

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 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 Sulej 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. Comprises 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',	25.09.2017	10.30 a.m.
2017-18	The Gateway Hotel Vadodara, Akota Gardens, Akota,	20.08.2018	10.30 a.m.
2018-19	Vadodara - 390020	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

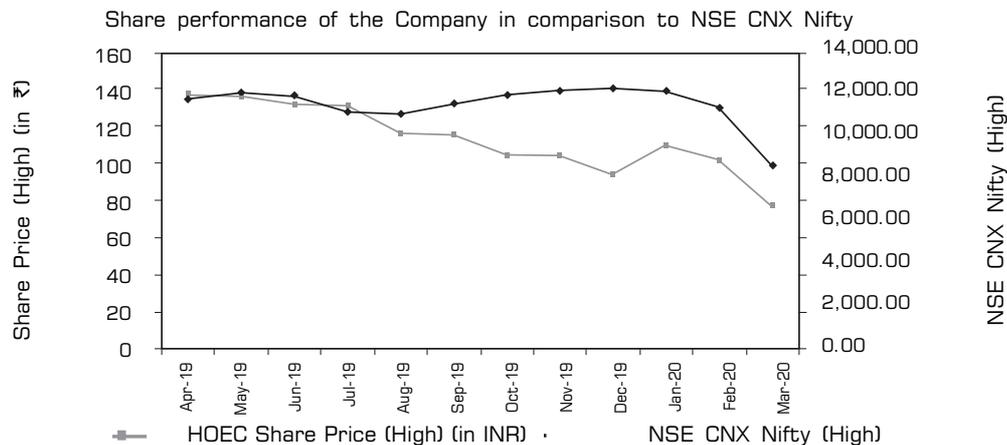
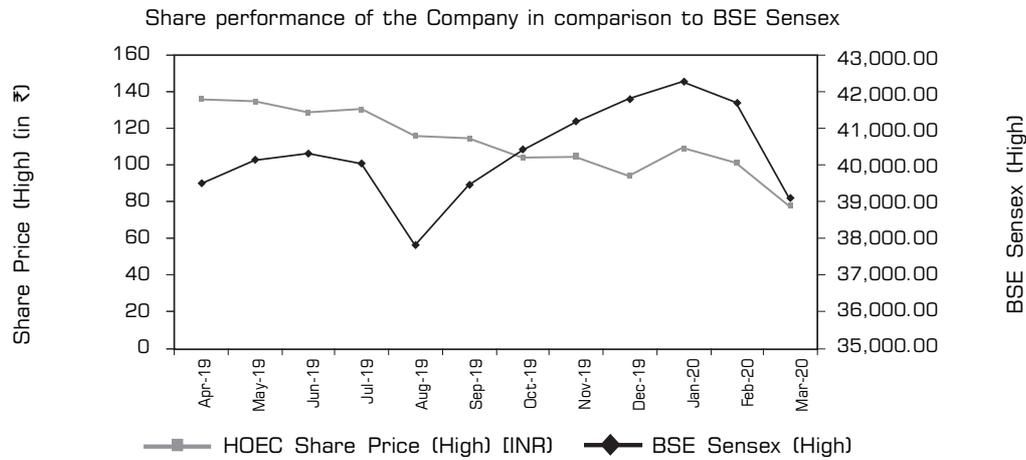
Service Branch: B-102 & 103, Shangrila Complex, First Floor,
Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota,
Vadodara - 390020, Gujarat
Tel: 0265-2356573, 2356794 ; Fax: 0265-2356791
E-mail id: vadodara@linkintime.co.in

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 Month	BSE				NSE			
	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:

- | | |
|---|--|
| <p>i) PY-1 Offshore Production facility
SUN Platform, Offshore Cauvery Basin Block PY-1,
Tamil Nadu, India.</p> | <p>v) Asjol Early Production System (EPS)
Block Asjol, Village Katosan, Mehsana Dist.,
Gujarat - 384 430, India.</p> |
| <p>ii) PY-1 Gas Processing Plant
Pillaiperumalnallur, Thirukadaiyur, Nagapattinam Dist.,
Tamil Nadu - 609 311, India.</p> | <p>vi) Dirok Gas Gathering Station (GGS)
HOEC Gas Gathering Station, Near Tongline,
Dirok Tea Estate, P. O. Margherita,
Tinsukia Dist., Assam - 786181, India.</p> |
| <p>iii) Palej Production Facility (PPF)
Block-CB-QN-7, Near Palej, Village Makan,
Vadodara Dist., Gujarat - 392 220, India.</p> | <p>vii) Hollong Modular Gas Processing Plant (H-MGPP)
Augbandha Village, Near Dehing TE, Margherita,
P. O. Makum Pathar,
Tinsukia Dist., Assam - 786187, India</p> |
| <p>iv) North Balol Gas Collection Station (GCS)
Block North Balol, Near Village Palej, Mehsana Dist.,
Gujarat - 384 410, India.</p> | |

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: haecshare@haec.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

Date: September 7, 2020
Place: Chennai

Vivek Rae
Chairman
DIN: 01866765

P. Elango
Managing Director
DIN: 06475821