Warrants have been issued by the Company.

q) Facilities location

The Company is engaged in the business of Oil & Gas exploration, development & production and is at present operating at various fields as mentioned in section "Our Asset Portfolio" in the Annual Report. The address of the respective production facilities as on March 31, 2020 are summarized as follows:

i) PY-1 Offshore Production facility
SUN Platform, Offshore Cauvery Basin Block PY-1, Tamil Nadu, India.

ii) PY-1 Gas Processing Plant
Pillaiperumalnallur, Thirukadaiyur, Nagapattinam Dist., Tamil Nadu - 609 311, India.

iii) Palej Production Facility (PPF)
Block-CB-ON-7, Near Palej, Village Makan, Vadodara Dist., Gujarat - 392 220, India.

iv) North Balol Gas Collection Station (GCS)
Block North Balol, Near Village Palaj, Mehsana Dist., Gujarat - 384 410, India.

v) Asjol Early Production System (EPS)
Block Asjol, Village Katosan, Mehsana Dist., Gujarat - 384 430, India.

vi) Dirok Gas Gathering Station (GGS)
HOEC Gas Gathering Station, Near Tongline, Dirok Tea Estate, P. O. Margherita, Tinsukia Dist., Assam - 786181, India.

vii) Hollong Modular Gas Processig Plant (H-MGPP)
Augbandha Village, Near Dehing TE, Margherita, P. O. Makum Pathar, Tinsukia Dist., Assam - 786187, India

r) Address for Correspondence:

Secretarial Department,
Hindustan Oil Exploration Company Limited
'Lakshmi Chambers', 192, St. Mary's Road, Alwarpet, Chennai - 600018, Tamil Nadu, India
Tel.: +91 (044) 66229000; Fax: +91 (044) 66229011/12; E-mail id: *hoecshare@hoec.com*

8. OTHER DISCLOSURES

a) All related party transactions are negotiated on arm's length basis and are intended to further the interests of the Company. None of the transactions with any of the related parties were in conflict with the interest of the Company. Attention of members is drawn to the disclosure of transactions with related parties set out in Note no. 44 of the financial statements, forming part of the Annual Report.

b) There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority.

c) The Company has adopted a Policy on determination of materiality for disclosures and a policy on Retention of Documents is also in place.

d) Reconciliation of Share Capital Audit Report under SEBI (Depositories and Participants) Regulations, 2018

M/s. S. Sandeep & Associates, Company Secretaries in Practice carried out the Share Capital Audits periodically, to reconcile the total admitted equity share capital with NSDL and CDSL and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL. The said Audit Report is submitted to BSE and NSE and also placed before the Stakeholders' Relationship Committee and the Board of Directors.

e) Compliance Certificate of the Auditors

As required under Schedule V of SEBI Listing Regulations, a certificate from M/s. S. Sandeep & Associates, Company Secretaries in Practice confirming compliance with the conditions of Corporate Governance is attached.

f) MD and CFO Certification

As required under SEBI Listing Regulations, a certificate from Managing Director and Chief Financial Officer of the Company is provided in this Annual Report.

g) Certificate on Directors' Disqualification

As required under Schedule V of SEBI Listing Regulations, a certificate from M/s. S. Sandeep & Associates, Company Secretaries in Practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI / Ministry of Corporate Affairs or any such statutory authority is attached.

h) Adoption of mandatory and non-mandatory requirements of SEBI Listing Regulations

The Company has complied with all the mandatory requirements and has adopted some of the non-mandatory requirements of SEBI Listing Regulations. In respect of adoption of non-mandatory and discretionary requirements, the Company will review its implementation from time to time.

i) Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal in commodities and hedging activities. Hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

j) Training of Board members

The Board members are provided with the necessary documents, brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Further, periodic presentations are made at the meetings of the Board and its Committees on business and performance updates of the Company, global business environment, business strategy and risks involved.

k) Compliance with Indian Accounting Standards (Ind AS)

In the preparation of financial statements, the Company has followed the Indian Accounting Standards in accordance with the Companies (Indian Accounting Standards), Rules, 2015 of the Companies Act, 2013. The significant accounting policies used for the preparation of the financial statements are set out in the Notes to the financial statements.

l) Details of Auditors' fees

As required under Schedule V of SEBI Listing Regulations, the details of total fees paid to the Statutory Auditors M/s Deloitte Haskins & Sells LLP, Chartered Accountants, for all services paid by the Company and its subsidiaries, on a consolidated basis is given below.

(₹ in lakhs)

Particulars	For the year ended March 31, 2020
Audit fee	46.94
Tax audit fee	7.14
Reimbursements	0.66
Total	**54.74**

m) Participation and voting at 36th AGM

Pursuant to the circulars issued by the Ministry of Corporate Affairs and SEBI, the 36th AGM of the Company will be held through video-conferencing and the detailed instructions for participation and voting at the meeting is available in the notice of the 36th AGM.

For and on behalf of the Board of Directors

Vivek Rae
Chairman
DIN: 01866765

P. Elango
Managing Director
DIN: 06475821

Date: September 7, 2020
Place: Chennai

CERTIFICATE ON CORPORATE GOVERNANCE

(Pursuant to Para E of Schedule V to the SEBI (LODR) Regulations, 2015)

To,
The Members
Hindustan Oil Exploration Company Limited
(CIN: L11100GJ1996PLC029880)

We have examined the compliance of the conditions of Corporate Governance by **Hindustan Oil Exploration Company Limited (CIN: L11100GJ1996PLC029880) ("the Company")**, for the financial year ended on March 31, 2020, as stipulated in Regulations 17 to 27 and other relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Management's Responsibility:

The compliance of conditions of Corporate Governance is the responsibility of the Management. The responsibility includes design, implementation and maintenance of internal control and procedures to ensure compliance with conditions of Corporate Governance as stated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Our Responsibility:

Our examination was limited to examining procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Our Opinion:

In our opinion, on the basis of our examination of the relevant records produced, information provided, representations made and the explanations given to us, we certify that the Company has complied with all mandatory regulations and the conditions of Corporate Governance as stipulated Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the financial year ended March 31, 2020.

We further state that this certificate is neither an assurance as to the future viability of the Company nor of efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S Sandeep & Associates
Company Secretaries

S Sandeep
Company Secretary in Practice
CP. No.: 5987
FCS: 5853
UDIN: F005853B000661728

Date : September 4, 2020
Place : Chennai

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

I hereby declare that all the members of the Board and the Senior Management Personnel of the Company have affirmed compliance with their respective Code of Conduct, as applicable to them for the Financial Year ended March 31, 2020.

For and on behalf of the Board

P. Elango
Managing Director
DIN: 06475821

Date : September 7, 2020
Place : Chennai

MD AND CFO CERTIFICATE FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

We, P. Elango and R. Jeevanandam in our capacity as the Managing Director and Executive Director & Chief Financial Officer, respectively of Hindustan Oil Exploration Company Limited, to the best of our knowledge and belief certify that:

A. We have reviewed the financial statements and cash flow statement for the year ended March 31, 2020 and that to the best of our knowledge and belief:
   (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations..

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee:
   (1) significant changes in internal control over financial reporting during the year, if any;
   (2) significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
   (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

   This certificate is being issued in compliance of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

P. Elango
Managing Director
DIN: 06475821

R.Jeevanandam
Executive Director & CFO
DIN: 07046442

Date : May 31, 2020
Place : Chennai

CERTIFICATE

(Pursuant to Schedule V, Clause C (10)(i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
Hindustan Oil Exploration Company Limited
(CIN: L11100GJ1996PLC029880)

We certify that none of the Directors on the Board of Hindustan Oil Exploration Company Limited (CIN: L11100GJ1996PLC029880) ("the Company") as on date have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI) /Ministry of Corporate Affairs (MCA) or any such statutory authority.

This certificate is issued based on the data / information available in the website of SEBI / MCA and also based on records maintained and information provided by the Company.

For S Sandeep & Associates
Company Secretaries

S Sandeep
Company Secretary in Practice
CP. No.: 5987
FCS: 5853
UDIN: F005853B000661772

Date : September 4, 2020
Place : Chennai

INDEPENDENT AUDITOR'S REPORT

To the Members of
Hindustan Oil Exploration Company Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Hindustan Oil Exploration Company Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information, which includes seven unincorporated joint ventures accounted on proportionate basis.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on the separate financial statements of unincorporated joint ventures referred to in Other Matters section below, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of reports referred to in Other Matters section below is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to Note 3.3 of the standalone financial statements which describes the management's assessment of the impact of the outbreak of COVID-19. The management believes that no adjustments are required in the financial statements as there is no impact in the current financial year. However, in view of highly uncertain economic environment due to COVID-19, a definitive assessment of the impact on the subsequent periods is dependent upon circumstances as they evolve.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S.No	Key Audit Matter	Auditor's Response
1	**Impairment of Oil and Gas Assets** The Balance Sheet includes property, plant and equipment (PP&E) of ₹ 30,789 Lakhs, of which ₹ 30,504 Lakhs are oil and gas assets. Recoverability of PP&E assets has been identified as a key audit matter due to: • The significance of the carrying value of the assets being assessed; and • The assessment of the recoverable amount of the Company's Cash Generating Units (CGUs) involving significant judgements about future cash flow forecasts and the discount rates applied. • Estimation of oil and natural gas reserves being a significant area of judgement due to the technical uncertainty and having a substantial impact on impairment testing. As required by Ind AS 36 'Impairment of Assets', management estimated the recoverable amount of the CGU to determine if any impairment charges or reversals were required.	**Principal audit procedures:** We tested management's internal controls over the setting of oil and gas prices, discount rates and reserve estimates. In addition, we conducted the following substantive procedures: **Reserves estimates** • We reviewed Company's reserves estimation methods and policies. • We performed a look-back analysis to check for indicators of bias over time. • We assessed how these policies had been applied to five internal reserves estimates. • We assessed the competence, capability and objectivity of Company's internal reserve experts, through obtaining their relevant professional qualifications and experience. **Other procedures** • We challenged management's cash generating unit determination, scrutinized the impairment and impairment reversal indicator analysis and considered whether there was any contradictory evidence present. • We analysed the consistency of Production done in previous years and as considered in the projections. • Assessing the methods used to calculate the discount rate applied to the estimated cash flows expected, we also involved our internal valuation specialist in evaluating management's assessment. • We verified estimated future capital and operational costs by comparison to approved budgets and assessed them with reference to field production forecasts. • We compared production of previous year and proved and probable reserves to reserve reports and our understanding of the life of the fields. • We assessed these estimates against management's historical forecasting accuracy and whether the estimates had been determined and applied on a consistent basis.
2	**Measurement of provision for decommissioning, dismantling, removal and restoration ("DDRR")** The provision outstanding for DDRR of the Company amounts to ₹ 10,309 Lakhs. The estimation of DDRR provision, involves significant degree of judgement, complex calculations and estimation uncertainty. Decommissioning provisions are inherently subjective given they are based on estimates of costs that will be settled in the future. The Company reviews the DDRR provision on an annual basis, of which key components include the interest rate, inflation rate and expected future costs.	**Principal audit procedures:** • We tested management's internal controls over determination of Decommissioning Provision. In addition, we conducted the following substantive procedures: • We have tested the reasonableness of management's inflation and discount rates used for the decommissioning provision based on market data. • We re-performed the calculation of the DDRR provision over the five blocks.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Boards' Report including Annexures to Board's Report, Management Discussion and Analysis Report and Corporate Governance Report including annexures thereon but does not include the standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a) We have placed reliance on technical / commercial evaluation by the management in respect of the categorization of wells as exploratory, development, producing and dry wells, allocation of costs incurred on them, proved developed hydrocarbon reserves and depletion thereof on Oil and Gas assets, impairment and liability for site restorations costs.

b) Due to the COVID-19 related lockdown, we were unable to observe the Management's year-end physical verification of inventory at certain locations. Consequently, we have performed alternate procedures to audit the existence of inventory as per the guidance provided in SA 501 - "Audit Evidence - Specific Considerations for Selected Items", and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these standalone financial statements.

c) We did not audit the financial statements of seven unincorporated joint ventures included in the standalone Ind AS financial statements of the Company, whose financial statements reflect total assets of Rs. 22,589 Lakhs as at March 31, 2020 and total revenues of Rs. Nil for the year ended on that date, as considered in the standalone Ind AS financial statements. These financial statements of these unincorporated joint ventures have been audited by the other auditors whose reports have been furnished to us, and our opinion in so far relates to the amounts and disclosures included in respect of these unincorporated joint ventures and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid unincorporated joint ventures, is solely based on the report of such other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.

Our opinion on the standalone financial statements and our report on other legal and Regulatory Requirements below is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on consideration of the reports of the other auditors on the separate financial statements of the unincorporated joint ventures, referred to in the Other Matters paragraph above, we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended,

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Bhavani Balasubramanian
(Partner)
(Membership No. 22156)
UDIN: 20022156AAAAAQ2976

Chennai, May 31, 2020

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Hindustan Oil Exploration Company Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Bhavani Balasubramanian
(Partner)
(Membership No. 22156)
UDIN: 20022156AAAAAQ2976

Chennai, May 31, 2020

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)

(i) In respect of Property, plant and equipment :-

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.

(b) The Property, plant and equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the Property, plant and equipment at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2020 and therefore, the provisions of the clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us in respect of statutory dues:

(a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Income-tax, Goods and Services Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Goods and Services Tax, Customs Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

(c) Details of dues of Service Tax which have not been deposited as on March 31, 2020 on account of disputes are given below:

Name of Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (₹)
Finance Act, 1994	Service Tax	CESTAT, Chennai	April 2006 to November 2007	14,74,789
			October 2007 to March 2011	1,46,46,272*

(*) Net of ₹ 7,70,856 paid under protest

(viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issues any debentures. Hence reporting under clause (viii) of the Order is not applicable.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Bhavani Balasubramanian
(Partner)
(Membership No. 22156)
UDIN: 20022156AAAAAQ2976

Chennai, May 31, 2020

STANDALONE BALANCE SHEET AS AT MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
1 Non-current assets			
Property, plant & equipment			
a) Oil and gas assets	4	30,503.52	32,552.11
b) Others	4	285.69	281.47
Capital work-in-progress	5	13,924.84	212.75
Investment property	6	414.64	435.76
Intangible assets	7	982.17	1,026.99
Financial assets			
Investments in subsidiaries	8	5,945.83	5,945.83
Deposits under site restoration fund	9	6,241.30	5,897.88
Other financial assets	10	-	-
Other non-current assets	11	145.97	7.71
Deferred tax asset	12	-	-
Total non-current assets		58,443.96	46,360.50
2 Current assets			
Inventories	13	2,201.61	2,271.43
Financial assets			
Investments	14	9,188.71	11,128.79
Trade receivables	15	3,521.07	3,908.85
Cash and cash equivalents	16	4,870.88	1,740.32
Other bank balances	17	1,524.77	779.45
Loan to subsidiary	18	6,596.27	1,210.48
Other financial assets	19	419.25	521.87
Income tax assets (net)	20	435.12	450.78
Other current assets	21	2,927.25	74.18
Total current assets		31,684.93	22,086.15
TOTAL ASSETS		90,128.89	68,446.65
EQUITY & LIABILITIES			
Equity			
Equity share capital	22	13,225.93	13,050.93
Other equity	23	53,281.93	39,182.76
Total equity		66,507.86	52,233.69
Liabilities			
1 Non-current liabilities			
Financial liabilities			
Trade payables	24	-	2,211.07
Other financial liabilities	25	30.50	30.50
Provisions	26	10,342.49	9,827.82
Other non-current liabilities	27	-	10.48
Total non-current liabilities		10,372.99	12,079.87
2 Current liabilities			
Financial liabilities			
Trade payables	28		
Total outstanding dues of Micro enterprises and small enterprises			
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,269.03	1,075.64
Other financial liabilities	29	11,738.69	2,775.65
Provisions	30	13.97	9.67
Other current liabilities	31	226.35	272.13
Total current liabilities		13,248.04	4,133.09
Total liabilities		23,621.03	16,212.96
TOTAL EQUITY & LIABILITIES		90,128.89	68,446.65

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Bhavani Balasubramanian
Partner

Place : Chennai
Date : May 31, 2020

For and on behalf of the Board of Directors

P. Elango
Managing Director
DIN No 06475821

R. Jeevanandam
Director & CFO
DIN No 07046442

Josephin Daisy
Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
INCOME			
Revenue from operations	32	17,983.54	23,689.41
Other income	33	2,157.73	1,006.32
Total income		**20,141.27**	**24,695.73**
EXPENSES			
Share of expenses from producing oil and gas blocks	34 (a)	2,599.54	2,823.00
Royalty, Cess and NCCD	34 (b)	2,063.68	1,968.63
(Increase) / decrease in stock of crude oil and condensate	35	(11.89)	392.30
Employee benefits expense	36	517.54	395.66
Finance costs	37	518.38	139.83
Depreciation, depletion and amortization	4,6,7	2,392.33	3,506.43
Other expenses	38	599.79	711.13
Total expenses		**8,679.37**	**9,936.98**
Profit before exceptional items and tax		**11,461.90**	**14,758.75**
Exceptional items	39	2,621.49	230.69
Profit before tax		**14,083.39**	**14,989.44**
Tax expense			
(1) Current tax		–	–
(2) Adjustment of tax relating to earlier periods		–	92.98
Total tax expense		**–**	**92.98**
Profit for the year		**14,083.39**	**14,896.46**
Other comprehensive income			
Items that will not to be reclassified to profit or loss:			
- Re-measurement income/(losses) of defined benefit plans		15.77	(16.17)
- Income tax effect on re-measurement defined benefit plans		–	–
Other comprehensive income (net of tax)		**15.77**	**(16.17)**
Total comprehensive income for the year		**14,099.16**	**14,880.29**
Earnings per equity share of ₹ 10 attributable to equity holders	40		
Basic		10.71	11.42
Diluted		10.71	11.32

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Bhavani Balasubramanian
Partner

Place : Chennai
Date : May 31, 2020

For and on behalf of the Board of Directors

P. Elango	**R. Jeevanandam**	**Josephin Daisy**
Managing Director	Director & CFO	Company Secretary
DIN No 06475821	DIN No 07046442	

STANDALONE STATEMENT OF CHANGES OF EQUITY FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

a) Equity Share Capital

Particulars	Amount
Balance as at March 31, 2019	13,050.93
Add: Shares issued during the year	175.00
Balance as at March 31, 2020	13,225.93

b) Other Equity

Particulars	Reserves and surplus				Total
	Security premium	Capital reserve	Associate stock option plan reserve	Retained earnings	
Balance as at April 1, 2018	**78,415.21**	**96,084.50**	**450.21**	**(150,647.45)**	**24,302.47**
Profit for the year	–	–	–	14,896.46	14,896.46
Other comprehensive income (net of tax)	–	–	–	(16.17)	(16.17)
Total comprehensive income for the year	**–**	**–**	**–**	**14,880.29**	**14,880.29**
Balance as at March 31, 2019	**78,415.21**	**96,084.50**	**450.21**	**(135,767.16)**	**39,182.76**
Profit for the year	-	-	-	14,083.39	14,083.39
Other comprehensive income (net of tax)	–	–	–	15.77	15.77
Associate Stock option plan	450.21	–	(450.21)	–	–
Total comprehensive income for the year	**–**	**–**	**–**	**14,099.16**	**14,099.16**
Balance as at March 31, 2020	**78,865.42**	**96,084.50**	**-**	**(1,21,667.99)**	**53,281.93**

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Bhavani Balasubramanian
Partner

P. Elango
Managing Director
DIN No 06475821

R. Jeevanandam
Director & CFO
DIN No 07046442

Josephin Daisy
Company Secretary

Place : Chennai
Date : May 31, 2020

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash flow from operating activities		
Profit before tax	**14,083.39**	**14,989.44**
Adjustments for:		
Depreciation, depletion and amortization	2,392.33	3,506.43
Unwinding of discount on decommissioning liability	518.38	139.83
Provision for compensated absences	0.60	13.15
Excess liabilities / provisions written back	(2,211.07)	(9.09)
Net foreign exchange differences	(398.19)	33.04
Interest income	(577.31)	(529.44)
Net income from financial instruments at fair value through profit or loss	(1,060.20)	(397.44)
Rental income	(79.81)	(36.25)
Dividend income	(0.08)	(0.08)
Operating profit before working capital changes	**12,668.05**	**17,709.59**
Working capital adjustments for:		
Trade receivables	387.77	(2,301.55)
Inventories	69.81	556.05
Loans and advances and other current assets	(3,090.08)	(332.42)
Trade payables and other liabilities	9,115.96	(1.58)
Cash Generated from operations	**19,151.51**	**15,630.09**
Direct taxes refunds (net of payments)	15.67	290.52
Net cash generated by operating activities	**19,167.18**	**15,920.61**
Cash flow from Investing activities		
Property, plant and equipment	(13,994.12)	(9,344.27)
Investment in subsidiary	–	(5,895.82)
Loan to subsidiary	(4,994.80)	(1,243.51)
Rent received	50.83	33.60
Exploration cost	–	(89.05)
Profit on sale of financial assets	1,060.20	397.44
Interest received	471.43	529.44
Bank deposit -Lien for bank guarantees	(745.32)	747.05
Dividend received	0.08	0.08
Net cash flows used in investing activities	**(18,151.70)**	**(14,865.04)**
Cash flow from financing activities		
Share capital	175.00	–
Net cash flows used in financing activities	**175.00**	**–**
Net increase in cash and cash equivalents	**1,190.48**	**1,055.57**
Cash and cash equivalents at the beginning of the year	**12,869.11**	**11,813.54**
Cash and cash equivalents at the end of the year	**14,059.59**	**12,869.11**
Components of cash and cash equivalents		
Balances with banks		
- In deposit accounts	3,321.16	829.45
- In current accounts	1,549.72	910.87
Current Investments	9,188.71	11,128.79
Total cash and cash equivalents	**14,059.59**	**12,869.11**

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Bhavani Balasubramanian
Partner

Place : Chennai
Date : May 31, 2020

For and on behalf of the Board of Directors

P. Elango	**R. Jeevanandam**	**Josephin Daisy**
Managing Director	Director & CFO	Company Secretary
DIN No 06475821	DIN No 07046442	

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

1. Corporate Information

Hindustan Oil Exploration Company Limited ('the Company' or "HOEC") was incorporated in India on September 22, 1983 under the provisions of the Companies Act, 1956. The Company's shares are listed on the National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE'). HOEC is engaged in the exploration, development and production of crude oil and natural gas in India, both onshore and offshore.

The Company is a participant in various oil and gas blocks / fields which are in the nature of joint operation through Production Sharing Contracts ('PSC') entered by the Company with Government of India along with other entities. The details of Company's participating interests and of the other entities are as follows:

Sl. No.	Unincorporated Joint Ventures	Participants	Share (%)	
			As at March 31, 2020	As at March 31, 2019
1	PY-1	Hindustan Oil Exploration Company Limited (O)	100	100
2	CY-OS-90/1 (PY-3)	Hardy Exploration & Production (India) Inc. (O)	18	18
		Oil and Natural Gas Corporation Limited	40	40
		Hindustan Oil Exploration Company Limited	21	21
		Tata Petrodyne Limited	21	21
3	Asjol	Hindustan Oil Exploration Company Limited (O)	50	50
		Gujarat State Petroleum Corporation Limited	50	50
4	North Balol	Hindustan Oil Exploration Company Limited (O)	25	25
		Gujarat State Petroleum Corporation Limited	45	45
		Gujarat Natural Resources Limited (GNRL)	30	30
5	CB-ON/7 (Palej)	Hindustan Oil Exploration Company Limited (O)	35	35
		Gujarat State Petroleum Corporation Limited	35	35
		Oil and Natural Gas Corporation Limited	30	30
6	CB-OS/1*	Oil and Natural Gas Corporation Limited (O)	55.26	55.26
		Hindustan Oil Exploration Company Limited	38.07	38.07
		Tata Petrodyne Limited	6.67	6.67
7	AAP-ON-94/1 (Assam)	Hindustan Oil Exploration Company Limited (O)	26.882	26.882
		Indian Oil Corporation Limited	29.032	29.032
		Oil India Limited	44.086	44.086
8	MB/OSDSF/ B80/2016	Hindustan Oil Exploration Company Limited (O)	50	50
		Adhboot Estates Private Limited	50	50
9	AA/ONDSF/ KHEREM/2016	Hindustan Oil Exploration Company Limited (O)	40	40
		Oil India Limited	40	40
		Prize Petroleum Company Limited	20	20
10	AA-ONHP-2017/19	Hindustan Oil Exploration Company Limited (O)	100	100
11	AA/ONDSF/ Umatara/2018	Hindustan Oil Exploration Company Limited	10	10
		Indian Oil Corporation Limited	90	90

(O) Operator

** Government of India has issued a termination on September 5, 2018. However, the Company requested to withdraw the termination notice as it is not in accordance with the provisions of the PSC.*

The Company has wholly owned subsidiaries M/s. Hindage Oilfield Services Limited ("Hindage") (formerly known as, HOEC Bardahl India Limited) and Geopetrol International Inc,("GPII") which has a wholly owned subsidiary Geopetrol Mauritius Limited ("GML"). GML has an associate company Geoenpro Petroleum Limited.

2. Significant accounting policies

i) Statement of compliance and basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015(as amended) and Guidance note on Accounting for oil and gas producing activities (Ind AS) issued by the Institute of Chartered Accountants of India. These financial statements for the year ended March 31, 2020 for the Company has been prepared in accordance with Ind AS.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

For all periods up to and including the year ended March 31, 2020, the Company had prepared its financial statements under historical cost convention on accrual basis in accordance with the generally accepted accounting principles and the accounting standards notified under section 133 of the Companies Act 2013.

The Financial statements have been prepared on historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

As the operating cycle cannot be identified in normal course due to the nature of industry, the same has been assumed to have a duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS 1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The financial statements are presented in Indian Rupees, unless otherwise stated.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under the current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

(a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

(b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

(c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

ii) Interest in joint operations

A joint operation is a joint arrangement whereby the parties that have the joint control of the arrangement have rights to the assets, and obligations for the liabilities relating to the arrangement.

The Company has entered into Unincorporated Joint Ventures (UJVs) with other oil and gas companies and executed Production Sharing Contracts ("PSC") and Revenue Sharing Contracts ("RSC") with the Government of India. These UJVs are in the form of joint arrangements wherein the participating entity's assets and liabilities are proportionate to its participating interest.

The UJVs entered into by the company are joint operations wherein the liabilities are several, not joint, and not joint and several and therefore do not come under the category of Joint Venture as defined under the Ind AS. In accounting for these joint operations, the company recognizes its assets and liabilities in proportion to its participating interest in the respective UJV. Likewise, revenue and expenses from the UJV are recognized for its participating interest only. The Company accounts for the assets, liabilities, revenues and expenses relating to its interest in the UJVs in accordance with the Ind AS.

The financial statements of the Company reflect its share of assets, liabilities, income and expenditure of the Unincorporated Joint Ventures ("UJV") which are accounted, based on the available information in the audited financial statements of UJV on line by line basis with similar items in the Company's accounts to the extent of the participating interest of the Company as per the various PSCs and RSCs. The financial statements of the UJVs are prepared by the respective Operators in accordance with the requirements prescribed by the respective PSCs. Hence, in respect of these UJV's, certain disclosures required under the relevant accounting standards have been made in the financial statements.

iii) Investment in subsidiaries, associates and joint ventures

The Company records the investments in subsidiaries, associates and joint ventures at cost less impairment loss, if any. On disposal of investment in subsidiaries, associates and joint ventures, the difference between the net disposal proceeds and the carrying amounts (including corresponding value of dilution in deemed investment) are recognized in the Statement of Profit and Loss.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

iv) Foreign exchange transactions

The functional currency of the Company is Indian Rupee which represents the currency of the primary economic environment in which it operates.

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated using mean exchange rate prevailing on the last day of the reporting period.

Exchange differences on monetary items are recognized in the Statement of Profit and Loss in the period in which they arise.

v) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable at the transacted price.

(i) Revenue from the sale of crude oil, condensate and natural gas, net of value added tax and profit petroleum to the Government of India, is recognized on transfer of custody to customers, and the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Company. The Company adopted Ind AS 115 effective April 1, 2018 and the impact thereon is Nil.

(ii) Income from service if any is recognized on accrual basis on its completion and is net of taxes.

Other income

(iii) Interest income is recognized on the basis of time, by reference to the principal outstanding and at effective interest rate applicable on initial recognition.

(iv) Dividend Income from investments is recognized when the right to receive has been established.

(v) Rental income arising from operating leases is accounted on straight-line basis over the lease term.

vi) Taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

The tax rates and tax laws used to compute are the laws that are enacted or substantively enacted as on the reporting date. The management evaluates and makes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current income taxes

The current income tax expense includes income taxes payable by the Company. Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount. It is recognized only to the extent it is probable that the taxable profit will be available against which the deductible temporary differences and the carry forward losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

vii) Property plant and equipment (other than Oil and Gas Assets)

Land and buildings held for use in the production and supply of goods or services, or for administrative purposes are stated in the balance sheet at cost less accumulated depreciation and the accumulated impairment losses. Freehold land is carried at historical cost and is not depreciated. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation.

Historical cost comprises the purchase price and any attributable cost of bringing the asset for its intended use. It includes expenditure that is directly attributable to the acquisition of the items. Borrowing costs for acquisition of fixed assets are capitalized till such assets are ready to be put to use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Improvements to Leasehold premises are amortized over the remaining primary lease period.

(i) Useful lives used for depreciation:

The Company follows the useful lives set out under Schedule II of the Companies Act 2013 for the purpose of determining the useful lives of respective blocks of property plant and equipment. The following are the useful lives followed:

-	Buildings	:	60 years
-	Office Equipment	:	05 years
-	Computers	:	03 years
-	Furniture and Fixtures	:	10 years
-	Vehicles	:	08 years

Depreciation is recognized so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using the written down value method.

(ii) De-recognition of property, plant and equipment

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continuous use of the asset. Any gain or loss arising from such disposal, retirement or de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item. Such gain or loss is recognized in the statement of profit and loss.

In case of de-recognition of a revalued asset, the corresponding portion of the revaluation surplus as is attributable to that asset is transferred to retained earnings on such de-recognition. Such transfers to retained earnings are made through Other Comprehensive Income and not routed through profit or loss.

viii) Oil and gas assets

Oil and gas assets are stated at historical cost less accumulated depletion and impairment. These are accounted in respect of an area / field having proved oil and gas reserves, when the wells in the area / field is ready to commence commercial production.

The Company generally follows the "Successful Efforts Method" of accounting for oil and gas assets as set out by the Guidance Note issued by the ICAI on "Accounting for Oil and Gas Producing Activities".

Expenditure incurred on acquisition of license interest is initially capitalized on license by license basis as Intangible Assets. Costs are not depleted within exploratory and development work in progress until the exploration phase is completed or commercial oil and gas reserves are discovered.

(a) Cost of surveys and studies relating to exploration activities are expensed as and when incurred.

(b) Cost of exploratory/appraisal well(s) are expensed when it is not successful and the cost of successful well(s) are retained as exploration expenditure till the development plan is submitted. On submission of development plan, it is transferred to capital work in progress. On commencement of commercial production, the capital work in progress is transferred to producing property as tangible assets.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

(c) Cost of temporary occupation of land and cost of successful exploratory, appraisal and development wells are considered as development expenditure. These expenses are capitalized as producing property on commercial production.

(d) Development costs on various activities which are in progress are accounted as capital work in progress. On completion of the activities the costs are moved to respective oil and gas assets.

Depletion to oil and gas assets

Depletion is charged on a unit of production method based on proved reserves for acquisition costs and proved and developed reserves for capitalized costs consisting of successful exploratory and development wells, processing facilities, assets for distribution, estimated site restoration costs and all other related costs. These assets are depleted within each cost center. Reserves for these purposes are considered on working interest basis which are assessed annually. Impact of changes to reserves if any are accounted prospectively.

ix) Site restoration

Provision for decommissioning costs are recognized as and when the Company has a legal or constructive obligation to plug and abandon a well, dismantle and remove plant and equipment to restore the site on which it is located. The estimated liability towards the costs relating to dismantling, abandoning and restoring well sites and allied facilities are recognized in respective assets when the well is completed, and the plant and equipment are installed.

The amount recognized is the present value of the estimated future expenditure determined using existing technology at current prices and escalated using appropriate inflation rate till the expected date of decommissioning and discounted up to the reporting date using the appropriate risk-free interest rate.

The corresponding amount is also capitalized to the cost of the producing property and is depleted on unit of production method. Any change in the estimated liability is dealt with prospectively and is also adjusted to the carrying value of the producing property.

Any change in the present value of the estimated decommissioning expenditure other than the periodic unwinding of discount is adjusted to the decommissioning provision and the carrying value of the asset. In case reversal of provision exceeds the carrying amount of the related asset, the excess amount is recognized in the Statement of Profit and Loss. The unwinding of discount on provision is charged in the Statement of Profit and Loss as finance cost.

Provision for decommissioning cost in respect of assets under joint operations is considered as per the participating interest of the Company in the block/field.

x) Investment property

Properties held to on rentals and / or capital appreciation are classified as investment property and are measured and reported at cost, including transaction costs.

Depreciation is recognized using the Written Down Value Method, so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful lives are determined by technical evaluation, over the useful lives so determined. Depreciation method, useful life and the residual values are reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property and the value thereon. The effect of any change in the estimates of useful lives / residual value is accounted on a prospective basis.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of property is recognized in the Statement of Profit and Loss in the same period.

xi) Intangible assets (other than Oil and Gas Assets)

Intangible assets with a finite useful life acquired separately are measured on initial recognition, at costs. Intangible assets are carried at cost less accumulated amortization and impairment losses if any.

The Company amortizes intangible assets with a finite useful life using the straight-line method. The useful life considered for computer software is 6 years.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

xii) Impairment

The carrying values of assets/cash generating units are assessed for impairment at the end of every reporting period. If the carrying amount of an asset exceeds the estimated recoverable amount, an impairment is recognized as expense in the statement of profit and loss. The recoverable amount is the greater of the net selling price and value in use. Value in use is arrived at by discounting the estimated future cash flows to their present value based on an appropriate discount factor.

An impairment loss recognized in prior periods for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. In that case, the carrying amount of the asset is increased to its recoverable amount. However, such reversal shall not exceed the carrying amount had there been no impairment loss.

xiii) Inventories

The accounting treatment in respect of recognition and measurement of inventory is as follows:

(i) Closing stock of crude oil and condensate in saleable condition is valued at the estimated net realizable value in the ordinary course of business.

(ii) Stores, spares, capital stock and drilling tangibles are valued at cost on first in first out basis and estimated net realizable value, whichever is lower.

Inventories are periodically assessed for restatement at lower of cost and net realizable value. On restatement, any write-down of inventory to net realizable value is recognized as an expense in the period the write-down or loss occurs. In case of increase in the net realizable value, the increase is recognized and reversed to the extent of write-down.

xiv) Employee benefits

Employee benefits include salaries, wages, provident fund, gratuity, leave encashment towards un-availed leave, compensated absences and other terminal benefits.

All short-term employee benefits are recognized at their undiscounted amount in the accounting period in which they are incurred.

a) Defined contribution plan

The Company's contribution to provident fund is considered as defined contribution plan and are recognized as and when the employees have rendered services entitling them to contributions.

b) Defined benefit plan

The Company makes annual contribution to a Gratuity Fund administered by trustees and managed by the Life Insurance Corporation of India. The Company accounts its liability for future gratuity benefits based on actuarial valuation, as at the Balance Sheet date using the Projected Unit Credit method.

Re-measurement comprising actuarial gains and losses are reflected immediately in the balance sheet with a charge or credit recognized in the Other Comprehensive Income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset and is recognized the Statement of Profit and Loss except those included in cost of assets as permitted.

Defined benefit costs are categorized as Service cost, Net interest expense and re-measurement cost.

c) Long term employee benefit

The liability for long term compensated absences which are not expected to occur within 12 months after the end of the period in which the employee rendered related service are recognized as liability based on actuarial valuation as at the balance sheet date.

d) Other Employee Benefits including allowances, incentives etc. are recognized based on the terms of the employment.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

xv) Employee share based payment

Equity settled share-based payments to employees are measured at fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share-based payment is expensed on straight line basis over the vesting period based on the Company's estimate of the equity instrument that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that cumulative expense reflects the revised estimate, with corresponding adjustment to the equity-settled employee benefits reserve.

xvi) Financial instruments

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instruments. All financial assets and liabilities are initially measured at fair value except for trade receivables which are initially measured at a transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

All regular purchases or sales of financial assets are recognized and derecognized on the trade date. Recognized financial assets are subsequently measured in their entirety at the fair value. In case of investments in wholly owned subsidiary, the investments are considered at cost subject to impairment if any.

A financial asset is de-recognized only when the Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Financial assets held with the objective to collect contractual cash flows and the terms give rise on specified dates to cash flows that are solely payments of principal and interest are subsequently measured at amortized cost except for financial assets that are designated at fair value through profit or loss on initial recognition.

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition.

Financial liabilities

All financial liabilities are recognized initially at fair value. In the case of loans, borrowings and payables, recognition is net of directly attributable transaction and other costs. The Company's financial liabilities may include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments. The measurement of financial liabilities is at fair value and adjustment thereon is routed through profit or loss.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

xvii) Provisions, contingent liabilities and contingent assets

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made.

Provisions (excluding retirement benefits, compensated absences and decommissioning liability) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

In case of contingent liabilities, where there is no certainty of outflow or the amount of obligation cannot be measured reliably, disclosure is made in the notes forming part of the financial statements. Contingent assets are not recognized in the financial statements. However, where the realization of income is reasonably certain, a disclosure of the fact is provided.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

xviii) Leases

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to the ownership of an asset to the Company. All other leases are classified as operating leases. Operating lease payments for land are recognized as prepayments and amortized on a straight-line basis over the term of the lease. Contingent rentals, if any, arising under operating leases are recognized as an expense in the period in which they are incurred.

xix) Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

xx) Statement of cash flow

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

xxi) Cash and cash equivalents

Cash comprises for the purposes of cash flow statement comprise cash on hand and demand deposits with banks. Cash equivalents are short-term balances with a maturity of not exceeding three months, highly liquid investments that are readily convertible in to known amounts of cash which are subject to insignificant risk of change in value.

3. Critical accounting judgments, assumptions and key sources of estimation uncertainty

Inherent in the application of many of the accounting policies used in preparing the Financial Statements is the need for Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual outcomes could differ from the estimates and assumptions used.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

Key source of judgments, assumptions and estimation uncertainty in the preparation of the Financial Statements which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of oil and gas reserves, impairment, useful lives of property, plant and equipment, depletion of oil and gas assets, decommissioning provision, employee benefit obligations, provisions, provision for income tax, measurement of deferred tax assets and contingent assets & liabilities.

3.1 Critical judgments in applying accounting policies

The following are the critical judgements, apart from those involving estimations (Refer note 4.2), that the Management have made in the process of applying the Company's accounting policies and that have the significant effect on the amounts recognized in the Financial Statements.

(a) Determination of functional currency

Currency of the primary economic environment in which the Company operates ("the functional currency") is Indian Rupee (₹) in which the company primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee (₹).In case of foreign subsidiaries in United States Dollar, it is converted using the year end exchange rates.

(b) Evaluation of indicators for impairment of oil and gas assets

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors such as significant decline in asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc. and internal factors such as obsolescence or physical damage of an asset, poor economic performance of the asset etc. which could result in significant change in recoverable amount of the oil and gas assets.

3.2 Assumptions and key sources of estimation uncertainty

a) Estimation of provision for decommissioning

The Company estimates provision for decommissioning for the future decommissioning of oil & gas assets at the end of their economic lives. Most of these decommissioning activities would be in the future, the exact requirements that may have to be met when the occurrence of removal events are uncertain. Technologies and costs for decommissioning are varying constantly. The timing and amounts of future cash flows are subject to significant uncertainty.

The timing and the future expenditures are reviewed at the end of each reporting period, together with rate of inflation for current cost estimates and the interest rate used in discounting the cash flows. The economic life of the oil & gas assets is estimated based on the economic production profile of the relevant oil & gas asset.

b) Estimation of reserves

Management estimates production profile (proved and developed reserves) in relation to all the oil and gas assets determined as per the industry practice. The estimates so determined are used for the computation of depletion and loss of impairment if any.

The year-end reserves of the Company have been estimated by the Geological & Geophysical team which follows the guidelines for application of the petroleum resource management system consistently. The Company has adopted the reserves estimation by following the guidelines of Society of Petroleum Engineers (SPE) which defines "Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of

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(All amounts are in Indian Rupees in lacs, unless otherwise stated)

given date) based on development project(s) applied". Volumetric estimation is made which uses reservoir rock and fluid properties to calculate hydrocarbons in-place and then estimate the recoverable reserves from it. As the field gets matured with production history the material balance, simulation, decline curve analysis are applied to get more accurate assessments of reserves.

The annual revision of estimates is based on the yearly exploratory and development activities and results thereof. In addition, new in- place volume and ultimate recoverable reserves are estimated for any new discoveries or new pool of discoveries in the existing fields and the appraisal activities may lead to revision in estimates due to new sub-surface data. Similarly, reinterpretation is also carried out based on the production data by updating the static and dynamic models leading to change in reserves. New interventional technologies, change in classifications and contractual provisions may also necessitate revision in the estimation of reserves.

c) Defined Benefit Obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

3.3 Estimation uncertainty relating to COVID-19 outbreak

The company is in the business of exploration, development and production of crude oil and natural gas in India. Production of crude oil and gas is classified as essential commodities as per Section 2 of the Essential Commodities Act, 1955. Presently, gas and oil production of the company at Dirok field in Assam, PY-1 field in cauvery offshore and three small fields in Gujarat are under production as per the offtakes of the buyers.

In assessing the recoverability of its assets including receivables and inventory, the Company has considered internal and external information up to the date of approval of these financial statements including economic forecasts. The Company has performed analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

4. Property, plant & equipment

Summary

Carrying amount of:	As at March 31, 2020	As at March 31, 2019
a) Oil and gas assets	**30,503.52**	**32,552.11**
b) Others		
- Freehold land	227.52	227.52
- Buildings	35.94	37.72
- Furniture & fixtures	6.09	3.57
- Vehicles	0.64	0.64
- Computers	10.44	8.18
- Office equipment	5.06	3.84
Total	**285.69**	**281.47**

Particulars	Oil and gas assets	Others						Total
		Freehold land	Buildings	Furnitures & fixures	Vehicles	Office equipment	Computers	
Cost								
Balance as at April 1, 2018	**2,49,415.01**	**227.52**	**760.93**	**58.38**	**12.86**	**96.89**	**100.17**	**2,50,671.76**
Additions	9,170.20	–	–	3.03	–	1.79	–	9,175.02
Transfer from Capital Work-in-progress	518.96	–	–	–	–	–	–	518.96
Transfer to investment property	–	–	(622.24)	–	–	–	–	(622.24)
Balance as at March 31, 2019	**2,59,104.17**	**227.52**	**138.69**	**61.41**	**12.86**	**98.68**	**100.17**	**2,59,743.50**
Additions	269.89	–	–	4.16	–	3.00	4.97	282.02
Balance as at March 31, 2020	**2,59,374.06**	**227.52**	**138.69**	**65.57**	**12.86**	**101.68**	**105.14**	**2,60,025.52**
Accumulated depletion, depreciation and impairment								
Balance as at April 1, 2018	**2,23,121.38**	**–**	**346.53**	**57.06**	**11.89**	**92.34**	**88.72**	**2,23,717.92**
Transfer to investment property	–		(247.41)	–	–	–	–	(247.41)
Depletion/Depreciation for the year	3,430.68	–	1.85	0.78	0.33	2.50	3.27	3,439.41
Balance as at March 31, 2019	**2,26,552.06**	**–**	**100.97**	**57.84**	**12.22**	**94.84**	**91.99**	**2,26,909.92**
Depletion/Depreciation for the year	2,318.48	–	1.78	1.64	–	1.78	2.71	2,326.39
Balance as at March 31, 2020	**2,28,870.54**	**–**	**102.75**	**59.48**	**12.22**	**96.62**	**94.70**	**2,29,236.31**
Carrying value as at March 31, 2020	**30,503.52**	**227.52**	**35.94**	**6.09**	**0.64**	**5.06**	**10.44**	**30,789.21**
Carrying value as at March 31, 2019	**32,552.11**	**227.52**	**37.72**	**3.57**	**0.64**	**3.84**	**8.18**	**32,833.58**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

5. Capital work-in-progress

Particulars	Development	Exploration	Total
Cost			
Balance as at April 1, 2018	**1,671.17**	**2,385.94**	**4,057.11**
Additions	169.26	–	169.26
Transfer to oil and gas assets	(518.96)	–	(518.96)
Balance as at March 31, 2019	**1,321.47**	**2,385.94**	**3,707.41**
Additions	13,712.09	–	13,712.09
Balance as at March 31, 2020	**15,033.56**	**2,385.94**	**17,419.50**
Accumulated impairment			
Balance as at April 1, 2018	**1,108.72**	**2,385.94**	**3,494.66**
Additions	–	–	–
Balance as at March 31, 2019	**1,108.72**	**2,385.94**	**3,494.66**
Additions	–	–	–
Balance as at March 31, 2020	**1,108.72**	**2,385.94**	**3,494.66**
Net book value			
Carrying value as at March 31, 2020	**13,924.84**	**–**	**13,924.84**
Carrying value as at March 31, 2019	**212.75**	**–**	**212.75**

6. Investment property

Particulars	Building
Cost	
Balance as at April 1, 2018	**282.39**
Transfer from property, plant & equipment	622.24
Balance as at March 31, 2019	**904.63**
Additions	–
Balance as at March 31,2020	**904.63**
Accumulated depreciation	
Balance as at April 1, 2018	**199.26**
Transfer from property, plant & equipment	247.41
Depreciation for the year	22.20
Balance as at March 31, 2019	**468.87**
Depreciation for the year	21.12
Balance as at March 31,2020	**489.99**
Carrying value as at March 31, 2020	**414.64**
Carrying value as at March 31, 2019	**435.76**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

6.1 Fair value of the Company's investment property

The following table gives details of the fair value of the Company's investment property as at March 31,2020 and March 31, 2019.

Particulars	Level 3 : March 31, 2020	Level 3 : March 31, 2019
Building	2,208.00	2,208.00

The fair values of the Company's investment properties are assessed every alternate year on the basis of a valuation carried out by an independent valuer not related to the Company. Fair value is derived using the market comparable approach based on the recent market/government prices without any significant adjustments being made to the market observable data. For the current year, the Management has done an internal assessment of the fair value as at 31 March 2020

7. Intangible assets

Particulars	Software	Exploration	Total
Cost			
Balance as at April 1, 2018	**526.67**	**814.72**	**1,341.39**
Additions	–	89.06	89.06
Balance as at March 31, 2019	**526.67**	**903.78**	**1,430.45**
Additions	–	–	–
Balance as at March 31,2020	**526.67**	**903.78**	**1,430.45**
Accumulated amortization and impairment			
Balance as at April 1, 2018	**358.64**	**–**	**358.64**
Amortization for the year	44.82	–	44.82
Balance as at March 31, 2019	**403.46**	**–**	**403.46**
Amortization for the year	44.82	–	44.82
Balance as at March 31,2020	**448.28**	**–**	**448.28**
Carrying value as at March 31, 2020	**78.39**	**903.78**	**982.17**
Carrying value as at March 31, 2019	**123.21**	**903.78**	**1,026.99**

8. Investments in wholly owned subsidiaries

Particulars	As at March 31, 2020	As at March 31, 2019
Unquoted equity shares of subsidiaries		
50,002 (PY: 50,002) equity shares of ₹ 100 each fully paid-up in Hindage Oilfield Services Limited	50.00	50.00
10,000,000 (PY: 10,000,000) equity shares of $1 each fully paid-up in Geopetrol International Inc (refer note below)	5,895.83	5,895.83
Total	**5,945.83**	**5,945.83**

Note: The Company has entered into a Share Purchase Agreement with Geofinance Petroleum SA for the acquisition of the entire share capital of Geopetrol International Inc.("GPII"), a company registered and existing under the Laws of Panama. GPII is registered as a foreign company in India and operates through an Indian Project Office. The Company obtained an independent merchant bankers valuation report and the transaction has been completed in the previous financial year and the entire shares of GPII is transferred in the name of the Company and consequently, GPII has become the wholly owned subsidiary of the Company. GPII has entered into various production sharing contracts with Government of India including a producing oil field Kharsang in Arunachal Pradesh with 25% participating interest. Other parties to the Kharsang field are Oil India Limited ("OIL") with 40%, GeoEnpro Petroleum Limited ("GPL") with 10%, and JEKPL private ltd with 25%, a company which is under the Insolvency and Bankruptcy Code ("IBC") process. GPII has a wholly owned subsidiary Geopetrol Mauritius Limited ("GML") which holds 50% share capital of GPL. GPL is the Operator to the Kharsang Block.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

9. Deposit under site restoration fund scheme

Particulars	As at March 31, 2020	As at March 31, 2019
Site restoration deposit with bank with maturity period in excess of 12 months	6,241.30	5,897.88
Total	**6,241.30**	**5,897.88**

The above amount has been deposited with banks under section 33ABA of the Income Tax Act, 1961 and can be withdrawn only for the purposes of site restoration pursuant to an abandonment plan agreed with the Government of India. Therefore, this amount is considered as restricted cash and not considered as 'Cash and cash equivalents'.

10. Other financial assets

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Unsecured and considered good		
Capital Advances	–	–
(ii) Unsecured and considered doubtful		
Capital advances	13.55	13.55
Less: Provision for doubtful advances	(13.55)	(13.55)
Total	**–**	**–**

11. Other non-current assets

Particulars	As at March 31, 2020	As at March 31, 2019
Capital advances	138.26	-
Pre-deposit - Service tax (refer note 45)	7.71	7.71
Total	**145.97**	**7.71**

12. Deferred tax asset

Particulars	As at March 31, 2020	As at March 31, 2019
Exploration expenses	3,021.37	3,076.31
Development expenses	750.19	763.83
Depreciation, depletion, amortization and impairment of assets	687.82	4,362.75
Unabsorbed business losses and depreciation	25,830.48	25,367.56
Others	3.90	3.65
Deferred tax assets	**30,293.76**	**33,574.10**
Less: Amounts not recognised (refer note below)	(30,293.76)	(33,574.10)
Deferred tax assets	**–**	**–**

Note: Deferred tax asset has not been recognized as it not probable that sufficient future taxable income could be available to utilize these assets.

There is no provision for tax in view of the brought forward losses / unabsorbed depreciation relating to earlier years available for set off while computing income under the provisions of the Income Tax Act, 1961.

The Company is entitled for a Minimum Alternate Tax credit of ₹ 4,237.27 lacs as on March 31, 2020.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

13. Inventories

Particulars	As at March 31, 2020	As at March 31, 2019
Finished goods		
- Crude oil	12.92	26.76
- Condensate	163.79	137.51
Drilling and production stores, and spares	2,024.90	2,107.16
Total	**2,201.61**	**2,271.43**

14. Investments

Particulars	As at March 31, 2020		As at March 31, 2019	
	Quantity	₹ in lacs	Quantity	₹ in lacs
Financial assets carried at fair value through profit and loss.				
i) Quoted equity instruments				
Reliance Industries Limited Equity Shares @ ₹ 10 each	1,272	14.17	1,272	17.34
Reliance Communication Ventures Limited Equity Shares @ ₹ 10 each	318	0.00	318	0.01
Reliance Infrastructure Limited Equity Shares @ ₹ 10 each	23	0.00	23	0.03
Reliance Capital Limited Equity Shares @ ₹ 10 each	30	0.00	30	0.06
Reliance Power Limited Equity Shares @ ₹ 10 each	79	0.00	79	0.01
(i)		**14.17**		**17.45**
ii) Mutual Funds				
Units of Liquid/Liquid plus/Short Term/Medium Term schemes				
HDFC Credit Risk Debt Fund - Growth @ ₹ 10 each	33,66,776.65	560.44	33,66,776.65	513.61
HDFC Liquid Fund - Option-Growth @ ₹ 1000 each	–	–	65,639.38	2,402.60
HDFC Money market fund - Growth	34,112.34	1,423.86	–	–
HDFC Ultra Short Term Fund-Growth	51,61,367.37	578.36	–	–
ICICI Prudential Short Term Fund-Growth @ ₹ 10 each	99,10,166.66	4,179.05	99,10,166.66	3,828.87
ICICI Prudential Savings Fund - Growth	2,20,082.58	852.48	–	–
SBI Liquid Fund Regular Growth @1000 each	–	–	31,588.65	921.22
SBI Short Term Debt Fund - Regular Plan - Growth @ ₹ 10 each	14,76,784.94	344.35	14,76,784.94	315.95
SBI Banking & PSU Fund-Regular-Growth @1000 each	54,196.29	1,236.00	1,30,477.46	2,712.57
TATA Dynamic Bond Fund-Regular plan- Growth @ ₹ 10 each	–	–	14,81,577.56	416.52
(ii)		**9,174.54**		**11,111.34**
iii) Unquoted Equity Instruments				
Equity Shares of ₹ 10 each of Gujarat Securities Limited	1,00,000	10.00	1,00,000	10.00
Aggregate amount of impairment in value of investments		(10.00)		(10.00)
(iii)		**–**		**–**
Total (i) + (ii) + (iii)		**9,188.71**		**11,128.79**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Aggregate amount (cost) of Quoted Investments	0.49	0.49
Market Value of Quoted Investments	**14.17**	**17.45**
Aggregate amount (cost) of Mutual Fund Investments	8,283.39	10,689.23
Fair value of Mutual Fund Investments	**9,174.54**	**11,111.34**
Aggregate Value of Unquoted equity Instruments	–	–
Total investments	**9,188.71**	**11,128.79**

15. Trade Receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured and considered good (unless otherwise stated)		
Other trade receivables	3,521.07	3,908.85
Total	**3,521.07**	**3,908.85**

The Company enters into long-term crude oil and gas sales arrangement with its customers. The average credit period on sale of products is varying from 7- 30 days. No interest is charged on trade receivables for the first 30 days from the date of the invoice.

Accordingly, the Company assess the impairment loss on dues from the customers on facts and circumstances relevant to each transaction. Usually, Company collects all its receivables from its customers within 30 days.

The Company has less credit risk due to the fact that the Company has significant receivables from customers which are reputed and creditworthy public-sector undertakings (PSUs).

Age of receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Within the credit period	953.04	2,625.22
1-30 days past due	100.71	983.65
31-90 days past due	64.57	37.39
More than 90 days past due	2,402.75	262.59
Total	**3,521.07**	**3,908.85**

16. Cash and cash equivalents

For the purposes of statement of cash flow, cash and cash equivalents include cash on hand and balance with banks. cash & cash equivalents and term deposits not exceeding 3 months at the end of the reporting period can be reconciled to the related items in the balance sheet as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks:		
Current accounts	1,549.72	910.87
Bank deposits- maturity < 3 months	3,321.16	829.45
Total	**4,870.88**	**1,740.32**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

17. Other bank balances

Particulars	As at March 31, 2020	As at March 31, 2019
Bank Deposits- maturity > 3 months < 12 months	1,524.77	779.45
Total	**1,524.77**	**779.45**

19. Other Financial assets

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposits	80.14	81.94
Receivable from joint venture partners	191.90	431.55
Interest accrued on loan to GPII (refer note 44)	118.23	5.72
Other receivables	28.98	2.66
Total	**419.25**	**521.87**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

22. Equity share capital

Particulars	As at March 31, 2020	As at March 31, 2019
Authorized		
50,00,00,000 (PY: 50,00,00,000) equity shares of ₹ 10 each	50,000.00	50,000.00
Issued		
132,313,363 (PY: 13,05,63,363) equity shares of ₹ 10 each	13,231.34	13,056.34
Subscribed and Fully Paid up		
132,243,289 (PY: 13,04,93,289) equity shares of ₹ 10 each	13,224.33	13,049.33
Add: Amount Paid-up on Shares Forfeited (32,975 shares)	1.60	1.60
Total issued, subscribed and fully paid-up share capital	**13,225.93**	**13,050.93**

(a) Reconciliation of equity shares and the amount outstanding at the beginning and at the end of the period:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No.	Amount	No.	Amount
At the beginning of the year	13,04,93,289	13,049.33	13,04,93,289	13,049.33
Issued during the year*	17,50,000	17.50	–	–
Outstanding at the end of the year	**13,22,43,289**	**13,066.83**	**13,04,93,289**	**13,049.33**

* Approved Association Stock options converted into equity shares of the Company during the year.

Particulars	Options (Number)	Weighted average exercise price per option
Options outstanding at the beginning of the year	17,50,000	10
Options granted during the year	Nil	–
Options vested during the year	17,50,000	10
Options outstanding at the end of the year	–	–

(b) Terms/rights attached to equity shares

The Company has one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive assets of the Company remaining after settlement of all liabilities.

(c) Details of shareholders holding more than 5% of the aggregate shares in the Company

Name of shareholders	As at March 31, 2020		As at March 31, 2019	
	No.	% of holding	No.	% of holding
Ashok Kumar Goel	1,84,65,078	13.96	1,84,65,078	14.15
Housing Development Finance Corporation Limited	1,40,86,303	10.65	1,40,86,303	10.79
LCI Estates LLP	81,00,000	6.13	81,00,000	6.21

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

23. Other equity

Particulars	As at March 31, 2020	As at March 31, 2019
Capital reserve	96,084.50	96,084.50
Securities premium account	78,865.43	78,415.21
ASOP Reserve	–	450.21
Retained earnings		
Opening balance	**(1,35,767.17)**	**(150,647.45)**
Profit for the Year	14,083.39	14,896.46
Other comprehensive income (net of tax)	15.77	(16.17)
Closing balance	**(1,21,668.01)**	**(135,767.16)**
Total Reserves and Surplus	**53,281.93**	**39,182.76**

24. Trade payables

Particulars	As at March 31, 2020	As at March 31, 2019
Trade payables (refer note below)	–	2,211.07
Total	**–**	**2,211.07**

Note: During the year write-back of liability for certain disputed invoices raised by Eni India Limited related to the period between 2010 to 2014. These liabilities are assessed by management as no longer payable considering the lapse of time under the period of limitation to make a valid claim and the liabilities are written back.

25. Other financial liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposit	30.50	30.50
Total	**30.50**	**30.50**

26. Non-current Provisions

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for decommissioning	10,308.80	9,790.41
Provision for compensated absences	33.69	37.41
Total	**10,342.49**	**9,827.82**

26.1 Movement of Provision for decommissioning

Particulars	2019-20	2018-19
Balance at beginning of the year	**9,790.41**	**9,662.67**
Adjusted/ reversal during the year	–	(12.09)
Unwinding of discount	518.39	139.83
Balance at end of the year	**10,308.80**	**9,790.41**

26.2 The Company estimates provision for decommissioning as per the principles of Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' for the future decommissioning of oil & gas assets at the end of their economic lives. Most of these decommissioning activities would be in the future for which the exact requirements that may have to be met when the removal events occur are uncertain. Technologies and costs for decommissioning are constantly changing. The timing and amounts of future cash flows are subject to significant uncertainty. The economic life of the oil & gas assets is estimated on the basis of long term production profile of the relevant oil & gas asset. The timing and amount of future expenditures are reviewed annually, together with rate of inflation for escalation of current cost estimates and the interest rate used in discounting the cash flows.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

27. Other non-current liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for gratuity	–	10.48
Total	**–**	**10.48**

28. Trade payables

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of Micro enterprises and small enterprises (refer note (i))	–	–
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,269.03	1,075.64
Total	**1,269.03**	**1,075.64**

(i) Details of dues to micro, small & medium enterprises

Particulars	As at March 31, 2020	As at March 31, 2019
Principal amount payable (but not due) to suppliers as at year end	–	–
Interest accrued and due to suppliers on the above amount as at year end	–	–
Payment made to suppliers (other than interest) beyond the appointed day, during the year	–	–
Interest paid to suppliers (other than Section 16)	–	–
Interest paid to suppliers (Section 16)	–	–
Interest due and payable to suppliers for payments already made	–	–
Interest accrued and remaining unpaid to suppliers as at year end	–	–

All payments due to Micro, small & medium enterprises have been made within the prescribed time limits and / or date agreed upon under the contract.

29. Other financial liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Payable to joint venture partners	5,201.21	2,775.65
Payable towards capital expenditure	6,537.48	–
Total	**11,738.69**	**2,775.65**

30. Provisions

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for compensated absences	13.97	9.67
Total	**13.97**	**9.67**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

31. Other current liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory dues payable	226.35	245.47
Provision for gratuity	–	26.66
Total	**226.35**	**272.13**

32. Revenue from operations

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of crude oil / condensate	3,792.21	6,017.40
Sale of Natural gas	14,342.59	17,851.48
Less: Profit petroleum to Government of India	(151.26)	(179.47)
Net sales	**17,983.54**	**23,689.41**

32.1 Details of sales

Product	UOM	For the year ended March 31, 2020		For the year ended March 31, 2019	
		Quantity	Value	Quantity	Value
Crude oil / Condensate	bbl	97,924	3,652.37	135,809	5,872.14
Natural gas	mmscf	5,247	14,331.17	6,976	17,817.27
Total			**17,983.54**		**23,689.41**

33. Other income

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest income on bank deposits	128.01	144.87
Interest on site restoration deposits with banks	343.42	384.58
Interest income on loan to GPII (refer note 44)	105.88	5.72
Rental income	79.81	36.25
Dividend income	0.08	0.08
Net gain on sale or fair valuation of investments	1,060.20	397.44
Net gain on foreign exchange	425.82	–
Liabilities no longer required written back	–	9.09
Miscellaneous Income	14.51	28.29
Total	**2,157.73**	**1,006.32**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

34. Share of expenses from producing oil and gas blocks

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
a) Share of expenses-producing oil and gas		
Manpower costs	824.24	807.26
Repairs and maintenance	1,138.13	1,314.62
Other statutory charges	190.52	310.04
Insurance	111.65	51.00
Other production expenses	98.34	113.82
Consumables	32.98	18.35
Transportation and logistics	203.68	207.91
	2,599.54	**2,823.00**
b) Royalty, cess & NCCD	2,063.68	1,968.63
Total	**4,663.22**	**4,791.63**

35. (Increase) / decrease in stock of crude oil and condensate

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Inventories at the end of the year	176.71	164.27
Inventories at the beginning of the year	164.27	551.49
(Increase)/decrease in inventories	**(12.44)**	**387.22**
Less: Profit petroleum to Government of India	0.55	5.08
Net (Increase)/decrease in inventories	**(11.89)**	**392.30**

36. Employee benefits expense

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries, wages and bonus	487.07	363.05
Contribution to provident fund, gratuity and other funds	21.27	17.53
Staff welfare expenses	9.20	15.08
Total	**517.54**	**395.66**

37. Finance cost

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Unwinding of discount on decommissioning liability	518.38	139.83
Total	**518.38**	**139.83**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

38. Other expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Office and guest house rent	15.04	21.82
Power	3.21	4.04
Rates and taxes	6.01	21.68
Repairs and maintenance - others	13.96	14.78
General office expenses	0.06	1.47
Travelling and conveyance	32.14	36.33
Communication expenses	7.02	7.91
Membership and subscription	32.91	23.38
Legal and professional fees	240.11	356.71
Insurance	2.56	1.81
Directors' sitting fees	16.23	20.53
Directors' commission (refer note 44)	18.00	–
Printing and stationery	14.96	14.31
Bank charges	4.30	55.54
Expenditure for corporate social responsibility (refer note 47)	122.59	40.43
Net loss on foreign exchange	–	24.51
Miscellaneous expenses	34.04	39.73
	563.14	**684.98**
Payment to Auditor:		
Statutory audit fee	34.22	24.19
Tax audit fee	1.77	1.18
Reimbursements	0.66	0.78
	36.65	**26.15**
Total other expenses	**599.79**	**711.13**

39. Exceptional items

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Liability no longer required (refer note 24)	2,211.07	–
Income tax refund (Refer note below)	410.42	230.69
Income (net)	**2,621.49**	**230.69**

Note: Relates to the refund orders of Income-Tax along with interest for the Assessment Years 1996-97 for ₹ 242.65 lacs, 1997-98 for ₹ 108.64 lacs and ₹ 59.13 lacs for 2006-07

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

40. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit for the year as per statement of profit & loss	₹ 14,083.39 lacs	₹ 14,896.46 lacs
	No.	No.
Weighted average number of equity shares used in calculating basic EPS	13,15,30,134	13,04,93,289
Par value per share	₹ 10	₹ 10
Earnings per equity share in ₹ computed on the basis of profit for the year - Basic	**10.71**	**11.42**
Weighted average number of equity shares used in calculating diluted EPS	13,15,30,134	13,15,63,149
Earnings per equity share in ₹ computed on the basis of profit for the year - Diluted	**10.71**	**11.32**

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Weighted average number of equity shares used in the calculation of basic earnings per share	13,15,30,134	13,04,93,289
Shares deemed to be issued for no consideration in respect of: - employee options	–	10,69,860
Weighted average number of equity shares used in the calculation of diluted earnings per share	13,15,30,134	13,15,63,149

41. Significant Accounting Estimates, Assumptions and Judgements

(a) Site Restoration Costs

The Company estimates and provides for abandoning of wells, decommissioning of facilities and restoration of sites expected to be incurred at a future date. The same is capitalized as part of producing property in accordance with Ind AS 16. The estimation of liability is as per the industry practice and adjusted for inflation. The estimated cost is discounted to the reporting date by an appropriate discount factor. Accordingly, the difference in cost and depletion is adjusted.

(b) Employee Benefit Estimates

i. Defined contribution plan

The Company makes provident fund contribution under defined contribution plan for qualifying employees. Under the scheme, the company is required to contribute a specified percentage of the payroll cost to fund the benefits. The company recognized ₹ 88.27 lacs (PY: ₹ 81.86 lacs) for provident fund contribution in the statement of profit and loss. The contributions are payable to this plan by the company at rates specified in the rules of the scheme.

ii. Defined benefit plan

a) Gratuity

The following table sets out funded status of the gratuity and the amount recognized in the financial statements.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

Profit and loss account for current period

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Service cost:		
Current service cost	24.36	21.17
Past Service cost	–	–
Loss/(gain) on curtailments and settlement	–	–
Net interest cost	1.75	0.73
Total included in 'Employee Benefits Expense'	**26.11**	**21.90**

Other Comprehensive Income for the current period

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Components of actuarial gain/losses on obligations:		
Due to Change in financial assumptions	7.38	(0.18)
Due to change in demographic assumptions	(0.09)	(6.03)
Due to experience adjustments	(23.28)	23.92
Return on plan assets excluding amounts included in interest income	0.22	(1.54)
Amounts recognized in Other Comprehensive Income	**(15.77)**	**16.17**

Changes in the present value of the defined benefit obligation ("DBO")

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Defined Benefit Obligation	121.64	79.91
Current service cost	24.35	21.17
Past service cost	–	–
Interest cost	8.34	5.02
Actuarial (gain)/loss due to change in financial assumptions	7.38	(0.18)
Actuarial (gain)/loss due to change in demographic assumptions	(0.09)	(6.03)
Actuarial (gain)/loss due to experience adjustments	(23.28)	23.92
Benefits paid	–	(2.17)
Closing defined benefit obligation	**138.34**	**121.64**

Changes in fair value of plan assets

Particulars	As at March 31, 2020	As at March 31, 2019
Opening value of plan assets	84.50	62.87
Interest Income	6.60	4.29
Return on plan assets excluding amounts included in interest income	(0.21)	1.54
Contributions by employer	50.07	17.97
Benefits paid	–	(2.17)
Closing value of plan assets	**140.96**	**84.50**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

Net liability recognized in the balance sheet

Particulars	As at March 31, 2020	As at March 31, 2019
Present value of the defined benefit obligation	138.34	121.64
Fair value of plan assets	140.96	84.50
Plan liability	**(2.62)**	**37.14**

The principal assumptions used in determining gratuity and for the Company's plans are shown below:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Discount rate	6.55%	7.35%
Future salary increase	5.00%	5.00%
Withdrawal rates	6% at younger ages reducing to 2% at older ages	6% at younger ages reducing to 2% at older ages

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The Company expects to contribute ₹ 26.64 lacs towards its gratuity plan during the year 2019-20.

Maturity profile of defined benefit obligation:

Year 1 %	Year 2 %	Year 3 %	Year 4 %	Year 5 %	Year 6 to 10 %
1.6	8.9	2.1	16.2	1.9	13.3

b) Compensated absences

The key assumptions used in computation of provision for long term compensated absences are as given below:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Discount rate	6.55%	7.35%
Future salary increase	5.00%	5.00%
Withdrawal rates	6% at younger ages reducing to 2% at older ages	6% at younger ages reducing to 2% at older ages

42. Oil and Gas Reserves

As at March 31, 2020, the internal estimates of the Management of Proved & Probable Reserves for the working interest as per the development plan approved by the Directorate General of Hydrocarbons is as follows:

Developed and Undeveloped:

	Unit of Measurement	As at April 1, 2019	Addition	Production	As at March 31, 2020
Proved reserves (1P)					
- Oil	MMBBL	3.17	–	0.08	3.09
- Gas	BCF	78.23	–	4.44	73.79
Proved and probable (2P)					
- Oil	MMBBL	4.37	–	0.08	4.29
- Gas	BCF	124.16	–	4.44	119.72

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

Developed:

	Unit of Measurement	As at April 1, 2019	Addition	Production	As at March 31, 2020
Proved reserves (1P)					
- Oil	MMBBL	0.67	–	0.08	0.59
- Gas	BCF	68.98	–	4.43	64.55

Note 1 The above reserve estimates excludes the reserves of PY-3 as there is no viable plan for recommencement as on date. Regarding CB-OS-1, Government of India has issued a termination notice on September 5, 2018. However, the company requested to withdraw the termination notice as it is not in accordance with the provisions of the law. Therefore, no reserves of CB-OS/1 is included in the above estimates

Note 2 Unit of measurement is considered in barrels for oil and cubic feet for gas.

Developed and Undeveloped:

	Unit of Measurement	As at April 1, 2018	Addition	Production	As at March 31, 2019
Proved reserves (1P)					
- Oil	MMBBL	3.21	0.07	0.11	3.17
- Gas	BCF	84.22	1.02	7.01	78.23
Proved and probable (2P)					
- Oil	MMBBL	4.22	0.26	0.11	4.37
- Gas	BCF	128.99	2.18	7.01	124.16

Developed:

	Unit of Measurement	As at April 1, 2018	Addition	Production	As at March 31, 2019
Proved reserves (1P)					
- Oil	MMBBL	0.71	0.07	0.11	0.67
- Gas	BCF	62.57	13.42	7.01	68.98

Note 1: The above reserve estimates excludes the reserves of PY-3 as there is no approved plan for recommencement as on date. CB-OS-1 has no firm development plan in place.

Note 2: Unit of measurement is considered in barrels for oil and cubic feet for gas

43. Segmental reporting

The Company is primarily engaged in a single business segment of "Oil and Gas" in one geographic segment in India. Therefore, there are no separate reportable segments for Segment Reporting.

44. Related Party Disclosures

a) a) Related Parties as of March 31, 2020:

i) Wholly owned subsidiaries:

a) Hindage Oilfield Services Ltd., ("Hindage")

b) Geopetrol International Inc ("GPII")

ii) Key management personnel:

Whole-time directors

- Mr. P. Elango - Managing Director
- Mr. R. Jeevanandam - Director & CFO

Non-Executive independent Directors

- Mr. Sunil Behari Mathur - Chairman (resigned effective April 17, 2019)
- Mr. Vivek Rae (appointment effective April 18, 2019)
- Ms. Sharmila H. Amin
- Mr. P.K. Borthakur

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

Non-Executive, Non-Independent Directors

- Mr. Ashok Kumar Goel
- Mr. Rohit Rajgopal Dhoot

Company Secretary

- Ms.G.Josephin Daisy

b) Nature and volume of transactions during the year and outstanding balances as at the balance sheet date with the above parties:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest income on loan to GPII	105.88	5.72
Expenditure		
Subsidiary (Hindage) - Reimbursement of expenses	5.43	35.49
Key managerial personnel remuneration-		
1. Mr. P. Elango - Managing Director*	346.98	200.63
2. Mr. R. Jeevanandam - Director & CFO*	337.10	190.69
3. Ms. G. Josephin Daisy - Company Secretary	10.31	10.31
Sitting fee - Independent Directors	13.75	17.40
Commission - Independent Directors**	18.00	–
Advances - Wholly owned subsidiary company ***		
Advance paid to HOSL	4900.00	–
Advance recovered from HOSL	2060.00	–

* Includes one time additional performance Bonus of ₹ 150 lakhs for the year.

** which is within 1% of the net profit of the company for the year ended March 31, 2020.

*** Represents advance made for business purposes.

Loan and advances to wholly owned subsidiary

Particulars	Outstandind as at March 31, 2020	Maximum amount outstanding during the year	Outstanding as at March 31, 2019
Loan to GPII	6,596.27	6,596.27	1,210.48
Interest accrued on loan to GPII (including gain on foreign exchange)	118.23	118.23	5.72
Advance recoverable from HOSL	2,845.43	2,845.43	–

45. Commitments and Contingencies

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Contingent Liabilities		
(a) Claims not acknowledged as debts CY-OS-90/1 (refer note a)	3,112.00	3,112.00
(b) Royalty demand (refer note b)	1,301.11	1,097.00
(c) Claims not acknowledged as debts CB-OS/1 (refer note d)	1,245.00	1,245.00
(d) Service tax liability (refer note e)	168.92	168.92
(e) Service tax liability (refer note f)	17,353.70	–
(ii) Commitments		
Estimated value of contracts remaining to be executed on capital account and not provided for	2541.83	59.16

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

a) Hardy Exploration & Production (India) Inc., CY-OS-90/1 (PY-3) operator referred the dispute by all non-operators including the company to an arbitration for a total claim of ₹ 6,049 lacs (US$ 9.32 million) without interest. Accordingly, the claim against the company for its participating interest is ₹ 1,624 lacs (US$ 2.05 million). The non-operating parties have not accepted the claim and the company made a counter claim of ₹ 20,168 lacs (US $ 31.08 million). The dispute is being adjudicated by the arbitration tribunal. The claim not acknowledged as debt by the company includes ₹ 1,488 lacs for the participating interest of the company relating to the dispute between Aban Offshore Limited and the Operator "Hardy".

b) In block PY 1, The Ministry of Petroleum & Natural Gas (MOP&NG) has computed the royalty based on the price realized instead of well head value and made a demand of ₹ 1,301.11 lacs (US$ 1.72 million) with an interest claim for the period from 2009-10 to 2018-19. The Company has re-computed the royalty based on wellhead value in terms of the production sharing contract which results in an excess payment of ₹ 1,552.65 lacs (US$ 2.06 million) for the above period and made a request for refund.

c) With respect to block CB-OS/1 operated by Oil & Natural Gas Corporation Limited (ONGC), there were no operations during the year. Therefore, no expenditure is accounted in the financial statements. CB-OS-1 Block wherein HOEC holds 38.04% of Participating interest and Oil and Natural Gas Corporation Limited (ONGC) with 55.26% an operator of the block was terminated by Government of India (GOI) on September 5,2018. HOEC has issued a letter to GOI, to reconsider the termination of the block in term of PSC as HOEC is interested to take over participating interest of ONGC as well as the operatorship of the block. No value is carried in the books of accounts for the block.

d) With respect to block CB-OS/1, ONGC made a claim of ₹ 1,245 lacs which was disputed by the Company and the matter is referred to arbitration. The Company made a counter claim of ₹ 6,472 lacs and the matter is being adjudicated by the arbitration tribunal.

e) During the previous years, there was a demand for service tax for ₹ 77.09 lacs with an equivalent amount of penalty due to disallowance of Cenvat credit for the period from October 2007 to March 2011. An appeal has been filed after paying an amount of ₹ 7.71 lacs to the tax authorities. This dispute is before the Cestat for adjudication and no provision is made in the financial statements. The above amount also includes a demand of ₹ 14.74 lacs pertaining to one of the unincorporated joint ventures.

f) Service tax demand was made on cash call contributions, cost and profit petroleum share of the contractors and Government of India, for the year commencing from April 2010 to March 2015 for various unincorporated joint ventures under production sharing contract for is ₹ 8,676.85 lacs with equivalent amount as penalty with interest and for the participating interest of the Company is ₹ 6,638.24 lacs. Further, the statement of demand received from April 2015 to June 2017 is being dealt with.This being an industry issue, the above claim of the tax authority is disputed by the company and is being redressed at various appellate forum. This industry issue is taken up by the Ministry of Petroleum and Natural Gas with Finance Ministry of Government of India for appropriate clarification and redressal.

46. Effects of Changes in Foreign Exchange Rates

a) Expenditure in foreign currency (on accrual basis)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Operating expenditure	690.58	689.07

b) Value of Imports calculated on CIF basis (on accrual basis)

The details of the adjustment pursuant to the above are as under:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Components and spare parts	3.41	13.35
Capital goods	–	4.93

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

47. Corporate Social Responsibility

Gross amount required to be spent towards CSR activities from the profits calculated as per Section 198 of the Companies Act, 2013 during the year: ₹ 122.59 lacs (PY: ₹ 23.34). Amount spent during the year on:

Particulars	2019-20	2018-19
Construction of asset	40.04	28.05
Others	22.55	12.38
Total	**62.59**	**40.43**

48. Fair Value Measurements of financial assets

The following table gives information about how the fair value of these financial assets are determined.

As at March 31, 2020	Fair Value Measurements using			
	Total	Level 1	Level 2	Level 3
Assets measured at fair value (refer note 14)				
- Quoted equity instruments	14.17	14.17	–	–
- Mutual fund investments	9,174.54	9,174.54	–	–

As at March 31, 2019	Fair Value Measurements using			
	Total	Level 1	Level 2	Level 3
Assets measured at fair value (refer note 14)				
- Quoted equity instruments	17.45	17.45	–	–
- Mutual fund investments	11,111.34	11,111.34	–	–

* **Note:** Level 1: Quoted market prices in active markets, where available.
Level 2: Valuation techniques where fair value measurement is directly or indirectly observable.
Level 3: Valuation techniques where fair value measurement is unobservable.

49. Financial instrument disclosure - Capital Management

The Company manages its capital to ensure that it will be able to continue as a going concern by optimizing the shareholder's value with the right balance of debt and equity. The Company maintains the debt free status as on date and would raise capital as required by maintaining an appropriate gearing. The Risk Management committee of the company periodically reviews the capital to ensure the capital adequacy. Currently, the capital structure of the Company consists of total equity and the company has no borrowings.

50. Financial Risk Management Objectives

The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured, managed and mitigated in accordance with the Company's policies.

(i) Market risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of a business. The primary commodity price risks that the company is exposed to include oil and natural gas prices that could adversely affect the value of the company's financial assets, liabilities or expected future cash flow. Market risk comprises the risk of interest rate, currency risk and the other commodity price.

- **Interest rate risk**

  This risk causes the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has not availed borrowings, hence is not exposed to interest rate risk.

- **Foreign currency risk**

  Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities and operational contracts with the rates payable in foreign currencies. The Company manages its foreign currency risk by having natural hedge as the revenue on sale of oil and gas is determined and paid in equivalent US dollars.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

Details of Unhedged Foreign Currency Exposure

The details of unhedged Foreign Currency Exposure of the Company, are as under:

Particulars	As at March 31, 2020		As at March 31, 2019	
Trade receivables	$86,277	₹ 62.57 lacs	$141,295	₹ 98.07 lacs

- **Commodity price risk**

  The Company is exposed to volatility in the oil and gas prices since the Company does not undertake any oil price hedge. The impact of a falling oil price is however partly mitigated via the production sharing formula in the PSCs, whereby the share of gross production to the company increases in a falling oil price environment and the recovery of costs. Gas prices are fixed for certain duration and the same are based on policy guidelines issued by the Government.

(ii) Credit risk

Credit risk is the risk that counterparty for sale of its products will not meet its obligations under a financial instrument or customer contract leading to a financial loss. The Company is not exposed to credit risk as its sale of oil and gas is to Government Nominees.

(iii) Liquidity risk

A formal budgeting and forecasting process is in place and cash forecasts identifying liquidity requirements of the Company are reviewed regularly by the Audit Committee and Board. Financing plans are approved based on end utilization of proceeds and cost of capital.

51. Events after the reporting period

There is no material event after the reporting period.

52. Approval of financial statements

The financial statements were approved for issue by the board of directors on May 31, 2020.

53. Previous year figures

Previous year's figures have been regrouped and reclassified wherever necessary to conform to the current year's presentation.

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Bhavani Balasubramanian
Partner

Place : Chennai
Date : May 31, 2020

For and on behalf of the Board of Directors

P. Elango	**R. Jeevanandam**	**Josephin Daisy**
Managing Director	Director & CFO	Company Secretary
DIN No 06475821	DIN No 07046442	

INDEPENDENT AUDITOR'S REPORT

To the Members of
Hindustan Oil Exploration Company Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements **Hindustan Oil Exploration Company Limited** ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group"), which includes Group's share of profit in associate, which comprise the Consolidated Balance Sheet as at March 31, 2020, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements"), which includes eight unincorporated joint ventures accounted on a proportionate basis.

In our opinion and to the best of our information and according to the explanations given to us, and based on the considerations of reports of the other auditors on separate financial statements of unincorporated joint ventures and subsidiary referred to in Other Matters in section below, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and audit evidence obtained by other auditors in terms of their reports referred in Other Matters section below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Emphasis of Matter

We draw attention to Note 3.4 of the consolidated financial statements which describes the management's assessment of the impact of the outbreak of COVID-19. The management believes that no adjustments are required in the financial statements as there is no impact in the current financial year. However, in view of highly uncertain economic environment due to COVID-19, a definitive assessment of the impact on the subsequent periods is dependent upon circumstances as they evolve.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S.No	Key Audit Matter	Auditor's Response
1	**Impairment of Oil and Gas Assets** The Balance Sheet includes property, plant and equipment (PP&E) of ₹ 34,334 Lakhs, of which ₹ 33,178 Lakhs are oil and gas assets. Recoverability of PP&E assets has been identified as a key audit matter due to: • The significance of the carrying value of the assets being assessed; and • The assessment of the recoverable amount of the Group's Cash Generating Units (CGUs) involving significant judgements about future cash flow forecasts and the discount rates applied. • Estimation of oil and natural gas reserves being a significant area of judgement due to the technical uncertainty and having a substantial impact on impairment testing. As required by Ind AS 36 'Impairment of Assets', management estimated the recoverable amount of the CGU to determine if any impairment charges or reversals were required.	**Principal audit procedures:** We tested management's internal controls over the setting of oil and gas prices and reserve estimates. In addition, we conducted the following substantive procedures: **Reserves estimates** • We reviewed Group's reserves estimation methods and policies. • We performed a look-back analysis to check for indicators of bias over time. • We assessed how these policies had been applied to five internal reserves estimates. • We assessed the competence, capability and objectivity of Group's internal reserve experts, through obtaining their relevant professional qualifications and experience. **Other procedures** • We challenged management's cash generating unit determination, scrutinized the impairment and impairment reversal indicator analysis and considered whether there was any contradictory evidence present. • We analysed the consistency of Production done in previous years and as considered in the projections. • Assessing the methods used to calculate the discount rate applied to the estimated cash flows expected, we also involved our internal valuation specialist in evaluating management's assessment. • We verified estimated future capital and operational costs by comparison to approved budgets and assessed them with reference to field production forecasts. • We compared production of previous year and proved and probable reserves to reserve reports and our understanding of the life of the fields. • We assessed these estimates against management's historical forecasting accuracy and whether the estimates had been determined and applied on a consistent basis.
2	**Measurement of provision for decommissioning, dismantling, removal and restoration ("DDRR")** The provision outstanding for DDRR of the Group amounts to ₹ 10,626 Lakhs. The estimation of DDRR provision, involves significant degree of judgement, complex calculations and estimation uncertainty. Decommissioning provisions are inherently subjective given they are based on estimates of costs that will be settled in the future. The Group reviews the DDRR provision on an annual basis, of which key components include the interest rate, inflation rate and expected future costs.	**Principal audit procedures:** We tested management's internal controls over determination of Decommissioning Provision. In addition, we conducted the following substantive procedures: • We have tested the reasonableness of management's inflation and discount rates used for the decommissioning provision based on market data. • We re-performed the calculation of the DDRR provision over the five blocks.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Boards' Report including Annexures to the Board's Report, Management Discussion and Analysis Report and Corporate Governance Report but does not include the consolidated financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its associate in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which are the independent auditors. For the entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a) We have placed reliance on technical / commercial evaluation by the management in respect of the categorization of wells as exploratory, development, producing and dry wells, allocation of costs incurred on them, proved developed hydrocarbon reserves and depletion thereof on Oil and Gas assets, impairment and liability for site restorations costs.

b) Due to the COVID-19 related lockdown, we were unable to observe the Management's year-end physical verification of Inventory at certain locations. Consequently, we have performed alternate procedures to audit the existence of inventory as per the guidance provided in SA 501 "Audit Evidence - Specific Considerations for Selected Items", and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these consolidated financial statements.

c) We did not audit the financial statements of seven unincorporated joint ventures included in the consolidated Ind AS financial statements of the Company, whose financial statements reflect total assets of ₹ 22,589 Lakhs as at March 31, 2020 and total revenues of ₹ NIL for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements of these unincorporated joint ventures have been audited by the other auditors whose reports have been furnished to us, and our opinion in so far relates to the amounts and disclosures included in respect of these unincorporated joint ventures and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid unincorporated joint ventures, is solely based on the report of such other auditors.

d) We did not audit the financial statements of one subsidiary included in the consolidated financial results, whose financial statements reflect total assets of ₹ 21,644 Lakhs as at March 31, 2020 and total revenues of ₹ 2,222 Lakhs for the year ended on that date, total net loss after tax and total comprehensive loss of ₹ 283 Lakhs, which includes Group's share of net profit of ₹ 52 lakhs in respect of an associate for the year ended on that date, as considered in the consolidated financial results. These financial statements have been audited by

the other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial results, in so far as relates to the amounts and disclosures included in respect of the subsidiary is based solely on the report of the other auditor.

The other auditor, without qualifying his opinion, has reported that financial statements of the aforesaid consolidated subsidiary includes assets of ₹ 2,292 Lakhs and liabilities of ₹ 753 Lakhs which represents its participating interest in an unincorporated joint venture based on unaudited financial information certified by the management. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the of the report of the other auditors on the separate financial statements of unincorporated joint ventures and subsidiary referred to in the Other Matter section above we report, to the extent applicable that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.
   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
   e) On the basis of the written representations received from the directors of the Parent as on March 31, 2020 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Parent Company is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
   f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of Section 197 of the Act.
   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014,as amended in our opinion and to the best of our information and according to the explanations given to us:
      i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate.
      ii) The Group and its associate did not have long-term contracts including derivative contracts for which there were any material foreseeable losses;
      iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent, its subsidiaries and its associate.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Bhavani Balasubramanian
(Partner)
(Membership No. 22156)
UDIN: 20022156AAAAAR92693

Chennai, May 31, 2020

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of **Hindustan Oil Exploration Company Limited** (hereinafter referred to as "Parent") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Parent's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Parent, its subsidiary companies, which are companies incorporated in India, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on internal financial controls system over financial reporting of the Parent, its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements

in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Bhavani Balasubramanian
(Partner)
(Membership No. 22156)
UDIN: 20022156AAAAAR92693

Chennai, May 31, 2020

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
1 Non-current assets			
Property, plant & equipment			
a) Oil and gas assets	4	33,177.69	35,571.63
b) Others	4	1,156.65	1,352.84
Capital work-in-progress	5	32,736.64	2,617.90
Investment property	6	414.64	435.76
Intangible assets	7	982.17	1,026.99
Financial assets			
Investment in associates	8	1,773.90	1,722.13
Deposits under site restoration fund	9	6,518.49	6,159.66
Other financial assets	10	7.18	5.54
Other non-current assets	11	145.97	7.71
Deferred tax asset	12	–	–
Total non- current assets		76,913.33	48,900.16
2 Current assets			
Inventories	13	2,658.74	2,782.86
Financial assets			
Investments	14	10,047.81	11,974.37
Trade receivables	15	3,636.16	4,093.33
Cash and cash equivalents	16	7,060.22	2,764.48
Other bank balances	17	1,524.77	779.45
Other financial assets	18	346.59	1,054.38
Income tax assets (net)	19	988.00	968.12
Other current assets	20	408.64	97.60
Total current assets		26,670.93	24,514.59
TOTAL ASSETS		1,03,584.26	73,414.75
EQUITY & LIABILITIES			
Equity			
Equity share capital	21	13,225.93	13,050.93
Other equity	22	54,744.88	40,972.80
Total equity		67,970.81	54,023.73
Liabilities			
1 Non-current liabilities			
Financial liabilities			
Long term borrowings	23	3,196.93	17.76
Trade payables	24	–	2,211.07
Other financial liabilities	25	30.50	30.50
Provisions	26	10,677.54	10,145.97
Other non-current liabilities	27	–	10.48
Deferred tax liability	28	302.27	395.31
Total non-current liabilities		14,207.24	12,811.09
2 Current liabilities			
Financial liabilities			
Short term borrowings	29	1,281.56	1,175.89
Trade payables	30		
Total outstanding dues of Micro enterprises and small enterprises		–	–
Total outstanding dues of creditors other than micro enterprises and small enterprises		6,588.59	1,627.65
Other financial liabilities	31	11,758.68	2,794.96
Provisions	32	1,347.60	681.07
Other current liabilities	33	429.78	300.36
Total current liabilities		21,406.21	6,579.93
Total Liabilities		35,613.45	19,391.02
TOTAL EQUITY & LIABILITIES		1,03,584.26	73,414.75

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Bhavani Balasubramanian
Partner

Place : Chennai
Date : May 31, 2020

For and on behalf of the Board of Directors

P. Elango
Managing Director
DIN No 06475821

R. Jeevanandam
Director & CFO
DIN No 07046442

Josephin Daisy
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
INCOME			
Revenue from operations	34	20,205.46	26,514.07
Other income	35	2,175.95	1,118.55
Total income		**22,381.41**	**27,632.62**
EXPENSES			
Share of expenses from producing oil and gas blocks	36(a)	3,533.64	3,720.84
Royalty, cess and NCCD	36(b)	2,181.57	2,083.78
(Increase) / decrease in stock of crude oil and condensate	37	43.30	418.14
Employee benefits expense	38	556.36	531.95
Finance costs			
- Unwinding of discount on decommissioning liability	39	535.50	157.16
- others	40	103.96	9.91
Depreciation, depletion and amortization	4,6,7	2,938.61	4,380.78
Other expenses	41	1,431.10	1,047.81
Total expenses		**11,324.04**	**12,350.37**
Profit before share of profit of associate, exceptional items and tax		**11,057.37**	**15,282.25**
Share of profit of associate	8	51.77	142.39
Profit before exceptional items and tax		**11,109.14**	**15,424.64**
Exceptional items	42	2,621.49	262.16
Profit before tax		**13,730.63**	**15,686.80**
(1) Current tax		84.18	441.49
(2) Adjustment of tax relating to earlier periods		(16.83)	92.98
(3) Deferred tax		(93.04)	(521.98)
Total tax expense		**(25.69)**	**12.49**
Profit for the year		**13,756.32**	**15,674.31**
Other comprehensive income			
Items that will not to be reclassified to profit or loss:			
- Re-measurement (losses) of defined benefit plans		15.77	(16.17)
- Income tax effect on re-measurement of defined benefit plans		–	–
Other comprehensive income (net of tax)		**15.77**	**(16.17)**
Total comprehensive income for the year		**13,772.09**	**15,658.14**
Earnings per equity share of ₹10 attributable to equity holders.	43		
Basic		10.46	12.01
Diluted		10.46	11.91

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Bhavani Balasubramanian
Partner

Place : Chennai
Date : May 31, 2020

For and on behalf of the Board of Directors

P. Elango	**R. Jeevanandam**	**Josephin Daisy**
Managing Director	Director & CFO	Company Secretary
DIN No 06475821	DIN No 07046442	

CONSOLIDATED STATEMENT OF CHANGES OF EQUITY FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

a) Equity Share Capital

Particulars	Amount
Balance as at March 31, 2019	13,050.93
Add: Shares issued during the year	175.00
Balance as at March 31, 2020	13,225.93

b) Other Equity

Particulars	Reserves and surplus					Total
	Security premium	Capital reserve	General reserve	Associate stock option plan reserve	Retained earnings	
Balance as at April 1, 2018	**78.415.21**	**96,084.50**	**38.00**	**450.21**	**(1,49,718.11)**	**25,269.81**
Profit for the year	–	–	–	–	15,674.31	15,674.31
Other comprehensive income	–	–	–	–	(16.17)	(16.17)
Total comprehensive income	**–**	**–**	**–**	**–**	**15,658.14**	**15,658.14**
Capital reserve	–	44.85	–	–	–	44.85
Balance as at March 31, 2019	**78.415.21**	**96,129.35**	**38.00**	**450.21**	**(1,34,059.97)**	**40,972.80**
Profit for the year	–	–	–	–	13,756.32	13,756.32
Other comprehensive income	–	–	–	–	15.77	15.77
Associate Stock option plan	450.21	–	–	(450.21)	–	–
Total comprehensive income	**–**	**–**	**–**	**–**	**13,772.09**	**13,772.09**
Balance as at March 31, 2020	**78,865.42**	**96,129.35**	**38.00**	**–**	**(1,20,287.88)**	**54,744.88**

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Bhavani Balasubramanian
Partner

P. Elango
Managing Director
DIN No 06475821

R. Jeevanandam
Director & CFO
DIN No 07046442

Josephin Daisy
Company Secretary

Place : Chennai
Date : May 31, 2020

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash flow from Operating activities		
Profit before tax	**13,730.63**	**15,686.80**
Adjustments for:		
Depletion, depreciation and amortisation	2,938.61	4,380.78
Unwinding of discount on Decommissioning liability	535.50	157.16
Provision for compensated absences	0.37	5.78
Excess liabilities / provisions written back	(2,211.07)	(9.09)
Interest income	(493.90)	(556.75)
Net income from financial instruments at fair value	(1,139.38)	(439.67)
Rental income	(79.81)	(36.25)
Dividend income	(0.08)	(0.08)
Share of profit of associate	(51.77)	(142.39)
Operating profit before working capital changes	**13,229.09**	**19,046.29**
Working capital adjustments for:		
(Increase)/ Decrease in trade receivables	457.16	(2,080.22)
(Increase)/ Decrease in Inventories	124.12	594.60
(Increase)/ Decrease in Loans and advances and other current assets	(185.45)	(702.07)
Increase/ (Decrease) in trade payables and other liabilities	18,013.26	(195.96)
Cash generated from operations	**31,638.18**	**16,662.64**
Direct taxes refunds (net of payments)	(87.24)	73.04
Net cash flows from operating activities	**31,550.94**	**16,735.68**
Cash flow from Investing activities		
Purchase of property, plant and equipment	(30,295.63)	(11,742.85)
Exploration cost	-	(89.05)
Investment in subsidiary	-	(5,895.82)
Loan received	-	1,175.89
Rent received	50.83	36.25
Profit on sale of financial assets	1,139.38	439.67
Interest received	493.90	556.75
Bank deposit -Lien for bank guarantees	(745.32)	747.05
Dividend income	0.08	0.08
Net cash flows used in investing activities	**(29,356.76)**	**(14,772.03)**
Cash flow from financing activities		
Share capital	175.00	
Net cash flows used in financing activities	**175.00**	
Net increase in cash and cash equivalents	**2,369.18**	**1,963.65**
Cash and cash equivalents at the beginning of the year	**14,738.85**	**12,707.14**
Cash and cash equivalents at the beginning of the year (GPII)	**–**	**68.06**
Cash and cash equivalents at the end of the year	**17,108.03**	**14,738.85**
Components of cash and cash equivalents		
Cash in hand	0.66	0.08
Balances with banks		
- In deposit accounts	3,321.16	832.69
- In current accounts	3,738.40	1,931.71
Current Investments	10,047.81	11,974.37
Total cash and cash equivalents	**17,108.03**	**14,738.85**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Bhavani Balasubramanian
Partner

Place : Chennai
Date : May 31, 2020

For and on behalf of the Board of Directors

P. Elango	**R. Jeevanandam**	**Josephin Daisy**
Managing Director	Director & CFO	Company Secretary
DIN No 06475821	DIN No 07046442	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

1. Corporate Information

a) Hindustan Oil Exploration Company Limited ('the Company' or "HOEC") was incorporated in India on September 22, 1983 under the provisions of the Companies Act, 1956. The Company's shares are listed on the National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE'). HOEC is engaged in the exploration, development and production of crude oil and natural gas in India, both onshore and offshore.

The Company is a participant in various oil and gas blocks / fields which are in the nature of joint operation through Production Sharing Contracts ('PSC') entered by the Group with Government of India along with other entities. The details of Company's participating interests and of the other entities are as follows:

Sl. No.	Unincorporated Joint Ventures	Participants	Share (%)	
			As at March 31, 2020	As at March 31, 2019
1	PY-1	Hindustan Oil Exploration Company Limited (O)	100	100
2	CY-OS-90/1 (PY-3)	Hardy Exploration & Production (India) Inc. (O)	18	18
		Oil and Natural Gas Corporation Limited	40	40
		Hindustan Oil Exploration Company Limited	21	21
		Tata Petrodyne Limited	21	21
3	Asjol	Hindustan Oil Exploration Company Limited (O)	50	50
		Gujarat State Petroleum Corporation Limited	50	50
4	North Balol	Hindustan Oil Exploration Company Limited (O)	25	25
		Gujarat State Petroleum Corporation Limited	45	45
		Gujarat Natural Resources Limited (GNRL)	30	30
5	CB-ON/7 (Palej)	Hindustan Oil Exploration Company Limited (O)	35	35
		Gujarat State Petroleum Corporation Limited	35	35
		Oil and Natural Gas Corporation Limited	30	30
6	CB-OS/1*	Oil and Natural Gas Corporation Limited (O)	55.26	55.26
		Hindustan Oil Exploration Company Limited	38.07	38.07
		Tata Petrodyne Limited	6.67	6.67
7	AAP-ON-94/1 (Assam)	Hindustan Oil Exploration Company Limited (O)	26.882	26.882
		Indian Oil Corporation Limited	29.032	29.032
		Oil India Limited	44.086	44.086
8	MB/OSDSF/ B80/2016	Hindustan Oil Exploration Company Limited (O)	50	50
		Adhboot Estates Private Limited	50	50
9	AA/ONDSF/ KHEREM/2016	Hindustan Oil Exploration Company Limited (O)	40	40
		Oil India Limited	40	40
		Prize Petroleum Company Limited	20	20
10	AA-ONHP-2017/19	Hindustan Oil Exploration Company Limited	100	100
11	AA/ONDSF/ Umatara/2018	Hindustan Oil Exploration Company Limited	10	10
		Indian Oil Corporation Limited	90	90

(O) Operator

** GOI has issued a termination on September 5, 2018. However, the Company requested to withdraw the termination notice as it is not in accordance with the provisions of the PSC.*

b) Hindage Oilfield Services Limited (formerly, HOEC Bardahl India Limited), (HOSL) was incorporated on November 24, 1988 in the state of Gujarat. HOSL has discontinued the business of marketing "Bardahl" products and entered into oil field services. It has acquired a Floating Storage Offshore ("FSO") vessel and constructing an offshore utility boat to enter into offshore support services and also examining opportunities in various oil field services.

c) HOEC acquired the entire share capital of Geopetrol International Inc. ("GPII"), a company registered and existing under the Laws of Panama. GPII is registered as a foreign company in India and operates through a project office in India. GPII has entered into a production sharing contract with Government of India for a producing oil field Kharsang in Arunachal Pradesh. The details of the Participating Interest are as follows:

Sl. No.	Unincorporated Joint Ventures	Participants	As at March 31, 2020 Share %	As at March 31, 2019 Share %
1	Kharsang Field	Geoenpro Petroleum Limited (O)	10	10
		Geopetrol International Inc.	25	25
		JEKPL Private Limited	25	25
		Oil India Limited	40	40

(O) Operator

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

d) Geopetrol Mauritius Ltd ("GML"), is a wholly owned subsidiary of GPII. GML is a company established under the laws of Mauritius and has global business category -I license. It is in the business of investment in oil and gas exploration and oil and gas services.

e) Geoenpro Petroleum Limited ("Geoenpro") is a company established and operated under the Indian Companies Act. GML is currently holding 50% of the paid up share capital of Geoenpro and is an associate company of GML.

The Company, along with HOSL, GPII, GML shall hereinafter, be collectively referred to as 'the Group'.

2. Significant accounting policies

i) Statement of compliance and basis of preparation

The consolidated financial statements of the Group and its subsidiaries (together the Group) have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended March 31, 2020, the Group had prepared its consolidated financial statements under historical cost convention on accrual basis in accordance with the generally accepted accounting principles and the accounting standards notified under section 133 of the Companies Act 2013.

In case of foreign subsidiaries, the foreign currency is converted to year end rates of exchange and the fair value of fixed assets are determined for impairment if any. In case of associates, the investment in associates is given under a separate category of asset viz., "Investment in associates".

The Consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

As the operating cycle cannot be identified in normal course due to the special nature of industry, the same has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in Ind AS 1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Group categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

(a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

(b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

(c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Group's assumptions about pricing by market participants.

The consolidated financial statements are presented in Indian Rupees, unless otherwise stated.

ii) Basis of consolidation

(a) The consolidated financial statements incorporate the financial statement of the Company and its Subsidiaries.

(b) All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the group are eliminated in full on consolidation.

(c) The Consolidated financial statements have been prepared using uniform accounting policies, except as stated otherwise, for similar transactions and are presented to the extent possible, in the same manner as the Company's separate financial statements.

(d) In case of Associate Company, the investment at cost is considered subject to the impairment if any.

iii) Interest in joint operations

A joint operation is a joint arrangement whereby the parties that have the joint control of the arrangement have rights to the assets, and obligations for the liabilities relating to the arrangement.

The Group has entered into Unincorporated Joint Ventures (UJVs) with other oil and gas companies and executed Production Sharing Contracts ("PSC") and Revenue Sharing Contracts ("RSC") with the Government of India. These UJVs are in the form of joint arrangements wherein the participating entity's assets and liabilities are proportionate to its participating interest.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

The UJVs entered into by the Group are joint operations wherein the liabilities are several, not joint, and not joint and several and therefore do not come under the category of Joint Venture as defined under the Ind AS. In accounting for these joint operations, the Group recognizes its assets and liabilities in proportion to its participating interest in the respective UJV. Likewise, revenue and expenses from the UJV are recognized for its participating interest only. The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in the UJVs in accordance with the Ind AS.

The consolidated financial statements of the Group reflect its share of assets, liabilities, income and expenditure of the Unincorporated Joint Ventures ("UJV") which are accounted, based on the available information in the audited financial statements of UJV on line by line basis with similar items in the Group's accounts to the extent of the participating interest of the Group as per the various PSCs and RSCs. The financial statements of the UJVs are prepared by the respective Operators in accordance with the requirements prescribed by the respective PSCs. Hence, in respect of these UJV's, certain disclosures required under the relevant accounting standards have been made in the financial statements.

iv) Investment in associates and joint ventures

The Group records the investments in associates and joint ventures at cost less impairment loss, if any. On disposal of investment in associates and joint ventures, the difference between the net disposal proceeds and the carrying amounts (including corresponding value of dilution in deemed investment) are recognized in the Statement of Profit and Loss.

v) Foreign exchange transactions

The functional currency of the Group is Indian Rupee which represents the currency of the primary economic environment in which it operates.

In preparing the financial statements of each individual group company, transactions in currencies other than the Group's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated using mean exchange rate prevailing on the last day of the reporting period.

Exchange differences on monetary items are recognized in the Statement of Profit and Loss in the period in which they arise.

vi) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable at the transacted price.

(i) Revenue from the sale of crude oil, condensate and natural gas, net of value added tax and profit petroleum to the Government of India, is recognized on transfer of custody to customers, and the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Group. The Group adopted Ind AS 115 effective April 1, 2018 and the impact thereon is Nil.

Other income

(ii) Income from service if any is recognized on accrual basis on its completion and is net of taxes.

(iii) Interest income is recognized on the basis of time, by reference to the principal outstanding and at effective interest rate applicable on initial recognition.

(iv) Dividend Income from investments is recognized when the right to receive has been established.

(v) Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms.

vii) Taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

The tax rates and tax laws used to compute are the laws that are enacted or substantively enacted as on the reporting date. The management evaluates and makes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

Current income taxes

The current income tax expense includes income taxes payable by the Group. Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount. It is recognized only to the extent it is probable that the taxable profit will be available against which the deductible temporary differences and the carry forward losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

viii) Property, plant and equipment (other than oil and gas assets)

Land and buildings held for use in the production and supply of goods or services, or for administrative purposes are stated in the balance sheet at cost less accumulated depreciation and the accumulated impairment losses. Freehold land is carried at historical cost and is not depreciated. All other items of property, plant and equipment are stated at historical cost less depreciation.

Historical cost comprises the purchase price and any attributable cost of bringing the asset for its intended use. It includes expenditure that is directly attributable to the acquisition of the items. Borrowing costs for acquisition of fixed assets are capitalized till such assets are ready to be put to use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Improvements to Leasehold premises are amortized over the remaining primary lease period.

(i) Useful lives used for depreciation (other than oil and gas assets):

The Group follows the useful lives set out under Schedule II of the Companies Act 2013 for the purpose of determining the useful lives of respective blocks of property plant and equipment. The following are the useful lives followed:

- Plant & machinery	:	15 years
- Building	:	60 years
- Office Equipment	:	05 years
- Electrical Fittings	:	10 years
- Computer	:	03 years
- Furniture and Fixtures	:	10 years
- Vehicles	:	08 years

Depreciation is recognized so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using the written down value method.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

(ii) De-recognition of assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continuous use of the asset. Any gain or loss arising from such disposal, retirement or de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item. Such gain or loss is recognized in the statement of profit and loss.

In case of de-recognition of a revalued asset, the corresponding portion of the revaluation surplus as is attributable to that asset is transferred to retained earnings on such de-recognition. Such transfers to retained earnings are made through Other Comprehensive Income and not routed through profit or loss.

ix) Oil and gas assets

Oil and gas assets are stated at historical cost less accumulated depletion and impairment. These are accounted in respect of an area / field having proved oil and gas reserves, when the wells in the area / field is ready to commence commercial production.

The Group generally follows the "Successful Efforts Method" of accounting for oil and gas assets as set out by the Guidance Note issued by the ICAI on "Accounting for Oil and Gas Producing Activities".

Expenditure incurred on acquisition of license interest is initially capitalized on license by license basis as Intangible Assets. Costs are not depleted within exploratory and development work in progress until the exploration phase is completed or commercial oil and gas reserves are discovered.

(a) Cost of surveys and studies relating to exploration activities are expensed as and when incurred.

(b) Cost of exploratory/appraisal well(s) are expensed when it is not successful and the cost of successful well(s) are retained as exploration expenditure till the development plan is submitted. On submission of development plan, it is transferred to capital work in progress. On commencement of commercial production, the capital work in progress is transferred to producing property as tangible assets.

(c) Cost of temporary occupation of land and cost of successful exploratory, appraisal and development wells are considered as development expenditure. These expenses are capitalized as producing property on commercial production.

(d) Development costs on various activities which are in progress are accounted as capital work in progress. On completion of the activities the costs are moved to respective oil and gas assets.

Depletion to oil and gas assets

Depletion is charged on a unit of production method based on proved reserves for acquisition costs and proved and developed reserves for capitalized costs consisting of successful exploratory and development wells, processing facilities, assets for distribution, estimated site restoration costs and all other related costs. These assets are depleted within each cost center. Reserves for these purposes are considered on working interest basis which are assessed annually. Impact of changes to reserves if any are accounted prospectively.

x) Site restoration

Provision for decommissioning costs are recognized as and when the Group has a legal or constructive obligation to plug and abandon a well, dismantle and remove plant and equipment to restore the site on which it is located. The estimated liability towards the costs relating to dismantling, abandoning and restoring well sites and allied facilities are recognized in respective assets when the well is completed, and the plant and equipment are installed.

The amount recognized is the present value of the estimated future expenditure determined using existing technology at current prices and escalated using appropriate inflation rate till the expected date of decommissioning and discounted up to the reporting date using the appropriate risk-free interest rate.

The corresponding amount is also capitalized to the cost of the producing property and is depleted on unit of production method. Any change in the estimated liability is dealt with prospectively and is also adjusted to the carrying value of the producing property.

Any change in the present value of the estimated decommissioning expenditure other than the periodic unwinding of discount is adjusted to the decommissioning provision and the carrying value of the asset. In case reversal of provision exceeds the carrying amount of the related asset, the excess amount is recognized in the Statement of Profit and Loss. The unwinding of discount on provision is charged in the Statement of Profit and Loss as finance cost.

Provision for decommissioning cost in respect of assets under joint operations is considered as per the participating interest of the Group in the block/field.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

xi) Investment property

Properties held to on rentals and / or capital appreciation are classified as investment property and are measured and reported at cost, including transaction costs.

Depreciation is recognized using the Written Down Value Method, so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful lives are determined by technical evaluation, over the useful lives so determined. Depreciation method, useful life and the residual values are reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property and the value thereon. The effect of any change in the estimates of useful lives / residual value is accounted on a prospective basis.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of property is recognized in the Statement of Profit and Loss in the same period.

xii) Intangible assets (other than oil and gas assets)

Intangible assets with a finite useful life acquired separately are measured on initial recognition, at costs. Intangible assets are carried at cost less accumulated amortization and impairment losses if any.

The Group amortizes intangible assets with a finite useful life using the straight-line method. The useful life considered for computer software is 6 years.

xiii) Impairment

The carrying values of assets/cash generating units are assessed for impairment at the end of every reporting period. If the carrying amount of an asset exceeds the estimated recoverable amount, an impairment is recognized as expense in the statement of profit and loss. The recoverable amount is the greater of the net selling price and value in use. Value in use is arrived at by discounting the estimated future cash flows to their present value based on an appropriate discount factor.

An impairment loss recognized in prior periods for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. In that case, the carrying amount of the asset is increased to its recoverable amount. However, such reversal shall not exceed the carrying amount had there been no impairment loss.

xiv) Inventories

The accounting treatment in respect of recognition and measurement of inventory is as follows:

(i) Closing stock of crude oil and condensate in saleable condition is valued at the estimated net realizable value in the ordinary course of business.

(ii) Stores, spares, capital stock and drilling tangibles are valued at cost on first in first out basis or estimated net realizable value, whichever is lower.

Inventories are periodically assessed for restatement at lower of cost and net realizable value. On restatement, any write-down of inventory to net realizable value is recognized as an expense in the period the write-down or loss occurs. In case of increase in the net realizable value, the increase is recognized and reversed to the extent of write-down.

xv) Employee benefits

Employee benefits include salaries, wages, provident fund, gratuity, leave encashment towards un-availed leave, compensated absences and other terminal benefits.

All short term employee benefits are recognized at their undiscounted amount in the accounting period in which they are incurred.

a) Defined contribution plan

The Group's contribution to provident fund is considered as defined contribution plan and are recognized as and when the employees have rendered services entitling them to contributions.

b) Defined benefit plan

The Group makes annual contribution to a Gratuity Fund administered by trustees and managed by the Life Insurance Corporation of India. The Group accounts its liability for future gratuity benefits based on actuarial valuation, as at the Balance Sheet date using the Projected Unit Credit method.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

Remeasurement comprising actuarial gains and losses are reflected immediately in the balance sheet with a charge or credit recognized in the Other Comprehensive Income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset and is recognised the Statement of Profit and Loss except those included in cost of assets as permitted.

Defined benefit costs are categorized as Service cost, Net interest expense and remeasurement cost.

c) Long term employee benefit

The liability for long term compensated absences which are not expected to occur within 12 months after the end of the period in which the employee rendered related service are recognized as liability based on actuarial valuation as at the balance sheet date.

d) Other Employee Benefits including allowances, incentives etc. are recognized based on the terms of the employment.

xvi) Employee share based payment

Equity settled share-based payments to employees are measured at fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share-based payment is expensed on straight line basis over the vesting period based on the estimate of the equity instrument that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that cumulative expense reflects the revised estimate, with corresponding adjustment to the equity -settled employee benefits reserve.

xvii) Financial instruments

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instruments. All financial assets and liabilities are initially measured at fair value except for trade receivables which are initially measured at a transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

All regular purchases or sales of financial assets are recognized and derecognized on the trade date. Recognized financial assets are subsequently measured in their entirety at the fair value. In case of investments in wholly owned subsidiary, the investments are considered at cost subject to impairment if any.

A financial asset is de-recognized only when the Group has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Financial asset is held with the objective to collect contractual cash flows and the terms give rise on specified dates to cash flows that are solely payments of principal and interest are subsequently measured at amortized cost except for financial assets that are designated at fair value through profit or loss on initial recognition.

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition

Financial liabilities

All financial liabilities are recognized initially at fair value. In the case of loans, borrowings and payables, recognition is net of directly attributable transaction and other costs. The Group's financial liabilities may include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments. The measurement of financial liabilities is at fair value and adjustment thereon is routed through profit or loss.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

xviii) Provisions, Contingent liabilities and Contingent assets

A provision is recognized when the Group has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made.

Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

In case of contingent liabilities, where there is no certainty of outflow or the amount of obligation cannot be measured reliably, disclosure is made in the notes forming part of the financial statements. Contingent assets are not recognized in the financial statements. However, where the realization of income is reasonably certain, a disclosure of the fact is provided.

xix) Leases

The Group lease asset classes primarily consist of leases for buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to the ownership of an asset to the Group. All other leases are classified as operating leases. Operating lease payments for land are recognized as prepayments and amortized on a straight-line basis over the term of the lease. Contingent rentals, if any, arising under operating leases are recognized as an expense in the period in which they are incurred.

xx) Earnings per share

Basic earnings per share are computed, by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

xxi) Statement of cash flow

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

xxii) Cash and cash equivalents

Cash comprises for the purposes of cash flow statement comprise cash on hand and demand deposits with banks. Cash equivalents are short-term balances with a maturity of not exceeding three months, highly liquid investments that are readily convertible in to known amount of cash which are subject to insignificant risk of change in value.

xxiii) Borrowing costs

Borrowing costs include interest and amortization of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset up to the date of capitalization of such asset is added to the cost of the assets. Capitalization of borrowing costs is suspended and charged to the statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. Interest Income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period which they incurred.

3. Critical accounting judgments, assumptions and key sources of estimation uncertainty

Inherent in the application of many of the accounting policies used in preparing the Financial Statements is the need for Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual outcomes could differ from the estimates and assumptions used.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period, in which the estimates are revised and future periods are affected.

Key source of judgments, assumptions and estimation uncertainty in the preparation of the Financial Statements which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of oil and gas reserves, impairment, useful lives of property, plant and equipment, depletion of oil and gas assets, decommissioning provision, employee benefit obligations, provisions, provision for income tax, measurement of deferred tax assets and contingent assets & liabilities.

3.1 Critical judgments in applying accounting policies

The following are the critical judgements, apart from those involving estimations (Refer note 4(b)), that the Management have made in the process of applying the Group's accounting policies and that have the significant effect on the amounts recognized in the Financial Statements.

a) Determination of functional currency

Currency of the primary economic environment in which the Group operates ("the functional currency") is Indian Rupee (₹) in which the Group primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee (₹). In case of foreign subsidiaries in United States Dollar is converted in the year end exchange rates.

b) Evaluation of indicators for impairment of oil and gas assets

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors such as significant decline in asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc. and internal factors such as obsolescence or physical damage of an asset, poor economic performance of the asset etc. which could result in significant change in recoverable amount of the oil and gas assets.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

3.2 Assumptions and key sources of estimation uncertainty

a) Estimation of provision for decommissioning

The Group estimates provision for decommissioning for the future decommissioning of oil & gas assets at the end of their economic lives. Most of these decommissioning activities would be in the future, the exact requirements that may have to be met when the occurrence of removal events are uncertain. Technologies and costs for decommissioning are varying constantly. The timing and amounts of future cash flows are subject to significant uncertainty.

The timing and the future expenditures are reviewed at the end of each reporting period, together with rate of inflation for current cost estimates and the interest rate used in discounting the cash flows. The economic life of the oil & gas assets is estimated based on the economic production profile of the relevant oil & gas asset.

b) Estimation of reserves

Management estimates production profile (proved and developed reserves) in relation to all the oil and gas assets determined as per the industry practice. The estimates so determined are used for the computation of depletion and loss of impairment if any.

The year-end reserves of the Group have been estimated by the G&G team which follows the guidelines for application of the petroleum resource management system consistently. The Group has adopted the reserves estimation by following the guidelines of Society of Petroleum Engineers (SPE) which defines "Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. Reserves must further satisfy four criteria: They must be discovered, recoverable, commercial and remaining (as of a given date) based on development project(s) applied". Volumetric estimation is made which uses reservoir rock and fluid properties to calculate hydrocarbons in-place and then estimate the recoverable reserves from it. As the field gets matured with production history the material balance, simulation, decline curve analysis are applied to get more accurate assessments of reserves.

The annual revision of estimates is based on the yearly exploratory and development activities and results thereof. In addition, new in- place volume and ultimate recoverable reserves are estimated for any new discoveries or new pool of discoveries in the existing fields and the appraisal activities may lead to revision in estimates due to new sub-surface data. Similarly, reinterpretation is also carried out based on the production data by updating the static and dynamic models leading to change in reserves. New interventional technologies, change in classifications and contractual provisions may also necessitate revision in the estimation of reserves.

c) Defined Benefit Obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

3.3 Recent Accounting Pronouncements

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, which will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value with enhanced disclosures. However, under Ind AS 17, all operating lease expenses are charged to the statement of Profit & Loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The Group adopts this standard effective April 1, 2019 and do not perceive any material impact on its adoption.

3.4 Estimation uncertainty relating to COVID-19 outbreak

The Group is in the business of exploration, development and production of crude oil and natural gas in India. Production of crude oil and gas is classified as essential commodities as per Section 2 of the Essential Commodities Act, 1955. Presently, gas and oil production of the company at Dirok field in Assam, PY-1 field in cauvery offshore, kharsang field in Arunachal Pradesh and three small fields in Gujarat are under production as per the offtakes of the buyers.

In assessing the recoverability of its assets including receivables and inventory, the Group has considered internal and external information up to the date of approval of these financial statements including economic forecasts. The Group has performed analysis on the assumptions used and based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

4 Property, plant & equipment

Summary

Carrying amount of:	As at March 31, 2020	As at March 31, 2019
a) Oil and gas assets	**33,177.69**	**35,571.63**
b) Others		
- Freehold land	239.28	239.28
- Plant & Machinery	766.73	936.17
- Fire safety facilities	61.29	74.84
- Buildings	40.24	42.24
- Furniture & fixtures	8.87	7.34
- Vehicles	18.76	26.99
- Office equipment	6.48	6.42
- Computers	15.00	19.56
Total	**1,156.65**	**1,352.84**

Carrying amount of:	Oil and gas assets	Others									Total
		Freehold land	Buildings	Fire Safety facilities	Plant & machinery	Furnitures & fixures	Vehicles*	Office equipment	Computers	Lease hold improvements	
Cost											
Balance as at April 1, 2018	**249,415.01**	**239.28**	**760.93**	**-**	**20.07**	**65.93**	**48.85**	**108.71**	**113.29**	**22.32**	**250,794.39**
Acquisitions through business combinations	14,126.63		28.70	129.10	1,873.71	30.66	19.19	101.89	122.57	-	16,432.45
Additions/(Deletions)	9,170.20	-	-	-	-	3.08	-	1.79	-	-	9,175.07
Transfer from Capital Work-in-progress	518.96	-	-	-	-	-	-	-	-	-	518.96
Transfer to Investment property	-	-	(622.24)	-	-	-	-	-	-	-	(622.24)
Balance as at March 31, 2019	**2,73,230.80**	**239.28**	**167.39**	**129.10**	**1,893.78**	**99.67**	**68.04**	**212.39**	**235.86**	**22.32**	**2,76,298.63**
Additions/(Deletions)	269.89	-	-	-	-	4.16	-	3.00	5.49	-	282.54
Balance as at March 31, 2020	**2,73,500.69**	**239.28**	**167.39**	**129.10**	**1,893.78**	**103.83**	**68.04**	**215.39**	**241.35**	**22.32**	**2,76,581.17**
Accumulated depletion, depreciation and impairment											
Balance as at April 1, 2018	**223,121.38**	**-**	**346.53**	**-**	**20.07**	**64.61**	**20.70**	**104.16**	**101.84**	**22.32**	**223,801.61**
Acquisitions through business combinations	10,539.34	-	17.85	39.07	710.71	20.86	3.57	82.13	93.26	-	11,506.79
Transfer to Investment property	-	-	(247.41)	-	-	-	-	-	-	-	(247.41)
Depletion / Depreciation for the year	3,998.45	-	8.18	15.19	226.83	6.86	16.78	19.68	21.20	-	4,313.17
Balance as at March 31, 2019	**2,37,659.17**	**-**	**125.15**	**54.26**	**957.61**	**92.33**	**41.05**	**205.97**	**216.30**	**22.32**	**239,374.16**
Depletion / Depreciation for the year	2,663.83	-	2.00	13.55	169.44	2.63	8.23	2.94	10.05	-	2,872.67
Balance as at March 31, 2020	**2,40,323.00**	**-**	**127.15**	**67.81**	**1,127.05**	**94.96**	**49.28**	**208.91**	**226.35**	**22.32**	**2,42,246.83**
Carrying value as at March 31, 2020	**33,177.69**	**239.28**	**40.24**	**61.29**	**766.73**	**8.87**	**18.76**	**6.48**	**15.00**	**-**	**34,334.34**
Carrying value as at March 31, 2019	**35,571.63**	**239.28**	**42.24**	**74.84**	**936.17**	**7.34**	**26.99**	**6.42**	**19.56**	**-**	**36,924.47**

* Acquired under finance lease

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

5 Capital work-in-progress

Particulars	Development	Exploration	Plant & Machinery	Vessels	Total
Cost					
Balance as at April 1, 2018	**1,671.17**	**2,385.94**	**–**	**–**	**4,057.11**
Additions	222.63	–	2,351.78	–	2,574.41
Transfer to oil and gas assets	(518.96)	–		–	(518.96)
Balance as at March 31, 2019	**1,374.84**	**2,385.94**	**2,351.78**	**–**	**6,112.56**
Additions	13,703.71	–	10,679.48	5,735.55	30,118.74
Balance as at March 31,2020	**15,078.55**	**2,385.94**	**13,031.26**	**5,735.55**	**36,231.30**
Accumulated impairment					
Balance as at April 1, 2018	**1,108.72**	**2,385.94**	**–**	**–**	**3,494.66**
Additions	–	–	–	–	–
Balance as at March 31, 2019	**1,108.72**	**2,385.94**	**–**	**–**	**3,494.66**
Additions	–	–	–	–	–
Balance as at March 31,2020	**1,108.72**	**2,385.94**	**–**	**–**	**3,494.66**
Carrying value as at March 31, 2020	**13,969.83**	**–**	**13,031.26**	**5,735.55**	**32,736.64**
Carrying value as at March 31, 2019	**266.12**	**–**	**2,351.78**	**–**	**2,617.90**

6 Investment property

Particulars	Building
Cost	
Balance as at April 1, 2018	**282.39**
Transfer from property, plant & equipment	622.24
Balance as at March 31, 2019	**904.63**
Addition	-
Balance as at March 31, 2020	**904.63**
Accumulated Depreciation	
Balance as at April 1, 2018	**199.26**
Transfer from property, plant & equipment	247.41
Depreciation for the year	22.20
Balance as at March 31, 2019	**468.87**
Depreciation for the year	21.12
Balance as at March 31, 2020	**489.99**
Carrying value as at March 31, 2020	**414.64**
Carrying value as at March 31, 2019	**435.76**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

6.1 Fair value of the Group's investment property

The following table gives details of the fair value of the Group's investment property as at March 31,2020 and March 31, 2019.

Particulars	Level 3 : March 31, 2020	Level 3 : March 31, 2019
Building	2,208.00	2,208.00

The fair values of the Group's investment properties are assessed every alternate year on the basis of a valuation carried out by an independent valuer not related to the Group. Fair value is derived using the market comparable approach based on the recent market/government prices without any significant adjustments being made to the market observable data. For the current year, the Management has done an internal assessment of the fair value as at 31 March 2020.

7 Intangible assets

Particulars	Software	Exploration	Total
Balance as at April 1, 2018	**530.11**	**814.72**	**1,344.83**
Acquisitions through business combinations	117.26	-	117.26
Additions	-	89.06	89.06
Balance as at March 31, 2019	**647.37**	**903.78**	**1,551.15**
Additions	-	-	-
Balance as at March 31, 2020	**647.37**	**903.78**	**1,551.15**
Accumulated amortization and impairment			
Balance as at April 1, 2018	**362.08**		**362.08**
Acquisitions through business combinations	116.67		116.67
Amortization for the year	45.41		45.41
Balance as at March 31, 2019	**524.16**	-	**524.16**
Amortization for the year	44.82		44.82
Balance as at March 31, 2020	**568.98**	-	**568.98**
Carrying value as at March 31, 2020	**78.39**	**903.78**	**982.17**
Carrying value as at March 31, 2019	**123.21**	**903.78**	**1026.99**

8 Investment in associates

Particulars	As at March 31, 2020	As at March 31, 2019
GML wholly owned subsidiary of GPII invested in 50% of equity share capital of Geo Enpro Petroleum Limited (No of shares held 5,60,000).	1,722.13	1,579.74
Share of profit from investment during the year	51.77	142.39
Total	**1,773.90**	**1,722.13**

9 Deposit under site restoration fund scheme

Particulars	As at March 31, 2020	As at March 31, 2019
Deposit under site restoration fund scheme		
Site restoration deposit with bank with maturity period in excess of 12 months	6,518.49	6,159.66
Total	**6,518.49**	**6,159.66**

The above amount has been deposited with banks under section 33ABA of the Income Tax Act, 1961 and can be withdrawn only for the purposes of site restoration pursuant to an abandonment plan agreed with the Government of India. Therefore, this amount is considered as restricted cash and not considered as 'Cash and cash equivalents".

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

10 Other financial assets

Particulars	As at March 31, 2020	As at March 31, 2019
Other financial assets		
(i) Unsecured and considered good		
Capital advances	–	–
Security Deposits	7.18	5.54
(ii) Unsecured and considered doubtful		
Capital Advances	13.55	13.55
Less: Provision for doubtful advances	(13.55)	(13.55)
Total	**7.18**	**5.54**

11 Other non-current assets

Particulars	As at March 31, 2020	As at March 31, 2019
Capital advances	138.26	–
Pre-deposit - Service tax (refer note 48)	7.71	7.71
Total	**145.97**	**7.71**

12 Deferred tax asset

Particulars	As at March 31, 2020	As at March 31, 2019
Exploration expenses	3,021.37	3,076.31
Development expenses	750.19	763.83
Depreciation, depletion, amortization and impairment of assets	687.82	4,362.75
Unabsorbed business losses and depreciation	25,830.48	25,367.56
Others	3.90	3.65
Deferred tax assets	**30,293.76**	**33,574.10**
Less: Amounts not recognised (refer note below)	(30,293.76)	(33,574.10)
Deferred tax assets	**–**	**–**

Note:

Deferred tax asset has not been recognized as it not probable that sufficient future taxable income could be available to utilize these assets.

There is no provision for tax in view of the brought forward losses / unabsorbed depreciation relating to earlier years available for set off while computing income under the provisions of the Income Tax Act, 1961.

The Group is entitled for a Minimum Alternate Tax credit of ₹ 4,237.27 lacs as on March 31, 2020

13. Inventories

Particulars	As at March 31, 2020	As at March 31, 2019
Finished goods		
- Crude Oil	103.94	172.97
- Condensate	163.79	137.51
Drilling and Production Stores, and spares*	2,391.01	2,472.38
Total	**2,658.74**	**2,782.86**

* Net of write off current year nil (previous year nil)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

14 Investments

Particulars	As at March 31, 2020		As at March 31, 2019	
	Quantity	₹ in lacs	Quantity	₹ in lacs
Financial assets carried at fair value through profit and loss				
A. Quoted equity instruments				
Reliance Industries Limited Equity Shares @ ₹ 10 each	1,272.00	14.17	1,272.00	17.34
Reliance Communication Ventures Limited Equity Shares @ ₹ 10 each	318.00	0.00	318.00	0.01
Reliance Infrastructure Limited Equity Shares @ ₹ 10 each	23.00	0.00	23.00	0.03
Reliance Capital Limited Equity Shares @ ₹ 10 each	30.00	0.00	30.00	0.06
Reliance Power Limited Equity Shares @ ₹ 10 each	79.00	0.00	79.00	0.01
(A)		**14.17**		**17.45**
B Mutual Funds				
Units of Liquid/Liquid plus/Short Term/Medium Term schemes				
Axis Liquid Fund- Regular plan-Growth	12,337.90	270.61	–	–
HDFC Liquid Fund- Regular plan -Growth @ ₹ 1,000 each	–	–	71,426.77	2,614.44
HDFC Credit Risk fund – Growth @ ₹ 10 each	33,66,776.65	560.44	33,66,776.65	513.61
HDFC Dynamic debt fund-Regular plan- Growth @ ₹ 10 each	3,08,002.11	196.09	3,08,002.11	185.83
HDFC Ultra Short Term Fund -Short Term Plan- Growth @ ₹ 10 each	51,61,367.37	578.36	–	–
HDFC Money Market Fund – Growth	34,112.34	1,423.86	–	–
ICICI Prudential Short-Term Fund – Growth @ ₹ 10 each	99,10,166.66	4,179.06	99,10,166.66	3,828.87
ICICI Prudential Savings Fund – Growth	2,20,082.58	852.48	–	–
IDFC SSIF – Medium Term Fund – Growth @ ₹ 10 each	5,97,993.01	204.18	8,67,382	270.84
IDFC SSIF – Investment plan -Growth @ ₹ 10 each	–	–	–	–
SBI Liquid Fund Regular Growth @ ₹ 1,000 each	–	–	31,588.65	921.22
SBI Short term debt fund-Regular plan -Growth @ ₹ 10 each	14,76,784.94	344.35	14,76,784.94	315.95
SBI Banking PSU Fund-Regular-Growth @ ₹ 1,000 each	54,196.29	1,236.00	1,30,477.46	2,712.57
TATA Mutual Fund-Floater Fund – Growth	4,64,322.00	140.28	–	–
TATA Treasury Advantage Fund – Growth @ ₹ 1,000 each	1,638.20	47.93	1,638.20	46.54
TATA Dynamic Bond Fund-Regular plan – Growth @ ₹ 10 each	–	–	19,45,899.23	547.05
(B)		**10,033.64**		**11,956.92**
C Unquoted Equity Instruments				
Equity Shares of ₹ 10 each of Gujarat Securities Limited	100,000	10.00	100,000	10.00
Aggregate amount of impairment in value of investments		(10.00)		(10.00)
(C)		**–**		**–**
Total (A) + (B) + (C)		**10,047.81**		**11,974.37**
Aggregate amount (cost) of Quoted Investments		0.49		0.49
Market Value of Quoted Investments		**14.17**		**17.45**
Aggregate amount (cost) of Mutual Fund Investments		8,994.30		11,404.64
Fair value of Mutual Fund Investments		**10,033.64**		**11,956.92**
Aggregate Value of Unquoted equity instruments		–		–
Total investments		**10,047.81**		**11,974.37**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

15 Trade Receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured and considered good	3,636.16	4,093.33
Unsecured and considered doubtful	–	–
	3,636.16	**4,093.33**
Less: Provision for doubtful trade receivables	–	–
Total	**3,636.16**	**4,093.33**

15.1 Generally, the Group enters into long-term crude oil and gas sales arrangement with its customers. The average credit period on sales of crude and gas is [7- 45 days].

The Group has less credit risk due to the fact that the Group has significant receivables from customers which are reputed and creditworthy public-sector undertakings (PSUs).

Age of Receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Within the credit period	1068.13	2,809.70
1-30 days past due	100.71	983.65
31-90 days past due	64.57	37.39
More than 90 days past due	2,402.75	262.59
Total	**3,636.16**	**4,093.33**

16 Cash and cash equivalents

For the purposes of statement of cash flow, cash and cash equivalents include cash on hand and balance with banks. Cash & cash equivalents and term deposits not exceeding 3 months at the end of the reporting period as shown in the consolidated statement of cash flows can be reconciled to the related items in the consolidated balance sheet as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Cash on hand	**0.66**	**0.08**
Balances with banks:		
Current accounts	3,738.41	1,931.71
Bank deposits- maturity < 3 months	3,321.15	832.69
Total	**7,060.22**	**2,764.48**

17 Other bank balances

Particulars	As at March 31, 2020	As at March 31, 2019
Bank deposits- maturity > 3 months; < 12 months	1,524.77	779.45
Total	**1,524.77**	**779.45**

Fixed deposits with bank which are under lien for issue of bank guarantees.

18 Other Financial assets

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposit	80.34	82.14
Advances recoverable in cash or kind	44.78	–
Other receivable	28.98	74.86
Receivable from joint venture partners	191.91	896.79
Interest accrued on deposits	0.58	0.59
Total	**346.59**	**1,054.38**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

19 Income tax assets (net)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance income tax (net of provision-nil, previous year-nil)	988.00	968.12
Total	**988.00**	**968.12**

20 Other current assets

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured and considered good		
Additional fund with LIC for gratuity	11.57	8.95
Advances recoverable	4.52	10.22
Income tax pre-deposit	5.02	–
Input tax (GST)	296.89	–
Others	0.61	6.00
Prepaid expenses	90.03	72.43
Total	**408.64**	**97.60**

21 Equity share capital

Particulars	As at March 31, 2020	As at March 31, 2019
Authorized		
50,00,00,000 (PY: 50,00,00,000) equity shares of ₹ 10 each	50,000.00	50,000.00
Issued		
13,05,63,363 (PY: 13,05,63,363) equity shares of ₹ 10 each	13,231.34	13,056.34
Subscribed and Fully Paid up		
13,22,43,289 (PY: 13,04,93,289) equity shares of ₹ 10 each	13,224.33	13,049.33
Add: Amount Paid-up on Shares Forfeited (32,975 shares)	1.60	1.60
Total issued, subscribed and fully paid-up share capital	**13,225.93**	**13,050.93**

(a) Reconciliation of equity shares and the amount outstanding at the beginning and at the end of the period:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No.	Amount	No.	Amount
At the beginning of the year	13,04,93,289	13,049.33	13,04,93,289	13,049.33
Issued during the year*	17,50,000	17.50	–	–
Outstanding at the end of the year	**13,22,43,289**	**13,066.83**	**13,04,93,289**	**13,049.33**

*Approved Association Stock options converted into equity shares of the Company during the year.

Particulars	Options (Number)	Weighted average exercise price per option
Options outstanding at the beginning of the year	17,50,000	10
Options granted during the year	Nil	–
Options vested during the year	17,50,000	10
Options outstanding at the end of the year	–	–

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

(b) Terms/rights attached to equity shares

The Company has one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive assets of the Company remaining after settlement of all liabilities.

(c) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2020		As at March 31, 2019	
	No.	% of holding	No.	% of holding
Ashok Kumar Goel	1,84,65,078	13.96	1,84,65,078	14.15
Housing Development Finance Corporation Limited	1,40,86,303	10.65	1,40,86,303	10.79
LCI Estates LLP	81,00,000	6.13	81,00,000	6.21

22 Other equity

Particulars	As at March 31, 2020	As at March 31, 2019
Capital Reserve	96,129.35	96,129.35
General Reserve	38.00	38.00
Securities premium account	78,865.42	78,415.21
ASOP Reserve	-	450.21
Retained earnings		
Opening balance	**(1,49,718.11)**	**(1,49,718.11)**
Profit for the Year	13,756.32	15,674.31
Other comprehensive income (net of tax)	15.77	(16.17)
Closing balance	**(1,20,287.88)**	**(1,34,059.97)**
Total Reserves and Surplus	**54,744.88**	**40,972.80**

23 Long term borrowings

Particulars	As at March 31, 2020	As at March 31, 2019
Loan from Sundaram Finance Limited (Hypothecation of vehicle)	9.99	17.76
Loan from Axis Bank	3,186.94	–
	3,196.93	**17.76**

Particulars	Original Tenor	Interest Rate	Outstanding as at March 31, 2020	Repayment Terms	As at March 31, 2020	As at March 31, 2019
Vehicle Loan	59 Monthly Instalments	8.98%	26 monthly instalments	Principal & Interest - monthly	17.76	24.87
Term loan - 1	60 Months	9.15%	56 Months	Repayable in Monthly instalments	3,186.94	–
Sub Total					**3,204.70**	**24.87**
Less: Current Maturities of Long term borrowings					**7.77**	**7.11**
Non-Current Borrowings					**3,196.93**	**17.76**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

24 Trade Payables

Particulars	As at March 31, 2020	As at March 31, 2019
Trade payables (refer note below)	–	2,211.07
Total	**–**	**2,211.07**

Note:

During the year write-back of liability for certain disputed invoices raised by Eni India Limited related to the period between 2010 to 2014. These liabilities are assessed by management as no longer payable considering the lapse of time under the period of limitation to make a valid claim and the liabilities are written back.

25 Other Financial liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposit	30.50	30.50
Total	**30.50**	**30.50**

26 Provisions

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for decommissioning	10,626.17	10,090.67
Provision for compensated absences	51.37	55.30
Total	**10,677.54**	**10,145.97**

26.1 Movement of Provision for decommissioning

Particulars	2019-20	2018-19
Balance at beginning of the year	**10,090.67**	**9,662.67**
Additions during the year	–	–
Recognized on account of business combinations	–	282.93
Adjusted / reversal during the year	–	(12.09)
Unwinding of discount	535.50	157.16
Balance at end of the year	**10,626.17**	**10,090.67**

26.2 The Group estimates provision for decommissioning as per the principles of Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' for the future decommissioning of oil & gas assets at the end of their economic lives. Most of these decommissioning activities would be in the future for which the exact requirements that may have to be met when the removal events occur are uncertain. Technologies and costs for decommissioning are constantly changing. The timing and amounts of future cash flows are subject to significant uncertainty. The economic life of the oil & gas assets is estimated on the basis of long- term production profile of the relevant oil & gas asset. The timing and amount of future expenditures are reviewed annually, together with rate of inflation for escalation of current cost estimates and the interest rate used in discounting the cash flows.

27 Other non-current liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for Gratuity	–	10.48
Total	**–**	**10.48**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

28 Deferred tax liability

Particulars	As at March 31, 2020	As at March 31, 2019
Depreciation, depletion, amortization and impairment	302.27	395.31
Net deferred tax liability	**302.27**	**395.31**

29 Short-term borrowings

Particulars	As at March 31, 2020	As at March 31, 2019
Loan from others	1,281.56	1,175.89
Total	**1,281.56**	**1,175.89**

30 Trade payables

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of Micro enterprises and small enterprises (refer note (i))	–	–
Total outstanding dues of creditors other than micro enterprises and small enterprises	6,588.59	1,627.65
Total	**6,588.59**	**1,627.65**

(i) Details of dues to micro, small & medium enterprises

Particulars	As at March 31, 2020	As at March 31, 2019
Principal amount payable (but not due) to suppliers as at year end	–	–
Interest accrued and due to suppliers on the above amount as at year end	–	–
Payment made to suppliers (other than interest) beyond the appointed day, during the year	–	–
Interest paid to suppliers (other than Section 16)	–	–
Interest paid to suppliers (Section 16)	–	–
Interest due and payable to suppliers for payments already made	–	–
Interest accrued and remaining unpaid to suppliers as at year end	–	–

All payments due to Micro, small & medium enterprises have been made within the prescribed time limits and / or date agreed upon under the contract.

31 Other financial liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Payable to employees	12.23	12.23
Payable to joint venture partners	5,201.21	2,775.65
Payable towards capital expenditure	6,537.47	–
Current maturities of long-term borrowings	7.77	7.08
Total	**11,758.68**	**2,794.96**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

32 Provisions

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for compensated absences	13.97	9.67
Provision for unfinished work programme	1,333.63	671.40
Total	**1,347.60**	**681.07**

33 Other current liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory dues payable	236.97	266.42
Provision for gratuity	–	26.66
Interest accrued	80.70	7.28
Other liability	112.11	–
Total	**429.78**	**300.36**

34 Revenue from operations

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of crude oil / condensate	6,381.37	9,045.08
Sale of natural gas	14,342.59	17,851.48
Less: Profit petroleum to Government of India	(518.50)	(382.49)
Total	**20,205.46**	**26,514.07**

34.1 Details of sales

Product	UOM	For the year ended March 31, 2020		For the year ended March 31, 2019	
		Quantity	Value	Quantity	Value
Crude oil / condensate	bbl	1,54,585	5,874.30	196,817	8,696.80
Natural gas	mmscf	5,247	14,331.16	6,976	17,817.27
Total			**20,205.46**		**26,514.07**

34.2 More than 90% of the revenue is realized from three major customers to the Group.

35 Other income

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest income on bank deposits	150.48	144.93
Interest on site restoration deposits with banks	343.42	411.82
Dividend income	0.08	0.08
Rental income	79.81	36.25
Net gain on sale or fair valuation of investments	1,139.38	439.67
Net Gain on foreign exchange	425.81	–
Miscellaneous Income	35.63	76.71
Interest on income tax refund	1.34	–
Liabilities no longer required written back	–	9.09
Total	**2,175.95**	**1,118.55**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

36 Share of expenses from producing oil and gas blocks

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
a) Share of expenses-producing oil and gas		
Manpower costs	1,222.26	1,134.50
Repairs and maintenance	1,178.69	1,333.77
Other statutory charges	190.52	310.04
Insurance	118.90	56.89
Other production expenses	546.30	599.46
Consumables	68.55	72.53
Transportation and logistics	208.42	213.65
	3,533.64	**3,720.84**
b) Royalty, cess and NCCD	2,181.57	2,083.78
Total	**5,715.21**	**5,804.62**

37 (Increase) / decrease in stock of crude oil and condensate

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Inventories at the end of the year	267.73	310.48
Inventories at the beginning of the year	310.48	551.49
Inventories at the beginning of the year-GPII	-	172.05
(Increase)/decrease in inventories	**42.75**	**413.06**
Less: Profit petroleum to Government of India	0.55	5.08
Net (Increase)/decrease in inventories	**43.30**	**418.14**

38 Employee benefits expense

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries, wages and bonus	517.95	484.69
Contribution to Provident fund and other funds	28.85	27.31
Staff welfare expenses	9.56	19.95
Total	**556.36**	**531.95**

39 Finance cost -Unwinding of discount on Decommissioning liability

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Unwinding of discount on decommissioning liability	535.50	157.16
Total	**535.50**	**157.16**

40 Finance cost - others

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on borrowings	103.96	9.91
Total	**103.96**	**9.91**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

41 Other expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Office and guest house rent	73.55	56.99
Power	3.21	4.04
Rates and taxes	6.06	29.79
Repairs and maintenance - others	16.83	17.75
General office expenses	0.06	5.24
Travelling and conveyance	37.64	47.68
Communication expenses	7.30	8.49
Membership and subscription	32.91	23.38
Legal and professional fees	296.92	407.03
Insurance	3.18	2.80
Directors' sitting fees	17.41	21.47
Director's commission (refer note 47)	18.00	-
Printing and stationary	14.99	14.93
Provision for abandonment cost	602.36	-
Net loss on foreign exchange	1.57	52.99
Corporate expenses	28.53	140.38
Bank charges	4.31	55.54
Expenditure incurred for corporate social responsibility (refer note 50)	122.59	40.43
Miscellaneous expenses	88.94	78.56
	1,376.36	**1,007.49**
Payment to Auditor:		
Audit fee	46.94	36.59
Tax audit fee	7.14	2.36
Reimbursements	0.66	1.37
	54.74	**40.32**
Total other expenses	**1,431.10**	**1,047.81**

42 Exceptional items

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Liability no longer required (refer note 24)	2,211.07	–
Income tax refund (refer note below)	410.42	262.16
Income - net	**2,621.49**	**262.16**

Note: Relates to the refund orders of Income-Tax along with interest for the Assessment Years 1996-97 for ₹ 242.65 lacs, 1997-98 for ₹ 108.64 lacs and ₹ 59.13 lacs for 2006-07

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

43 Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit for the year as per statement of profit & loss	₹ 13,756.32 lacs	₹ 15,674.31 lacs
	No.	No.
Weighted average number of equity shares used in calculating basic EPS	13,15,30,134	13,04,93,289
Par value per share	₹ 10	₹ 10
Earnings per equity share in ₹ computed on the basis of profit for the year - Basic	**10.46**	**12.01**
Weighted average number of equity shares used in calculating - Diluted EPS	13,15,30,134	13,15,63,149
Earnings per equity share in ₹ computed on the basis of profit for the year - Diluted	**10.46**	**11.91**

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Weighted average number of equity shares used in the calculation of basic earnings per share	13,15,30,134	13,04,93,289
Shares deemed to be issued for no consideration in respect of:		
- employee options	–	10,69,860
Weighted average number of equity shares used in the calculation of diluted earnings per share	13,15,30,134	13,15,63,149

44 Information relating to Hindage Oilfield Services Limited & Geopetrol International Inc., (Wholly owned subsidiaries of Hindustan Oil Exploration Company Limited)

Information required pursuant to General Circular No. 2 /2011 No: 5/12/2007-CL-III dated February 08, 2011 issued by Ministry of Corporate Affairs, is as below:

1) Hindage Oilfield Services Limited

Particulars	2019-2020	2018-2019
Capital	50.00	50.00
Reserves	881.43	925.97
Total Assets (excluding Investments)	6,458.36	185.97
Total Liabilities (excluding Capital and other equity)	6,386.02	55.58
Investments (refer note below)	859.09	845.58
Turnover	–	–
(Loss) / Profit before tax	(44.55)	(41.37)
Tax expenses	–	–
(Loss) / Profit after tax	(44.55)	(41.37)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

Note: Details of Investments of Hindage Oilfield Services Limited

Particulars	2019-2020	2018-2019
Schemes of Mutual funds		
Axis Liquid Fund-Regular Growth	270.61	–
HDFC High Interest Fund Dynamic Plan - Growth	196.09	185.83
Hdfc Liquid Fund - Reg - Growth	–	211.84
IDFC Super Saver Income fund - Medium term - Growth	204.18	270.84
Tata Treasury Advantage Fund - Growth	47.93	46.54
TATA Dynamic Bond - Regular Plan - Growth	140.28	130.53
Total	**859.09**	**845.58**

2) Geopetrol International Inc. ("GPII")

Particulars	2019-2020	2018-2019
Capital	6,506.20	6,506.20
Reserves	(28.86)	253.69
Total Assets	21,643.68	11,098.61
Total Liabilities (excluding Capital and other equity)	15,166.34	4,338.72
Turnover	2,221.92	2,824.66
Profit before tax	(308.23)	738.74
Tax expenses	(25.69)	(80.49)
Profit after tax	(282.54)	819.22

3) Disclosure of additional information as required by Schedule III

i) As at and for the year ended March 31, 2020

Name of the Company	Net Assets		Share in Profit (Loss)		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	₹ in lacs	As % of consolidated profit/(loss)	₹ in lacs	As % of consolidated other comprehensive income	₹ in lacs	As % of consolidated total comprehensive income	₹ in lacs
Parent								
HOEC	97.85%	66,507.86	100%	14,083.39	100%	15.77	102%	14,099.16
Subsidiaries (wholly owned)								
Indian								
Hindage	1.30%	881.43	–	(44.53)	–	–	0%	(44.53)
Foreign								
GPII	0.86%	581.52	–	(282.54)	–	–	(2)%	(282.54)
		67,970.81		**13,756.32**		**15.77**		**13,772.09**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

ii) As at and for the year ended March 31, 2019

Name of the Company	Net Assets		Share in Profit (Loss)		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	₹ in lacs	As % of consolidated profit/(loss)	₹ in lacs	As % of consolidated other comprehensive income	₹ in lacs	As % of consolidated total comprehensive income	₹ in lacs
Parent								
HOEC	96.69%	52,233.69	95%	14,896.46	100%	(16.17)	95%	14,880.29
Subsidiaries (wholly owned)								
Indian								
Hindage	1.71%	925.97	0%	(41.37)	–	–	0%	(41.37)
Foreign								
GPII	1.60%	864.07	5%	819.22	–	–	5%	819.22
		54,023.73		**15,674.31**		**(16.17)**		**15,658.14**

45. Significant Accounting Estimates, Assumptions and Judgements

(a) Site Restoration Costs

The Group estimates and provides for abandoning of wells, decommissioning of facilities and restoration of sites expected to be incurred at a future date. The same is capitalized as part of producing property in accordance with Ind AS 16. The estimation of liability is as per the industry practice and adjusted for inflation. The estimated cost is discounted to the reporting date by an appropriate discount factor. Accordingly, the difference in cost and depletion is adjusted.

(b) Employee Benefit Estimates

i. Defined contribution plan

The Group makes provident fund contribution under defined contribution plan for qualifying employees. Under the scheme, the Group is required to contribute a specified percentage of the payroll cost to fund the benefits. The Group recognized ₹ 88.27 lacs (PY: ₹ 81.86 lacs) for provident fund contribution in the statement of profit and loss. The contributions are payable to this plan by the Group at rates specified in the rules of the scheme.

ii. Defined benefit plan

a) Gratuity

The following table sets out funded status of the gratuity and the amount recognized in the financial statements.

Profit and loss account for current period

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Service cost:		
Current service cost	24.36	21.17
Past Service cost	–	–
Loss/(gain) on curtailments and settlement	–	–
Net interest cost	1.75	0.73
Total included in 'Employee Benefits Expense'	**26.11**	**21.90**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

Other Comprehensive Income for the current period

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Components of actuarial gain / losses on obligations:		
Due to Change in financial assumptions	7.38	(0.18)
Due to change in demographic assumptions	(0.09)	(6.03)
Due to experience adjustments	(23.28)	23.92
Return on plan assets excluding amounts included in interest income	0.22	(1.54)
Amounts recognized in Other Comprehensive Income	**(15.77)**	**16.17**

Changes in the present value of the defined benefit obligation ("DBO")

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Defined Benefit Obligation	121.64	79.91
Current service cost	24.35	21.17
Past service cost	–	–
Interest cost	8.34	5.02
Actuarial (gain)/loss due to change in financial assumptions	7.38	(0.18)
Actuarial (gain)/loss due to change in demographic assumptions	(0.09)	(6.03)
Actuarial (gain)/loss due to experience adjustments	(23.28)	23.92
Benefits paid	–	(2.17)
Closing defined benefit obligation	**138.34**	**121.64**

Changes in fair value of plan assets

Particulars	As at March 31, 2020	As at March 31, 2019
Opening value of plan assets	84.50	62.87
Interest Income	6.60	4.29
Return on plan assets excluding amounts included in interest income	(0.21)	1.54
Contributions by employer	50.07	17.97
Benefits paid	–	(2.17)
Closing value of plan assets	**140.96**	**84.50**

Net liability recognized in the balance sheet

Particulars	As at March 31, 2020	As at March 31, 2019
Present value of the defined benefit obligation	138.34	121.64
Fair value of plan assets	140.96	84.50
Plan liability	**(2.62)**	**37.14**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

The principal assumptions used in determining gratuity and for the Group's plans are shown below:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Discount rate	6.55%	7.35%
Future salary increase	5.00%	5.00%
Withdrawal rates	6% at younger ages reducing to 2% at older ages	6% at younger ages reducing to 2% at older ages

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The Group expects to contribute ₹ 26.64 lacs towards its gratuity plan during the year 2019-20.

Maturity profile of defined benefit obligation:

Year 1 %	Year 2 %	Year 3 %	Year 4 %	Year 5 %	Year 6 to 10 %
1.6	8.9	2.1	16.2	1.9	13.3

b) Compensated absences

The key assumptions used in computation of provision for long term compensated absences are as given below:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Discount rate	6.55%	7.35%
Future salary increase	5.00%	5.00%
Withdrawal rates	6% at younger ages reducing to 2% at older ages	6% at younger ages reducing to 2% at older ages

46 Oil and Gas Reserves

As at March 31, 2020, the internal estimates of the Management of Proved & Probable Reserves for the working interest as per the development plan approved by the Directorate General of Hydrocarbons is as follows:

Developed and Undeveloped:

	Unit of Measurement	As at April 1, 2019	Addition	Production	As at March 31, 2020
Proved reserves (1P)					
- Oil	MMBBL	3.33	2.06	0.14	5.25
- Gas	BCF	78.23	–	4.44	73.79
Proved and probable (2P)					
- Oil	MMBBL	4.53	2.06	0.14	6.45
- Gas	BCF	124.16	–	4.44	119.72

Developed:

	Unit of Measurement	As at April 1, 2019	Addition	Production	As at March 31, 2020
Proved Reserves (1P)					
- Oil	MMBBL	0.75	0.42	0.14	1.03
- Gas	BCF	68.98	0.01	4.44	64.55

Note 1: The above reserve estimates excludes the reserves of PY-3 as there is no viable plan for recommencement as on date. CB-OS-1 has been terminated by GOI on September 5, 2018 which is taken up with GOI for withdrawal of termination.

Note 2: Unit of measurement is considered in barrels for oil and cubic feet for gas.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

Developed and Undeveloped:

	Unit of Measurement	As at April 1, 2018	Addition	Production	As at March 31, 2019
Proved (1P)					
- Oil	MMBBL	3.21	0.29	0.17	3.33
- Gas	BCF	84.22	1.02	7.01	78.23
Proved and probable (2P)					
- Oil	MMBBL	4.22	0.48	0.17	4.53
- Gas	BCF	128.99	2.18	7.01	124.16

Developed:

	Unit of Measurement	As at April 1, 2018	Addition	Production	As at March 31, 2019
Proved Reserves (1P)					
- Oil	MMBBL	0.71	0.21	0.17	0.75
- Gas	BCF	62.57	13.42	7.01	68.98

Note 1: The above reserve estimates excludes the reserves of PY-3 as there is no approved plan for recommencement as on date. CB-OS-1 has been terminated by GOI on September 5, 2018 which is taken up with GOI for withdrawal of termination.

Note 2: Unit of measurement is considered in barrels for oil and cubic feet for gas.

47 Related Party Disclosures

a) Related Parties as of March 31, 2020:

Key management personnel:

Whole-time directors

- Mr. P. Elango -Managing Director
- Mr. R. Jeevanandam-Director & CFO

Non-Executive independent Directors

- Mr. Sunil Behari Mathur-Chairman (resigned effective April 17, 2019)
- Mr. Vivek Rae (appointed effective April 18, 2019)
- Ms. Sharmila H. Amin
- Mr. P.K. Borthakur

Non-Executive, Non-Independent Directors

- Mr. Ashok Kumar Goel
- Mr. Rohit Rajgopal Dhoot

Company Secretary

- Ms.G.Josephin Daisy

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

b) Nature and volume of transactions during the year and outstanding balances as at the balance sheet date with the above parties:

Particulars		For the year ended March 31, 2020	For the year ended March 31, 2019
Expenditure			
Key managerial personnel remuneration -			
1. Mr. P. Elango	- Managing Director*	346.98	200.63
2. Mr. R. Jeevanandam	- Director & CFO*	337.10	190.69
3. Ms. G.Josephin Daisy	- Company Secretary	10.31	10.31
Sitting fee	- Independent Directors	13.75	18.20
Commission	- Independent Directors**	18.00	–

* Includes one- time additional performance Bonus of ₹ 150 lakhs for the year.

** which is within 1% of the net profit of the company for the year ended 31 March 2020.

48. Commitments and Contingencies

Particulars		As at March 31, 2020	As at March 31, 2019
(i)	**Contingent Liabilities**		
(a)	Claims not acknowledged as debts CY-OS-90/1 (note -a)	3,112.00	3,112.00
(b)	Royalty demand (note-b)	1,301.11	1,097.00
(c)	Claims not acknowledged as debts CB-OS/1 (note-d)	1,245.00	1,245.00
(d)	Service tax liability (note-e)	168.92	168.92
(e)	Central excise	–	1.49
(f)	Service Tax Liability (note-f)	17,353.70	–
(ii)	**Commitments**		
	Estimated value of contracts remaining to be executed on capital account and not provided for	3,133.70	1,360.07

a) Hardy Exploration & Production (India) Inc., CY-OS-90/1 (PY-3) operator referred the dispute by all non-operators, ONGC Ltd, Tata Petrodyne Ltd and the company to an arbitration for a total claim of ₹ 6,049 lacs (US$ 9.32 million) without interest. Accordingly, the claim against the company for its participating interest is ₹ 1,624 lacs (US$ 2.05 million). The non-operating parties have not accepted the claim and the company made a counter claim of ₹ 20,168 lacs (US $ 31.08 million). The dispute is being adjudicated by the arbitration tribunal. The claim not acknowledged as debt by the company includes ₹ 1,488 lacs for the participating interest of the company relating to the dispute between Aban Offshore Limited and the Operator "Hardy".

b) In block PY 1, The Ministry of Petroleum & Natural Gas (MOP&NG) has computed the royalty based on the price realized instead of well head value and made a demand of ₹ 1,301.11 lacs (US$ 1.72 million) with an interest claim for the period from 2009-10 to 2018-19. The company has re-computed the royalty based on wellhead value in terms of the production sharing contract which results in an excess payment of ₹ 1,552.65 lacs (US$ 2.06 million) for the above period and made a request for refund.

c) With respect to block CB-OS/1 operated by Oil & Natural Gas Corporation Limited (ONGC), there was no operations during the year. Therefore, no expenditure is accounted in the financial statements. CB-OS-1 Block wherein HOEC holds 38.04% of Participating interest and Oil and Natural Gas Corporation Limited (ONGC) with 55.26% an operator of the block was terminated by Government of India (GOI) on September 5,2018. HOEC has issued a letter to GOI, to reconsider the termination of the block in term of PSC as HOEC is interested to take over participating interest of ONGC as well as the operatorship of the block. No value is carried in the books of accounts for the block.

d) With respect to block CB-OS/1, ONGC made a claim of ₹ 1,245 lacs which was disputed by the Company and the matter is referred to arbitration. The Company made a counter claim of ₹ 6,472 lacs and the matter is being adjudicated by the arbitration tribunal.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

e) During the previous years, there was a demand for service tax for ₹ 77.09 lacs with an equivalent amount of penalty due to disallowance of Cenvat credit for the period from October 2007 to March 2011. An appeal has been filed after paying an amount of ₹ 7.71 lacs to the tax authorities. This dispute is before the Cestat for adjudication and no provision is made in the financial statements. The above amount also includes a demand of ₹ 14.74 lacs pertaining to one of the unincorporated joint ventures.

f) Service tax demand was made on cash call contributions, cost and profit petroleum share of the contractors and Government of India, for the year commencing from April 2010 to March 2015 for various unincorporated joint ventures under production sharing contract for is ₹ 8,676.85 lacs with equivalent amount as penalty with interest and for the participating interest of the company is ₹ 6,638.24 lacs. Further, the statement of demand received from April 2015 to June 2017 is being dealt with. This being an industry issue, the above claim of the tax authority is disputed by the company and is being redressed at various appellate forum. This industry issue is taken up by the Ministry of Petroleum and Natural Gas with Finance Ministry of Government of India for appropriate clarification and redressal.

g) In respect of Block AA ONN 2003/2, Geopetrol has estimated the liability of unfinished work program as ₹ 3,011.80 lacs (US$ 4.00 million) in terms of the PSC. Out of which an amount of ₹ 1,678.17 lacs (US$ 2.23 million) was realized by GOI by invocation of bank guarantee provided by Geopetrol and for the balance ₹ 1,333.63 lacs (US$ 1.77 million) liability was created. However, DGH has made a claim of ₹ 4,247.43 lacs (US$ 5.63 million) which has no basis and is being disputed. Accordingly, no liability is created for the disputed amount of ₹ 1,235.63 lacs (US$ 1.64 million).

h) MZ-ONN-2004/2 block was terminated by the GOI, as M/s Naftogaz as the Operator to the block has made certain misrepresentation to GOI while awarding the contract. Therefore, no basis exists to claim any costs by DGH for the share of unfinished work program from Geopetrol as the Production Sharing Contract itself is void. Accordingly, no liability is considered for the unfinished work program in the block.

49 Effects of Changes in Foreign Exchange Rates

a) Expenditure in foreign currency (on accrual basis)

Particulars	2019-2020	2018-2019
Operating expenditure	691.66	715.50

b) Value of Imports calculated on CIF basis (on accrual basis)

The details of the adjustment pursuant to the above are as under:

Particulars	2019-2020	2018-2019
Components and spare parts	44.49	42.08
Capital goods	–	29.96

50 Corporate social responsibility

Gross amount required to be spent towards CSR activities from the profits calculated as per Section 198 of the Companies Act, 2013 during the year: ₹ 122.59 lacs (PY: ₹ 23.34). Amount spent during the year on:

Particulars	2019-2020	2018-2019
Construction of asset	40.04	28.05
Others	22.55	12.38
Total	**62.59**	**40.43**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

51 Fair value measurements of financial assets

The following table gives information about how the fair value of these financial assets are determined.

As at March 31, 2020	Fair Value Measurements using			
	Total	Level 1	Level 2	Level 3
Assets measured at fair value (refer note 14)				
- Quoted equity instruments	14.17	14.17	–	–
- Mutual fund investments	10,033.64	10,033.64	–	–

As at March 31, 2019	Fair Value Measurements using			
	Total	Level 1	Level 2	Level 3
Assets measured at fair value (refer note 14)				
- Quoted equity instruments	17.45	17.45	–	–
- Mutual fund investments	11,956.92	11,956.92	–	–

* Note: Level 1: Quoted market prices in active markets, where available.
Level 2: Valuation techniques where fair value measurement is directly or indirectly observable.
Level 3: Valuation techniques where fair value measurement is unobservable

52 Segment reporting

The Group is primarily engaged in a single business segment of "Oil and Gas" in one geographic segment. Therefore, there are no separate reportable segments for Segment Reporting.

53 Financial instrument disclosure

a. Capital Management

The Group manages its capital to ensure that it will be able to continue as a going concern by optimizing the shareholder's value with the right balance of debt and equity. The Group would raise capital and debt as required by maintaining an appropriate gearing. The Risk Management committee of the Group periodically reviews the capital to ensure the capital adequacy.

b. Financial Risk Management Objectives

The financial risk committee provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured, managed and mitigated in accordance with the Group's policies.

(i) Market risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of a business. The primary commodity price risks that the Group is exposed to include oil and natural gas prices that could adversely affect the value of the Group's financial assets, liabilities or expected future cash flow. Market risk comprises the risk of interest rate, currency risk and the other commodity price.

- **Interest rate risk**

  This risk causes the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

- **Foreign currency risk**

  Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities and operational contracts with the rates payable in foreign currencies. The Group manages its foreign currency risk by having natural hedge as the revenue on sale of oil and gas is determined and paid in equivalent US dollars.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees in lacs, unless otherwise stated)

Details of Unhedged Foreign Currency Exposure

The details of unhedged Foreign Currency Exposure of the Group, are as under:

Particulars	As at March 31, 2020		As at March 31, 2019	
Trade receivables	$86,277	₹ 62.57 lacs	$141,295	₹ 98.07 lacs

- **Commodity price risk**

  The Group is exposed to volatility in the oil and gas prices since the Group does not undertake any oil price hedge. The impact of a falling oil price is however partly mitigated via the production sharing formula in the PSCs, whereby the share of gross production to the Group increases in a falling oil price environment and the recovery of costs. Gas prices are fixed for certain duration and the same are based on policy guidelines issued by the Government.

(ii) Credit risk

Credit risk is the risk that counterparty for sale of its products will not meet its obligations under a financial instrument or customer contract leading to a financial loss. The Group is not exposed to credit risk as its sale of oil and gas is to Government Nominees.

(iii) Liquidity risk

A formal budgeting and forecasting process is in place and cash forecasts identifying liquidity requirements of the Group are reviewed regularly by the Audit Committee and Board and financing plans are approved based on end utilization of proceeds and cost of capital.

54 Events after the reporting period

There is no material event after the reporting period.

55 Approval of financial statements

The financial statements were approved for issue by the board of directors on May 31, 2020.

56 Previous Year Figures

Previous year's figures have been regrouped and reclassified wherever necessary to conform to the current year's

For and on behalf of the Board of Directors

P. Elango	**R. Jeevanandam**	**Josephin Daisy**
Managing Director	Director & CFO	Company Secretary
DIN No 06475821	DIN No 07046442	

Place : Chennai
Date : May 31,2020

GLOSSARY

3D Seismic - Three Dimensional Seismic

2P/P+P Reserves - Proved and Probable Reserves

Proved Reserves are those quantities of petroleum which, by analysis of geological and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under current economic conditions, operating methods, and government regulations. If probabilistic methods are used, there should be at least 90% probability that the quantities actually recovered will equal or exceed the estimate. Developed Reserves are expected quantities to be recovered from existing wells and facilities. Undeveloped Reserves are quantities expected to be recovered through future investments.

Probable Reserves are those unproved reserves which analysis of geological and engineering data suggests are more likely than not to be recoverable. In this context, when probabilistic methods are used, there should be at least a 50% probability that the quantities actually recovered will equalor exceed the sum of estimated proven plus probable reserves.

ADR - American Depository Receipts

AGM - Annual General Meeting

AIFDP - Alternate Integrated Field Development Plan

AS - Accounting Standard

ASOP - Associate Stock Option Plan, 2015

ATRs - Action Taken Reports

bbl - barrel

bcf - billion cubic feet

BEE - Bureau of Energy Efficiency

boe - barrels of oil equivalent

bopd - barrels of oil per day

boepd - barrels of oil equivalent per day

BSE - Bombay Stock Exchange

CDSL - Central Depository Services (India) Limited

CEO - Chief Executive Officer

CFO - Chief Financial Officer

CFS - Consolidated Financial Statement

CGD - City Gas Distribution

CIN - Corporate Identification Number

CNG - Compressed Natural Gas

COO - Chief Operating Officer

CS - Company Secretary

CSR - Corporate Social Responsibility

DP - Depository Participant

Development well - A well drilled within the proved area of an oil and / or natural gas reservoir to the depth of a stratigraphic horizon known to be productive.

DGH - Directorate General of Hydrocarbons

DIN - Director Identification Number

DSF - Discovered Small Fields

EFI - Eni Finance International

EPS - Earnings Per Share

ERP - Emergency Response Plan

ESOS - Employee Stock Option Scheme

Exploratory well - A well drilled to find oil and / or gas in an unproved area, to find a new reservoir in an existing field or to extend a known reservoir

E&P - Exploration and Production

FI - Financial Institutions

GDR - Global Depository Reciepts

G&G - Geological & Geophysical

GHG - Green House Gas

GML - Geopetrol Mauritius Ltd.

GPII - Geopetrol International Inc.

HAZID - Hazard Identification (Risk Analysis)

HAZOP - Hazard and Operability Analysis

HELP - Hydrocarbon Exploration Licensing Policy

HOEC - Hindustan Oil Exploration Company Limited

HSECSR	-	Health, Safety, Environment & Corporate Social Responsibility
IEPF	-	Investor Education and Protection Fund
IND AS	-	Indian Accounting Standards
IOGP	-	International Association of Oil & Gas Producers
JSA	-	Job Safety Awareness
JV	-	Joint Venture
KPI	-	Key Performance Indicator
LNG	-	Liquefied Natural gas
LLP	-	Limited Liability Partnership
LPG	-	Liquified Petroleum Gas
LTI	-	Loss Time Incident
MC	-	Management Committee
MCA	-	Ministry of Corporate Affairs
M-GPP	-	Modular Gas Processing Plant
mmboe	-	million barrels of oil equivalent
mmbtu	-	million british thermal unit
mmscfd	-	million standard cubic feet per day
mmscm	-	million standard cubic meters
mmscmd	-	million standard cubic meters per day
mmbbl	-	million Barrels
mm	-	million
MoP&NG	-	Ministry of Petroleum & Natural Gas
MSMED	-	Micro Small & Medium Enterprises Development Act, 2006
NBP	-	National Balancing Point
NCLT	-	National Company Law Tribunal
NELP	-	New Exploration Licensing Policy
NSE	-	National Stock Exchange
NSDL	-	National Securities Depository Limited
OALP	-	Open Acreage Licensing Policy
ONGC	-	Oil & Natural Gas Corporation Limited
OPEC		Organization of the Petroleum Exporting Countries
PI	-	Participating Interest
PoD	-	Plan of Development
PSC	-	Production Sharing Contract
Revenue	-	Sales + Other Income
RD	-	Regional Director
ROU	-	Right of Use
RSC	-	Revenue Sharing Contract
scmd	-	standard cubic meters per day
scm	-	standard cubic meters
SEBI	-	Securities and Exchange Board of India
SEBI LODR	-	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEM	-	Successful Efforts Method
SIMOPs	-	Simultaneous Operations
USD/US$	-	United States Dollar
UTI	-	Unit Trust of India
UJV	-	Unincorporated Joint Venture
Working interest basis	-	Field Production x Participating Interest

Playground in Renovated School in Augbandha

World Environment Day Celebration at PY-1

Safety Training at Chennai Office

Shareholders at 35th AGM

HINDUSTAN OIL EXPLORATION COMPANY LIMITED

Regd. Office: 'HOEC House', Tandalja Road, Vadodara, Gujarat - 390020 (India)
CIN: L11100GJ1996PLC029880 • E-mail: hoecshare@hoec.com

NOTICE is hereby given that the **Thirty Sixth Annual General Meeting (AGM) of the Members of Hindustan Oil Exploration Company Limited** will be held on Wednesday, the 30th day of September 2020 at 10:30 a.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt:
   (a) the audited stand-alone financial statements of the Company for the financial year ended March 31, 2020 together with the reports of the Board of Directors and Auditors thereon; and
   (b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2020 together with the reports of the Auditors thereon.
2. To appoint a Director in place of Mr. Ashok Kumar Goel (DIN: 00025350) who retires by rotation and, being eligible, offers himself for re-appointment.
3. Re-appointment of M/s Deloitte Haskins & Sells LLP, Chartered Accountants as Statutory Auditors of the Company

   To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution:**

   "Resolved that, pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force), M/s Deloitte Haskins & Sells LLP, Chartered Accountants, (Firm Registration No. 117366W/W-100018) be and is hereby re-appointed as statutory auditors of the Company to hold office from the conclusion of this 36th Annual General Meeting till the conclusion of the 41st Annual General Meeting of the Company, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS

4. Re-appointment of Ms. Sharmila Amin as an Independent Director

   To consider and, if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution:**

   "Resolved that, pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 ("the Act") read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Ms. Sharmila Amin (DIN:06770401), who was appointed as an Independent Director with effect from December 17, 2014 for a period of five years, and has submitted a declaration that she meets the criteria for independence as provided in section 149(6) of the Act, and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from December 17, 2019.

   Resolved further that, the Board of Directors be and is hereby authorized to do and perform all such acts, deeds, matter or things as may be considered necessary appropriate, expedient or desirable to give effect to above resolution."

5. Re-appointment of Mr. Pronip Kumar Borthakur as an Independent Director

To consider and, if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution:**

"Resolved that pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 ("the Act") read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. Pronip Kumar Borthakur (DIN: 06417854), who was appointed as an Independent Director with effect from June 15, 2016 for a period of five years, and has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from June 15, 2021.

Resolved further that, the Board of Directors be and is hereby authorized to do and perform all such acts, deeds, matter or things as may be considered necessary appropriate, expedient or desirable to give effect to above Resolution."

6. Ratification of remuneration to Cost Auditor

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution:**

"Resolved that, pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with the Companies (Cost Record & Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company hereby ratifies the remuneration of ₹ 2,00,000 (Rupees Two Lakhs Only) plus applicable taxes and out of pocket expenses payable to Mr. K. Suryanarayanan, Cost Accountant in practice for the financial year 2020-21."

By Order of the Board of Directors

Place : Chennai
Date : September 07, 2020

G Josephin Daisy
Company Secretary

NOTES

1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has, vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 20/2020 dated May 5, 2020 (collectively "MCA Circulars"), permitted companies to conduct Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM), subject to compliance of various conditions mentioned therein. In compliance with the MCA Circulars and applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 36th AGM of the Company is being convened and conducted through VC / OAVM.

2. A Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote in the meeting instead of himself / herself. Since the 36th AGM is being held through VC / OAVM as per the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be made available for the 36th AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

3. Institutional / Corporate Members are required to send to the Company a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-Voting.

4. The Company has notified closure of Register of Members and Share Transfer Books from Thursday, September 24, 2020 to Wednesday, September 30, 2020 (both days inclusive).

5. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrar and Share Transfer Agent, Link Intime India Private Limited for consolidation into a single folio. The Company's equity shares are under compulsory demat trading by all investors. Members are requested to convert their shares from physical form to dematerialized form, if not already done, so as to avoid inconvenience in future.

6. Members holding shares in demat form are requested to intimate immediately any change in their address or bank mandates to the Depository Participants with whom they are maintaining their demat accounts.

7. Members holding shares in physical form are requested to advice any change in their address or bank mandates immediately to the Company / the Registrar and Share Transfer Agent - Link Intime India Private Limited, (Unit: Hindustan Oil Exploration Company Limited), B-102 & 103, Shangarila Complex, First Floor, Opp: HDFC Bank Limited, Nr. Radhakrishna Char Rasta, Akota, Vadodara - 390 020 (Gujarat). Tel: 0265-2356573/2356794; Fax No.: 0265-2356791; Email id: vadodara@linkintime.co.in

8. Members who have not registered their e-mail addresses so far are requested to register their e-mail address with DP / Registrar & Share Transfer Agent - Link Intime India Private Limited for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically or by directly registering at https: / / www.linkintime.co.in / EmailReg / Email_Register.html.

9. Members / Beneficial owners are requested to quote their Ledger Folio No. / DP & Client ID No., 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.

10. Members are requested to note that dividends which were not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account and the corresponding shares on which dividend remains unclaimed for seven consecutive years have been transferred to the Investor Education and Protection Fund (IEPF) as per Section 124 of the Act and the applicable rules. The same can be claimed back from IEPF by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5.

11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the company or Registrar & Share Transfer Agent - Link Intime India Private Limited.

12. Members holding shares in single name and in physical form are advised to make a nomination in respect of their shareholding in the Company.

13. Non-Resident Indian Members are requested to inform Depository Participant (DP) / the Registrar and Share Transfer Agent - Link Intime India Private Limited immediately of (a) change in their residential status on return to India for permanent settlement (b) particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

14. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

15. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before September 29, 2020 through email on hoecshare@hoec.com. The same will be replied by the Company suitably.

16. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.hoec.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL https: / / www.evotingindia.com/.

17. Members attending the 36th AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

18. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed.

19. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.

20. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

INSTRUCTIONS FOR E-VOTING

1. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.

2. The Board of Directors has appointed M/s S Sandeep & Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize remote e-voting process and voting during the AGM in a fair and transparent manner.

3. **The details of the process and manner for remote e-voting are explained herein below:**

   (i) The remote e-voting period commences on Friday, September 25, 2020 (9:00 a.m. IST) and ends on Tuesday, September 29, 2020 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Wednesday, September 23, 2020 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

   (ii) The shareholders should log on to the e-voting website www.evotingindia.com.

   (iii) Click on "Shareholders" module.

   (iv) Now enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

   (v) Next enter the Image Verification as displayed and Click on Login.

   (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-Voting of any company, then your existing password is to be used.

   (vii) If you are a first-time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form

PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. * If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

   (viii) After entering these details appropriately, click on "SUBMIT" tab.

   (ix) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

   (x) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

   (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

   (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app "**m-Voting**". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

4. Instructions for shareholders for e-voting during the AGM are as under:-

i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-Voting.

ii) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

iii) If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

iv) Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

5. Note for Non - Individual Shareholders and Custodians

i) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

ii) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

iii) After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

iv) The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

v) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

6. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

7. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 022-23058542.

HINDUSTAN OIL EXPLORATION COMPANY LIMITED

PROCESS FOR REGISTRATION OF EMAIL ID

1. Physical Holding: Send a request to the Registrar and Transfer Agents of the Company, Link Intime India Private Limited at vadodara@linkintime.co.in, providing Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) for registering email address.

   Following additional details need to be provided in case of updating Bank Account Details: a) Name and Branch of the Bank in which you wish to receive the dividend, b) the Bank Account type, c) Bank Account Number allotted by their banks after implementation of Core Banking Solutions, d) 9 digit MICR Code Number, e) 11 digit IFSC Code, f) a scanned copy of the cancelled cheque bearing the name of the first shareholder.

2. Demat Holding: Please contact your Depository Participant (DP) and register your email address and bank account details in your demat account, as per the process advised by your DP.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at https://www.evotingindia.com under shareholders/members login by using the remote e-Voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

2. Shareholders are encouraged to join the Meeting through Laptops for better experience. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

3. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance on or before September 25, 2020, mentioning their name, demat account number/folio number, email id, mobile number at hoecshare@hoec.com. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

As required by Section 102 of the Companies Act, 2013 (the "Act"), the following explanatory statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice..

Item No. 4 – Re-appointment of Ms. Sharmila Amin as an Independent Director

The Members of the Company at the 31st Annual General Meeting held on September 25, 2015 approved the appointment of Ms. Sharmila Amin (DIN: 06770401), as a Non-Executive Independent Director of the Company for a period of five years with effect from December 17, 2014.

The Nomination & Remuneration Committee at its Meeting held on November 06, 2019, after taking into account the performance evaluation of Ms. Sharmila Amin during her first term of five years and considering the knowledge, acumen, expertise, experience and the contribution made by her, has recommended to the Board that her continued association would be in the interest of the Company.

Based on the above, the Nomination & Remuneration Committee and the Board has recommended the re-appointment of Ms. Sharmila Amin as Independent Director on the Board of the Company, to hold office for the second term of five consecutive years commencing from December 17, 2019 and not liable to retire by rotation.

Ms. Sharmila Amin has given a declaration to the Company that she is not disqualified under Section 164 of the Act for appointment as a Director under the Act and has also given her consent to act as Director of the Company. Also, a declaration to the Board that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI Listing Regulations is received by the Company.

Also, in the opinion of the Board, Ms. Sharmila Amin fulfils the conditions specified in the Act, the Rules thereunder and the Listing Regulations 2015 for re-appointment as Independent Director and she is independent of the management of the Company.

The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a Member proposing the candidature of Ms. Sharmila Amin for her appointment to the office of Independent Director.

Copy of the draft letter of appointment of Ms. Sharmila Amin setting out the terms and conditions of her appointment is available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day and the same has also been hosted on the Company's website www.hoec.com.

Ms. Sharmila Amin is the South Asian Regional Director and Managing Director of Bertling Logistics. A Graduate in Commerce from the University of Mumbai, Ms. Sharmila Amin also has a long list of additional qualifications that include Shipping Management from the Indian Institute of Management, Ahmedabad, and being a Customs License Holder (Rule 9), Mumbai. In her long career in Heavy Lift Projects Logistics, she has headed Pan projects/ Oil & Gas for the South Asia Region as a part of the Panalpina Group. She has also headed CRC's Projects Division, and N.S. Guzder and Company's Project Logistics Division.

The other details of Ms. Sharmila Amin as required under the Listing Regulations and other applicable provisions are provided in Annexure - A to this Notice.

Accordingly, the Board recommends the Special Resolution as set out in Item No. 4 of this Notice in the best interests of the Company.

No Director, Key Managerial Personnel or their relatives except Ms. Sharmila Amin is interested or concerned in the Resolution.

Item No. 5 – Re-appointment of Mr. Pronip Kumar Borthakur as an Independent Director

The Members of the Company at the 32nd Annual General Meeting held on September 26, 2016 approved the appointment of Mr. Pronip Kumar Borthakur (DIN: 06417854), as a Non-Executive Independent Director of the Company for a period of five years with effect from June 15, 2016.

The Nomination & Remuneration Committee at its Meeting held on September 07, 2020, after taking into account the performance evaluation of Mr. Pronip Kumar Borthakur during his first term of five years and considering the knowledge, acumen, expertise, experience and the contribution made by him, has recommended to the Board that his continued association would be in the interest of the Company.

Based on the above, the Nomination & Remuneration Committee and the Board has recommended the re-appointment of Mr. Pronip Kumar Borthakur as Independent Director on the Board of the Company, to hold office for the second term of five consecutive years commencing from June 15, 2021 and not liable to retire by rotation.

Mr. Pronip Kumar Borthakur has given a declaration to the Company that he is not disqualified under Section 164 of the Act for appointment as a Director under the Act and has also given his consent to act as Director of the Company. Also, a declaration to the Board that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI Listing Regulations is received by the Company.

Also, in the opinion of the Board, Mr. Pronip Kumar Borthakur fulfils the conditions specified in the Act, the Rules thereunder and the Listing Regulations 2015 for re-appointment as Independent Director and he is independent of the management of the Company.

The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a Member proposing the candidature of Mr. Pronip Kumar Borthakur for his appointment to the office of Independent Director.

Copy of the draft letter of appointment of Mr. Pronip Kumar Borthakur setting out the terms and conditions of his appointment is available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day and the same has also been hosted on the Company's website www.hoec.com.

Mr. P.K. Borthakur brings in more than 37 years of rich & diverse experience from his illustrious career at ONGC, from where he retired as Director (Offshore) and led multiple large onshore and offshore projects during his tenure. His wide technical expertise ranges from managing oil & gas operations, artificial lift, well completion, drilling, well control, reservoir management to processing and extraction of value added petroleum products. He is a well-recognized and respected technical authority in the Oil and Gas sector.

The other details of Mr. Pronip Kumar Borthakur as required under the Listing Regulations and other applicable provisions are provided in Annexure - A to this Notice.

Accordingly, the Board recommends the Special Resolution as set out in Item No. 5 of this Notice in the best interests of the Company.

No Director, Key Managerial Personnel or their relatives except Mr. Pronip Kumar Borthakur is interested or concerned in the Resolution.

Item No. 6 – Ratification of remuneration to Cost Auditor

The Board, on the recommendation of the Audit Committee, approved the appointment of Mr. K. Suryanarayanan, Cost Accountant in Practice to conduct the audit of the cost records of the Company for the financial year 2020-21 at a remuneration of ₹ 2,00,000 plus applicable taxes and out of pocket expenses.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration proposed to be paid to the Cost Auditor is required to be ratified by the shareholders of the Company.

Accordingly, the Board recommends the Ordinary Resolution as set out in Item No. 6 of this Notice for ratification of the remuneration payable to the Cost Auditors.

None of the directors or key managerial personnel and their relatives is interested or concerned in this resolution.

By Order of the Board of Directors

Place : Chennai
Date : September 07, 2020

G Josephin Daisy
Company Secretary

Annexure A

Additional information on directors recommended for appointment / reappointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name of Director	Ashok Kumar Goel	Sharmila Amin	Pronip Kumar Borthakur
DIN	00025350	06770401	06417854
Date of Birth	09/11/1961	06/02/1962	01/02/1954
Age	58 yrs.	57 yrs.	66 yrs.
Disclosure of inter-se relationships between directors and Key Managerial Personnel	Nil	Nil	Nil
Names of other listed entities in which the person also holds the directorship and the membership of Committees of the Board [1]	Solid Containers Limited 2	Chandni Textiles Engineering Industries Limited 1	Nil 2
Shareholding in the Company	1,84,65,078[3]	Nil	Nil

Note:

(1) Chairmanships / Memberships of Board Committees includes only Audit Committee and Stakeholders' Relationship Committee as per Regulation 26 of SEBI Listing Regulations.

(2) Details of the aforesaid Director's remuneration and number of Board meetings attended during FY 2019-20 are provided in the Corporate governance report section of the Annual Report 2019-20.

(3) Mr. Ashok Kumar Goel holds the said shares on behalf of Ashok Goel Trust.