



Hindustan Oil Exploration Company Limited

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February 25, 2026

By Online

The Listing Department
National Stock Exchange of India Ltd.,
"Exchange Plaza", Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051
Stock Code: HINDOILEXP

The Corporate Relationship Department
BSE Limited
1st Floor, P. Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001
Stock Code: 500186

Dear Sir / Madam,

Sub: Earnings Call Q3 FY2025-26 – Transcript

In continuation to our intimation dated February 18, 2026 and pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the transcript of the Earnings Call of the Company for the Q3 FY2025-26 held on February 18, 2026 is here with attached.

The same is also available on website of the Company at <https://hoec.com/earnings-call/>.

We request you to kindly take the same on record.

Yours Sincerely,

For Hindustan Oil Exploration Company Limited

G. Josephin Daisy
Company Secretary & Compliance Officer
Encl: a/a



“Hindustan Oil Exploration Company Limited
Q3 and 9 Month FY '26 Earnings Conference Call”

February 18, 2026



**MANAGEMENT: MR. R. JEEVANANDAM – MANAGING DIRECTOR
MR. N. S. SENTHILNATHAN – CHIEF FINANCIAL
OFFICER
MR. KRISHNAN RAGHAVAN – CHIEF TECHNICAL
OFFICER**

Moderator: Ladies and gentlemen, good day and welcome to the Q3 and 9 Month FY '26 Earnings Call hosted by Hindustan Oil Exploration Company Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing “star” then “zero” on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Saloni Soni from Ernst and Young, Investor Relations team. Thank you, and over to you, Ms. Saloni.

Saloni Soni: Thank you. Good day, everyone, and welcome to the Q3 Earnings Call of Hindustan Oil Exploration Company Limited. The company published its results on February 13, 2026, and has uploaded the investor presentation to the Exchanges on February 16, 2026. I trust all of you have had the opportunity to review them.

Before we start, a disclaimer. Some of the statements made in today's earnings call may be forward-looking in nature. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ from those anticipated. Participants are cautioned not to place undue reliance on these forward-looking statements while making their investment decisions.

On that note, let me introduce you to the management participating with us in today's conference call. We have with us Mr. R. Jeevanandam, Managing Director; Mr. N.S. Senthilnathan, Chief Financial Officer; and Mr. Krishnan Raghavan, Chief Technical Officer.

Without further ado, I would like to hand over the call to Mr. Jeevanandam. Thank you, and over to you, sir.

R. Jeevanandam: Thank you. Good morning everyone, and welcome to the quarter 3 financial year '26 Earnings Call. From our team, I have Krishnan Raghavan, our Chief Technical Officer; N.S. Senthilnathan, our Chief Financial Officer, joining me on this call. I will start with the updates on the Northeastern region.

Let me begin with an update on the Kharsang block. As of today, we have drilled 8 wells and ninth well is in progress. Out of the 8 wells, 5 wells are oil wells and sixth well is completed as gas well. The other 2 wells will be perforated once the drilling of the ninth well is completed and will be hooked up for production.

Sixth well encountered with well control issue, is resolved and converted as gas producer. It was tested for production and with a minimum choke it can be on continuous production of about 2 million standard cubic feet per day. The results from the sixth well authenticate the substantial volume of gas, which can be commercialized at the earliest once the Northeast gas grid is fully operational.

Though we have completed the drilling of seventh and eighth well, which will be perforated along with ninth well once the drilling of the ninth well is completed as all the 3 wells are in the

same plinth. You are aware that we have secured environmental clearance for drilling 40 development wells and 3 exploration wells in the block. We will continue drilling to reach the full potential of the block subject to partners' approval.

Our current production level is about 800 barrels per day and some workover of existing wells could not be taken up due to repair of workover rig after the well control issue. We earnestly hope that with the support of Oil India Limited, we can unlock substantial value for all stakeholders in the block. G&G review of the data of newly drilled wells with the data of old wells authenticate the potential of the field already communicated by GCA.

We have received responses to the expression of interest for a 2,000 HP rig as well as 1,000 HP rig. We will finalize the drilling rigs to progress further. For the Dirok field, the Revised Field Development Plan has been approved, enabling an extension of the block. We plan to drill a well in North Dirok targeting the Barail formation.

Based on the responses to the expression of interest for a 2,000 HP rig, we will finalize the drilling contract upon receipt of the formal extension letter from the Government of India. Dirok gas sales for the current quarter is 13 million standard cubic feet per day, while the offtake in the previous quarter was 14 million standard cubic feet per day.

Accordingly, sales volume of the current quarter is 0.31 bcf compared to 0.34 bcf in the previous quarter for our share. Condensate production is 5,614 barrels compared to 5,858 barrels in the previous quarter. Price realized in the current quarter is \$7.32 per mmbtu compared to \$7.8 in the previous quarter.

While the field with the existing wells has the capacity to produce up to 45 million standard cubic feet per day, production has been constrained due to limited demand. It can be seen that IGGL has hooked up the connection up to Numaligarh from Guwahati and commissioned it.

It is to note that mechanical completion of the DNPL line also has been completed. Now the connection of DNPL line with the IGGL line is yet to be completed, expected by end of March 2026. Good progress has been made.

We are closely watching the development to augment our capacity to meet the increase in demand. We hope that the increase in offtake will occur before the end of the fourth quarter of the current financial year ending 31st March 2026 or early first quarter of '26-'27.

We anticipate the grid to be operational within financial year '26-'27, we will augment our capacity by drilling in North Dirok and by drilling 3 more development wells in Dirok. This will enable us to increase the sales volume to meet the rising demand by connecting the Northeast Gas Grid to the National Gas Grid.

Block AA-ONHP-2017/19, which we refer to as Block 19 is an area adjacent to Dirok, known as the Greater Dirok and is analogous to the Dirok structure. We have received the environmental clearance. We have also secured 2-year extension effective December 2025 to drill exploration wells.

Regarding the Umatara Block, we have 10% participating interest in this block where IOCL is the operator holding 90% participating interest. IOCL has started drilling the first development well and has drilled up to 4,300 meters and tested, needs stimulation, and this will be after completing the second well. We endeavour to complete our drilling in the Northeast within 2 years to commercialize the discovered resources to meet the increased demand on completion of the Eastern gas grid.

Moving to our Cambay blocks. We have drilled 2 wells in North Balol, onewell flowed oil in Balol pay, which will be put on production. And the second well is planned to side-track for Babaguru formation. With this, we will have 4 wells on production from North Balol. We plan to drill 2 wells in Asjol. We also expect to receive final clearance for the Ring-Fenced Production Sharing Contract along with the extension of the Palej block.

Following the extension, we will install SRP in existing wells and drill additional wells in Palej. These activities are expected to enhance the value across the Cambay assets. Overall, production from the Cambay wells remained stable at 0.32 mmscfd of gas in quarter 3 financial year '26 compared with 0.33 mmscfd in quarter 2.

Now I'll speak about our offshore blocks in Cauvery and Mumbai High. Coming to the Mumbai offshore blocks in case of B-15, the G&G review and preparation of the development plan is in progress. Given the water depth of about 40 meters, we should be able to put the field on production within about 2 years.

In Block B-80, we hold 100% participating interest. Production in the current quarter is 45,742 barrels of oil and 0.4 bcf of gas compared to 31,468 barrels of oil and 0.23 bcf of gas in the previous quarter.

During this quarter, the average gas price realized is USD 10.5 per mmbtu compared to USD 10.62 in the previous quarter. Our plan to work over the D1 well continues and plan for drilling additional 3 wells in progress, which we will start after the forthcoming monsoon.

We have sold about 417,000 barrels of crude oil to HPCL in accordance with the Crude Offtake and Sales Agreement (COSA), title, risk and insurable interest transferred to HPCL at the offshore delivery point on 25th September 2025. Nearly 3 weeks after taking the custody of the crude, HPCL raised a concern regarding the contamination.

While the COSA does not include any warranty or representation regarding the crude quality, and therefore, there is no basis for any claim or cost on us, and we are actively pursuing all available avenues to realize the outstanding dues from HPCL.

Cauvery offshore block based on the study by PetroVietnam, we proposed drilling 2 in-fill wells, one appraisal well through the existing platform and one exploration well outside the platform. The project remains economically attractive even at the PPAC pricing, given the minimal incremental capital requirement and the availability of substantial unrecovered costs.

Moving to the quarterly results. Our EBITDA for the current quarter is Rs. 31 crores in the consol accounts compared to Rs. 25 crores in the previous quarter. We remain committed to drilling a total of 18 shallow wells and 3 deep wells in Kharsang, 4 wells in Dirok, 2 wells in Greater Dirok and 2 wells each in Asjol and Palej in our onshore assets.

To unlock the potential of our offshore fields, we plan to drill 10 offshore wells, 3 wells in PY-1, 3 wells in B-80 and 4 wells in B-15. Timing could change, but it is our endeavour to complete the drilling to unlock the value of all our assets. HOEC's reserves and resource potential are estimated about 100 million barrels of oil equivalent for its share. These resources can be developed in a cost-effective manner, offering substantial value creation for all stakeholders.

We remain confident in our ability to navigate temporary challenges and committed to progressing our drilling program and monetizing the discovered reserves and resources.

I will now hand over to Senthil, our CFO, to take you through the financial results in detail.

N.S. Senthilnathan:

Thanks, Mr. Jeeva. Good morning, all. Standalone revenue for this quarter is Rs. 77.32 crores compared to Rs. 321.51 crores in the previous quarter, which includes crude oil sale of Rs. 258.78 crores from B-80 field. Revenue from gas sales from B-80 for the current quarter is Rs. 40.22 crores compared to Rs. 22.94 crores in the previous quarter.

Current quarter revenue increase in B-80 is mainly due to continuous production of gas, which is 401 mmscf in this quarter compared to 229 mmscf in the previous quarter, which was impacted by monsoon disruptions.

In the case of Dirok, revenue for the current quarter is Rs. 23.78 crores compared to Rs. 26.57 crores in the previous quarter. During this quarter, 314 mmscf of gas was sold compared to 339 mmscf of gas sold in the previous quarter. Similarly, 5,614 barrels of oil was sold in this quarter compared to 5,858 barrels of oil sold in the previous quarter. The decrease in revenue is mainly due to less offtake from gas customers and margin reduction in selling prices.

In standalone accounts, the field operating expenses for this quarter is Rs. 60.34 crores compared to Rs. 46.51 crores. Statutory levies are Rs. 12.44 crores for the current quarter compared to Rs. 10.6 crores in the previous quarter. Similarly, total cost without stock adjustment in the current quarter is Rs. 87.7 crores compared to Rs. 71.5 crores in the previous quarter. The increase in expenses is mainly due to increase in production in B-80 field.

Stand-alone EBITDA for the current quarter is Rs. 23.89 crores compared to Rs. 28.81 crores in the previous quarter. Profit after tax for the current quarter is Rs. 11.96 crores compared to Rs. 19.04 crores in the previous quarter. In consolidated accounts, the revenue from operations for this quarter is Rs. 81.04 crores compared to Rs. 64.53 crores, excluding crude oil sales in the previous quarter.

Total expenses without stock adjustment in the consolidated accounts for the current quarter is Rs. 94.32 crores compared to Rs. 85.95 crores in the previous quarter. In consol accounts, EBITDA for this quarter is Rs. 30.99 crores compared to Rs. 25.15 crores in the previous quarter.

Consolidated profit after tax for the current quarter is Rs. 8.28 crores compared to Rs. 2.83 crores in the previous quarter. India Ratings have reaffirmed the rating IND-A for Rs. 500 crores bank loan.

With the internal accrual and continued production and with the borrowings for capital expenditure as required, we will meet all our obligations. Thanks, and back to Mr. Jeeva.

R. Jeevanandam: Thanks, Senthil. We can open the forum for questions.

Moderator: Thank you very much. We will now begin with the question and answer session. We have the first question from the line of Gautam Rajesh from Leo Capital.

Gautam Rajesh: Hi sir, Good Morning, thank you for the opportunity. My question is what is the exact status of the Northeast grid connectivity for Dirak? The PPT basically mentioned that the mechanical work is done. What all is pending here, sir, between now and when the connectivity happens?

R. Jeevanandam: Yes, we understand from the people whom we have talked to them that one, as I told you in the last quarter itself, they have connected the Guwahati to Numaligarh. Now from Duliajan to Numaligarh, that is a DNPL existing line, they need to have 50 kilometres line has to be repaired and that mechanical completion has been fully completed in a way that the line is ready to be connected to the IGGL line at Numaligarh.

For that, they may look for some shutdown of the refinery for some days. Once that is done, then the line would get connected. That will immediately augment in a manner that as at the moment, it is established from the outside gas can come up to Numaligarh.

Now the gas from Duliajan to move out of Assam, that could be possible once this connection is made. That is a shorter duration work. We expect it should get completed by March 2026 and the augmentation of the offtakes should take place at least by the first quarter of the next year.

Gautam Rajesh: Understood.

Moderator: Gautam, do you have any further questions?

Gautam Rajesh: No. That is it for my end. Thank you.

Moderator: Thank you, we will take the next question from the line of Harshit Khadka from RoboCapital.

Harshit Khadka: Sir, as per our internal budgets or estimates, what can be the net production for FY '27 and '28 and the debt level for the same period?

R. Jeevanandam: FY '27-'28 would be the -- we are depending on the Northeast grid line connected and that will increase our production by at least another, threefold increase. That's what we believe. So then we don't intend to borrow anything for onshore developments. So that would be the immediate low-hanging fruit, which we can go for it.

- Harshit Khadka:** Okay, and sir, can we expect Dirok to go to 45 mmscfd from Q1 FY '27 itself and this additional gas offtake will be consumed by which customer?
- R. Jeevanandam:** It will get into the grid. Once it gets into the grid, then it is on the -- anybody can consume. There is no regular customer request for you, which can -- you can enter into any long-term arrangement, short-term arrangement, whatever it is. The gas supply will go up to Hazira, right?
- Harshit Khadka:** Alright, thank you.
- Moderator:** We have the next question from the line of Dhruv Rawani from Shreeji Finserv LLP.
- Dhruv Rawani:** Sir, can you give me some time-lines on the workover well for B-80?
- R. Jeevanandam:** I think we are supposed to do it, but by all probabilities, we should be able to immediately after the monsoon.
- Dhruv Rawani:** So, the -- what was supposed to happen in Feb will now happen in post monsoon?
- R. Jeevanandam:** Yes. I think we are trying to do that before 15th of May. But by almost likely, it will be happen after the monsoon.
- Dhruv Rawani:** So, any specific reason that we are unable to source the rig or any further technical challenges?
- R. Jeevanandam:** Not only source a rig and there is an onshore activities are going in a full swing in Eastern region because as we are speaking, we are drilling on the wells in Kharsang and some resource constraints because we have to get the money from HPCL. So with these resource constraints, I think we will be able to do it in the after the monsoon would be sure and before the monsoon, it's little doubt.
- Dhruv Rawani:** Okay, and are we on track for the PY-1 well which you were supposed to start in April?
- R. Jeevanandam:** PY-1 well, we can go up to still October. There should not be any problem of drilling and our people are trying to get the rig at the lowest possible rates. They are trying to do whatever the best they can do to start the drilling at the earliest. As I told you, the offshore campaign is a little getting delayed because of the impact of the revenue.
- Dhruv Rawani:** Thank you sir.
- Moderator:** We have the next question from the line of Sucrit D. Patil from Eyesight Fintrade Private Limited.
- Sucrit D. Patil:** I have 2 forward-looking questions. My first question is, beyond the production guidance, how will Hindustan Oil manage risk and uncertainty in the B-80 field and the Dirok Phase-2 development, particularly around reservoir performance, regulatory approvals and execution timelines, what frameworks will ensure resilience if outputs or approvals don't move as planned? Just want to understand your point of view on this?

- R. Jeevanandam:** Okay. So, 2 questions you raised. One is about the uncertainty; another one is about the risk. We don't find any uncertainty in these events. So, risk is akin to the oil and gas business, which is below the sub-surface, and that is the only risk and the risk is more mitigated by already drilled a number of wells.
- So Dirok, we don't have any uncertainty on we don't have any risk as expected and the risk is much limited and similarly, in B-80 also, there is no problem on the reserves. There is no problem on the reservoir.
- At the moment, the government of India is pushing for drilling maximum number of wells. There would not be any constraint from the Government of India to getting the approvals. So as usual, some small delays here and there will take place. That won't impact the operations to drill the wells -- as well as put it on production.
- Sucrit D. Patil:** Thank you and best wishes.
- Moderator:** We will take the next question from the line of Sabri Hazarika from Emkay Global Financial Services.
- Sabri Hazarika:** So, first question is on Dirok. So, how much production you expect it to go up to once this Northeastern Gas Grid DNPL connectivity happens?
- R. Jeevanandam:** I think we can go to the full potential, which is about 40-45 million cubic feet per day.
- Sabri Hazarika:** currently what is the production?
- R. Jeevanandam:** 13.
- Sabri Hazarika:** 13, right. So, this DNPL will have enough capacity to take care of your growth as well as Oil India's only increase, right?
- R. Jeevanandam:** It will be about additional, minimum about 1-1.25 million cubic meters per day that itself is about, say, 35 million to 45 million. So even our volume additional is assume it another 30 million, the balance is still available for additional production from Oil India. I think this will at least give us some stability and improved offtake.
- Sabri Hazarika:** Right. and I think one pipeline from your fields to the Duliajan gathering station that has been done?
- R. Jeevanandam:** 50% has already been completed. That has been hooked up for the production, hooked up with the Oil India line and the balance line is in progress, but that is not going to hamper our 45 million by any means.
- Sabri Hazarika:** Okay. So, the evacuation of 45 million up to Duliajan is ready from your side?
- R. Jeevanandam:** Even if it is tomorrow, it's ready.

- Sabri Hazarika:** Okay and you mentioned that March end, this hook-up is March end or probably Q1 of FY '27, this hook-up is expected. So this is subject to I mean, it's just a technical hook-up? or is there some I mean, from Oil India, we have come to know that there's some PNGRB approval also which is required to make it a common carrier or something of that sort. But if that doesn't come, then also this technical hook-up can happen? Or both the things should happen simultaneously?
- R. Jeevanandam:** The PNGRB will a clearance once it is fully hooked up.
- Sabri Hazarika:** Okay. Once first, the hook-up will happen, then the PNGRB clearance will come, right?
- R. Jeevanandam:** Right.
- Sabri Hazarika:** Okay and for that, NRL will have to take a shutdown also for this hook up to happen?
- R. Jeevanandam:** That's right, that should not be more than about a week.
- Sabri Hazarika:** Right, and B-80, right now, what is the guidance? Are you like giving a target in terms of increase in production? Or are we at this range only and trying to like reduce the impact?
- R. Jeevanandam:** It will be in this range only till the workover is completed.
- Sabri Hazarika:** Okay. Those 2, 3 wells, which you are planning after that, there will be an increase in production. Is that right?
- R. Jeevanandam:** Yes, workover may improve. But till the time till all the 3 wells are drilled, it will be on the similar line.
- Sabri Hazarika:** Okay. Got it. And last question. So, what's the assessment for Kharsang? You have 35% stake right now, correct?
- R. Jeevanandam:** Yes.
- Sabri Hazarika:** Okay and what is you mentioned that you've got the environmental approval. I mean, 8 wells you have already drilled, right? And they've been put into production, or they are being tested right now?
- R. Jeevanandam:** You could listen to me, that around 5 wells are already on production and the other 2 wells, along with the sixth well is completed as a gas well. And it is on the same plinth, 2 rigs cannot work simultaneously, so the 2 completed wells are to be perforated. This will happen along with the third well completion. So, which we are expecting by the end of this month, by 15th of March, we will be able to hook it up.
- Sabri Hazarika:** And do you have a planned production plan for next, say, 2 years, how do you see the production of Kharsang, both oil as well as gas?

- R. Jeevanandam:** See, the 28 wells are already on production, which are all depleted, which are all the old legacy wells. These 9 wells are the new wells, and we are expecting the new wells can produce better and the old wells needs to work over. The production plan per se is about targeting about 1,000-plus barrels with the existing well.
- Sabri Hazarika:** Right, and is there any pricing upside to it in terms of new wells gas? Or how would the pricing be for this incremental gas which is coming?
- R. Jeevanandam:** Yes, I think we have the Government of India as a policy, but it's all subject to the demand, right?
- Sabri Hazarika:** Okay. Only if it is like sent to sectors like CGD and all, you will get that premium pricing. Is that right? Otherwise, it is like classified as a stranded gas.\, so maybe like it's like at that APM rate only. Is that right, right now?
- R. Jeevanandam:** It has to be now -- the grid connectivity comes, it is no longer Stranded. So, then you will be looking for all the price, the premium thereon.
- Sabri Hazarika:** Okay. Fair enough. And just one last question.
- Moderator:** Sorry to interrupt Mr. Sabri. I would request you to re-join the queue. We will take the next question from the line of Mehul Panjwani from 40 Cents.
- Mehul Panjwani:** Sir, what is the update on the PY-3 arbitration?
- R. Jeevanandam:** So it is the tribunal has been constituted. Now the tribunal will be deciding on this seat and venue and after that, they will get on to the substance of the matter.
- Mehul Panjwani:** Sir, what is the timeline for this? any idea?
- R. Jeevanandam:** Arbitration, what timeline I can give you. It is up to the tribunal can give you the timeline.
- Mehul Panjwani:** Right. Okay. Okay, sir. And sir, how many days was B-80 operational in this quarter, sir?
- R. Jeevanandam:** This quarter, almost 90 days we have been operating, except for 1 or 2 days, it is about 89 days, right?
- Mehul Panjwani:** Okay. Okay. and sir, this HPCL issue, what they have mentioned that they have found contamination, that was expected to be get resolved in the last quarter itself. Why is it such an overhang? I mean it's such a trivial issue?
- R. Jeevanandam:** We have been requesting and we continue to request and we hope some resolutions will come, because our substantial money get blocked. So, we wanted to have an early resolution, and we have been doing all the best possible efforts and trying to talk to HPCL. That's the status now.
- Mehul Panjwani:** How much funds are pending on this one?

- R. Jeevanandam:** Rs. 259 crores plus interest.
- Mehul Panjwani:** Thank you.
- Moderator:** We have the next question from the line of Amit Mehendale from RoboCapital.
- Amit Mehendale:** So my first question is on the production, net production. So if you were to move to, say, from our current levels of 2,500-3,000 tags to say 6,000 level, what is the by field net production that we're estimating. Can you please get numbers like Kharsang, B-80 that way, split of 6,000?
- R. Jeevanandam:** I've already told Kharsang will be a ramp up of 2,000 barrels, and Dirok should go about to 3x of the current production. These are the 2 immediate things and smaller volume can come out from the Cambay. We cannot choose the exact numbers as such, that either way we will be wrong.
- Amit Mehendale:** Sir, if I look at the math because that way, Dirok will add only 600 incremental. I mean, Dirok will become essentially, about 600 barrels and Kharsang, so most...
- R. Jeevanandam:** Your math is wrong, you can re-check the numbers.
- Amit Mehendale:** We're doing 237, right, or 250 for Dirok. So, we'll go to 750?
- R. Jeevanandam:** Okay. so you have to convert the gas into oil, right? You do that, it will be a much better number.
- Amit Mehendale:** Okay. Understood. And my second question is, sir, on the transition part. So what is the path there? and do you wish to hold your personal equity in the company going forward?
- R. Jeevanandam:** So, that's a personal equity remains with a company like any other investment, okay? And now I think the NRC and the Board is looking for the new CEO, which you will get an announcement shortly on that.
- Amit Mehendale:** Right. So how long do you plan to stay with the company? I mean, any color on the transition that will be helpful.
- R. Jeevanandam:** Change is the law of life, right? Constant is a change
- Amit Mehendale:** Yes. Sir, last question on the EBITDA margins, maybe for FY 27-'28. Broadly, what type of -- in percentage term, what type of margins do we expect?
- R. Jeevanandam:** It would be somewhere around 60%.
- Amit Mehendale:** Ok sir, thank you.
- Moderator:** We will take the next question from the line of Riddhesh Gandhi from Discover Capital.

Riddhesh Gandhi: I just want to understand when we had initially spoken about doing incremental, actually well after the pipeline was actually up and running. Just wanted to understand the reason why we are already starting to do it despite we were earlier expecting this pipeline to be completed in the middle of last year, then the end of this year, then early this year. We have even talked about, I mean, March and April actually now, given we've got a limited resource, I just wanted to understand the logic of actually starting it, given that delays appear to be actually indefinite there.

R. Jeevanandam: It's not the work carried out by us. It is carried out by the government companies and they are the one running and they are the ones...

Riddhesh Gandhi: No, , incremental, I think the incremental wells, which we are like we are exploring. Just -- I thought that like logic was we will start the additional exploration only after the pipeline is complete, given the completion of the pipeline isn't in our hands.

R. Jeevanandam: As you say that, we are constantly drilling one well per month on an average, and that progress will continue on it. Kharsang drilling is going on it, and we are looking for the rig to drill the North Dirok. I mean Dirok extension is pending with the Government of India, which we get at the earliest.

Once the extension comes, then we have to start the drilling of the North Dirok and that is about and Cambay, we have drilled 2 wells in North Balol, and we are waiting for the extension of the Palej and as well as Ring-Fenced PSC from the Government of India. Once the extension comes, then we can ask our partners to put the money and we can start drilling.

Riddhesh Gandhi: Okay. Sir, and if you could sort of explain the HPCL issues slightly in the detail because it's slightly strange that they will take the oil without actually testing it and then given that they've actually made a large release, the refinery was closed down and on the conference call also sort of indicated it was all linked to our oil.

Just if you could give us a little bit incremental granularity on what the issue is, how the resolution is expected and the exact status right now? Because obviously, it's going to impact our future capex? and is there any risk of this happening with other oil which is produced in the B-80?

R. Jeevanandam: So one thing is that there is no risk associated with the production of any oil from any of our fields. That is the first thing. Second thing, normally, we sell the oil on an FOB basis. You're fully aware FOB basis means the risk, insurable interest and the title stands transferred to the buyer. It is not with the seller. The buyer takes the delivery of the crude and putting into the tanker and then blending it with the other crudes and then using into the refinery.

That's what has happened in this case. So we are requesting this all happening after the transfer of the title. So as far as we are concerned, the sale is fully completed and the amount is due to us. They are saying your oil is having some contamination. But we do not know, we are not responsible for those contamination, if any, or anything, anywhere, it happen.

So we are open and transparent, and we have told them, these are the oil we are going to sell. Accordingly, we transferred to the tanker, which has gone and taken by them and blended by them and refined by them. Now we are requesting them kindly release our payment. Our request will continue to be with HPCL. That's all from our side.

Riddhesh Gandhi: Have you taken any the legal action against them?

R. Jeevanandam: Actually, so whatever the legally, they're asking me are replying a legal manner, that's all and we are wanted to have amicable resolution on this. If that happens, it is well and good. If nothing happens, then that is the last resort, right?

Riddhesh Gandhi: Got it and then typically, how long do these things legally take? Suppose it goes down the legal route, how long does it take?

R. Jeevanandam: 3 to 4 months. In the COSA in case of any arbitration on this should be dealt within a period of 4 months.

Riddhesh Gandhi: Got it. But we've not started with the arbitration.

R. Jeevanandam: No, no. We have no intention of doing anything on this thing. We want an amicable settlement. They are after all our big brother. We have to deal with them in the subsequent period also. We don't want to be in a litigation mode in life.

Riddhesh Gandhi: Got it, sir. so we are hopeful it's close to being resolved.

R. Jeevanandam: I think we hope and we pray for that.

Riddhesh Gandhi: Okay. On the Kharsang, you could expand on the potential we have from Kharsang and how we're looking at the opportunity there?

R. Jeevanandam: So Kharsang, you see there is a well control issue on one of the well drilled, and that means the potential of the gas is substantially enough to connect to the grid line. So, Oil India is interested to drill more number of wells. So, we will be in a continuous mode of drilling there and the deeper prospects also. This will unlock substantial value of the block. That's what we believe in. And every well would be adding at least about 100 barrels per day additional production. If the gas we are expecting even by perforating the shallower part of the existing wells and some other 1 or 2 new wells, we can go up to a minimum of 10 million cubic feet per day.

Riddhesh Gandhi: Okay, thank you.

Moderator: We will take the next question from the line of Rajiv Agrawal from Sterling Capital.

Rajiv Agrawal: Some data question, sir, what is the conversion factor we use to convert gas into equivalent barrels of oil? That is my first question. And my second question...

- R. Jeevanandam:** First question, can I answer, then you can ask the second question. 6,000 standard cubic feet is roughly equivalent to 1 barrel of oil. Okay. Now second question.
- Rajiv Agrawal:** Second question, sir, if I see the consolidated P&L, sir, this revenue has declined from the last year, from 156 to 81. So I just want to understand what is happening there?
- R. Jeevanandam:** This is mainly due to the reduction on the Dirok offtake as well as the B-80. Both were not performing as expected.
- Rajiv Agrawal:** Ok sir, Thank you.
- Moderator:** We will take the next question from the line of Nirbhay Mahawar from N Square Capital.
- Nirbhay Mahawar:** What is the net debt or cash in the book?
- R. Jeevanandam:** Rs. 55 crores as on date.
- Nirbhay Mahawar:** Rs. 55 crore debt or cash?
- R. Jeevanandam:** Rs. 55 crore debt and the cash is about Rs. 30 crores cash is there.
- Nirbhay Mahawar:** Would it be fair to assume, based on current expectation that Dirok production next financial year would be at least double of this year? Would it be fair to assume?
- R. Jeevanandam:** We expect triple of this year.
- Nirbhay Mahawar:** For next financial year, FY '27. So, we would be expecting around 40,000 MMBTU daily production?
- R. Jeevanandam:** That's right.
- Moderator:** We will take the next question from the line of Anubhav Goel from Cosma Ventures.
- Anubhav Goel:** Sir, if I heard you right, the HPCL issue is not resolved in the next 3 to 6 months, and we don't get the money then we would mostly delay the drilling for PY-1 and B-80 post monsoon?
- R. Jeevanandam:** I think, see, once the money is get blocked, then you have to look at other options of raising funds, right?
- Anubhav Goel:** Right, sir. Right. So sir, the October timeline you mentioned for PY-1, that is independent of the HPCL issue?
- R. Jeevanandam:** That is independent of the HPCL issue. We are trying all possible see, once an issue is there for a substantial blockage of the revenue, and every day you look at actually, you may realize it. Now we come to your state when you can't realize it will take more time, then at that point in time, you have to look for alternative source of funding, right?

- Anubhav Goel:** Then this would mean you would take on more debt? or are we more open to equity as well?
- R. Jeevanandam:** It is up to the board to have a look at it, and both options are open at the moment.
- Anubhav Goel:** And sir, you mentioned the new CEO, do we expect him or her to come within the next 3 to 6 months?
- R. Jeevanandam:** I think much earlier than that, I hope.
- Anubhav Goel:** Alright.
- Moderator:** We will take the next question from the line of Prashant Dahiya an Individual Investor.
- Prashant Dahiya:** Yes, sir. First question, I wanted to understand on the HPCL issue, in the current scheme of things, how much does it delay our plans. Secondly, do we also have what is the amount of fuel do we have on the floating storage vessel? I mean, is there an opportunity to sell more? That's one.
- R. Jeevanandam:** Yes. I don't think we have got an immediate option to sell anything on store, but that's ruled out and overall, in my opinion, it should I may be wrong, it should be much earlier, but it will delay the whole process by about 4 to 6 months.
- Prashant Dahiya:** Yes. Okay. Second question is on B15. I mean we had spoken about a year back that once Discovery would add that it will take about 2 years, for us to start realizing. Now given that we have 100% participating interest in this, and it's a shallow field, etc., and there are already some wells there. I mean, are we more aggressive? because this could be a significant revenue changer for the company in the bit too long run. So where are we with the development plans and environmental clearances, etcetera?
- R. Jeevanandam:** I think we are already waiting for the mining lease once, that is expected shortly. Once the mining lease comes and we will our people are already working on the development plan, that will be given to the Government of India for approval. After that, we will start placing orders for the materials and things required in a slow and steady manner. So in a manner that we will be able to put the field on production within about 2 years from the submission of the development plan.
- Prashant Dahiya:** Sir, overall, are you happy with the, as management, are you happy with the last couple of quarters, production and the basis of going. Clearly, the stock is almost 50% down from a year ago. So what is your like management view in terms of development on the fields and the progress that was committed versus what is actually happening on the ground?
- R. Jeevanandam:** So I'm not happy about it. That's for sure. So one is even because you are able to produce, you are not able to sell. Second thing, you are continuing with the capital commitments and the B-80 is not performing as expected. These are the more of an issue the surface issues, which has to be resolved. Until the resolution comes, some of the things are not within our hands to do it. So until all these things are getting resolved, we are not able to achieve what we are expecting.

There are gaps. These are the gaps, are getting filled up now. So we will be able to do much better once grid connectivity comes into play.

Prashant Dahiya: Thank you for the transparency, all the best.

Moderator: We will take the next question from the line of Manan Patel an Individual Investor.

Manan Patel: Sir, first question is regarding, just wanted to understand the accounting because if I see the difference between standalone and consol, the revenue is just Rs. 4 crores. While I understand Kharsang and the subsidiaries like Hindage and all those comes in consolidated, apart from standalone. So I would have assumed that revenue in stand-alone would be much higher than just Rs. 4 crores. So can you throw some light on that?

R. Jeevanandam: I think, Manan, clearly, I've seen what is happening is they are asking us to hit it off some of those, that might be one of the issue for it. You can send me that question, because, I'm not able to answer to you clearly. You can give me a call and I'll go through the numbers and explain to you.

Manan Patel: Okay, sir. s Second question on Kharsang. So you mentioned 1,000-plus barrels. So is that only oil or that is including gas? Because you said gas...

R. Jeevanandam: It's just oil. Just oil.

Manan Patel: Okay. So once gas connectivity is there, you can produce a lot better in Kharsang as well, right?

R. Jeevanandam: That's right.

Manan Patel: Thanks a lot sir.

Moderator: We have the next follow-up question from the line of Mehul Panjwani from 40 Cents.

Mehul Panjwani: Sir, one update, which I missed out is maybe I was not there in the commentary, so can you please brief on the new CEO and changes in the management?

R. Jeevanandam: I think NRC, what we call the Nomination Remuneration Committee and the Board is discussing with the people, and they will come out with the new CEO, we will announce it actually.

Mehul Panjwani: Sir, are you taking a different position at the executive level or are you?

R. Jeevanandam: I won't be in any executive position.

Mehul Panjwani: Sir, you are leaving your position, is it?

R. Jeevanandam: Yes, I will not be in this position.

- Mehul Panjwani:** But sir, there has not been any update to the stock exchanges. Has this been announced only in the during the call today or...?
- R. Jeevanandam:** No, it has been already announced in the exchange a long time, Jan '23, 2026.
- Mehul Panjwani:** Okay. So how long will you be able to continue?
- R. Jeevanandam:** Until the new CEO comes. This is very clear in the message actually to the stock exchange.
- Mehul Panjwani:** Okay. Sorry, sir, I missed out. Sir, about the B-80, as you said that it is not performing optimally, so how would we rate the performance of the B-80 currently?
- R. Jeevanandam:** See that what we are struggling with that we need to have a workover of the well, and that is getting delayed. Once the workover is done, the D1 well will do much better. The D2 well, as usual, meet the zone transition and both the things we could do it, and it will be doing much better than what we expect, what is currently.
- Mehul Panjwani:** What so can you elaborate on zone transition?
- Moderator:** Sorry to interrupt, Mehul. I would request you to re-join the queue again.
- R. Jeevanandam:** Okay. Next question.
- Moderator:** We have the next follow-up question from the line of Anubhav Goel from Cosma Ventures.
- Anubhav Goel:** So the approval now for the next 9 wells for Kharsang, you mentioned we have to take partner's approval. Any color you can provide on this?
- R. Jeevanandam:** So, we are ready to drill the wells, but we are only 35%. The balance 65% approval is expected. As we speak, we have already circulated trading the approval for the 9 wells, immediately on 6 wells and then followed by another 3 wells a little later. But the budget is proposed for the 9 wells and 1 deeper well.
- Anubhav Goel:** So this is something we have recently submitted to the partner?
- R. Jeevanandam:** So it has been in discussion, and we have to finalize a location. After finalizing the location, we will be submitting to the partners.
- Anubhav Goel:** Thank you
- Moderator:** We have the next question from the line of Riddhesh Gandhi from Discover Capital.
- Riddhesh Gandhi:** You indicated that you needed an extension on Assam. Just wanted to understand, is this just procedural? or is there any risk attached to it? Or how should we be looking at that?

- R. Jeevanandam:** There is no risk attached. It has been already approved by DGH. It is in the regular procedural issue at the ministry. Nothing else.
- Riddhesh Gandhi:** Got it. Okay. This will happen after the pipeline or it's independent of when the pipeline happens?
- R. Jeevanandam:** It has nothing to do with the pipeline or anything. It is just a procedural thing and which we have been pursuing with the ministry. It may be expected any moment.
- Riddhesh Gandhi:** Ok sir, thank you.
- Moderator:** We have the next follow-up question from the line of Mehul Panjwani from 40 cents.
- Mehul Panjwani:** Sir, you were saying something about the zone transition, if you can elaborate, it will be helpful for D2?
- R. Jeevanandam:** What has happened was in D2 well, we have perforated the gas zones. Now there are other 3 zones on the top. Once the gas zone started depleting on that, then we have to perforate on the top zones, which will also produce oil and gas, right? So this will be normally being done during the workover.
- Mehul Panjwani:** Sir, we expect to finish all the workover by October 2026, is it?
- R. Jeevanandam:** I think if we are not able to do anything on this season, then the next season starts end of October, from October to April, we can do that work.
- Mehul Panjwani:** Right sir,, then I heard you about the Dirok offtake that it can be the triple of what we are doing right now. So what would be the timeline we can expect on that one?
- R. Jeevanandam:** Yes, we are ready with the 6-well production, and that 6 well can be hooked up our production. Once there is a demand excess, right? Now the demand will increase only when the grid connectivity is over. So which will be on a day's job, right? So the demand is there. It is a day's job.
- Mehul Panjwani:** Okay. So as soon as the demand is there, we are kind of ready for the offtake? Right, sir. Okay. Thank you.
- Moderator:** Ladies and gentlemen, as there are no further questions from the participants, I now hand the conference over to Mr. Jeevanandam for closing comments.
- R. Jeevanandam:** Thank you all for joining this call. Our onshore drilling program is progressing well, and we intend to maintain this momentum as we work to unlock the full value of our onshore assets. We will commence our offshore drilling campaign once the temporary operational issues are resolved. Given the substantial underlying resource potential, these short-term challenges do not diminish our long-term value creation outlook. Thank you.

Moderator: Thank you, members of the management. On behalf of Hindustan Oil Exploration Company Limited, that concludes this conference. Thank you all for joining us today, and you may now disconnect your lines.