Hindustan Oil Exploration Company Limited
'Lakshmi Chambers', 192, St. Mary's Road, Alwarpet, Chennai - 600 018. INDIA.
Phone: 91 (044) 66229000 ● **Fax:** 91 (044) 66229011 / 66229012
E-mail: contact@hoec.com ● **Website:** www.hoec.com **CIN:** L11100GJ1996PLC029880

August 19, 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: Disclosure as per Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") - Clarification regarding media report concerning proposed drilling activities in PY-1 Offshore Field, Cauvery Basin

With reference to the media report concerning the proposed drilling of additional development wells in the PY-1 Offshore Field in the Cauvery Basin, Hindustan Oil Exploration Company Limited ("HOEC" or "the Company") wishes to clarify the following:

1. PY-1 is an existing and producing offshore gas field

HOEC has been operating the PY-1 Field since April 2006. The field comprises existing offshore wells, the unmanned SUN wellhead platform and an approximately 56–57 km subsea pipeline connecting the offshore facilities to the Company's existing onshore gas processing terminal in Tamil Nadu.

These facilities were developed after obtaining the applicable statutory approvals and have been operated in compliance with applicable environmental and safety regulations and established oil and gas industry practices.

2. The proposal relates to development wells within the existing PY-1 Field and not a new exploration area

The present proposal is for drilling four additional development wells within the boundaries of the existing PY-1 Offshore Block awarded to HOEC by the Government of India.

The proposed wells form part of the development of the existing hydrocarbon reservoir. The well locations have been identified following detailed geological, geophysical, reservoir-engineering and seismic studies undertaken by HOEC's technical teams and specialist experts.

The proposed wells will be drilled to subsurface reservoir targets approximately 3–4 km below the seabed, using established offshore drilling technologies and appropriate environmental and safety safeguards.

3. The development is being undertaken pursuant to approvals of the Government of India

The proposed development programme is being progressed in accordance with the Field Development Plan/relevant approvals of the Directorate General of Hydrocarbons ("DGH") and the Ministry of Petroleum and Natural Gas ("MoPNG"), Government of India.

The purpose of the additional wells is primarily to restore/re-establish production from the field towards the originally sanctioned production levels following natural reservoir depletion. The proposal aims to restore the production levels sanctioned for the PY-1 Field and which were achieved when the wells initially came online.

4. No new offshore production platform or subsea export pipeline is proposed

An important feature of the proposed development is that the additional wells are planned to be connected to the existing unmanned SUN offshore platform and the existing subsea pipeline and onshore gas processing facilities.

Accordingly, the development is designed to utilise the substantial infrastructure already installed for PY-1 and does not envisage the construction of a new offshore production platform or a new subsea export pipeline for transporting the produced hydrocarbons to shore.

5. Environmental and CRZ approvals are being pursued strictly through the statutory process

In accordance with applicable statutory requirements, HOEC has applied through the PARIVESH portal of the Ministry of Environment, Forest and Climate Change ("MoEF&CC") for the requisite Environmental Clearance and Coastal Regulation Zone ("CRZ") Clearance for the proposed drilling programme.

MoEF&CC granted the Terms of Reference ("ToR") for the proposed project on 21 August 2025, pursuant to which a comprehensive Environmental Impact Assessment ("EIA") and marine environmental studies were undertaken through qualified/MoEF&CC-recognised environmental experts.

These studies cover the relevant environmental components, including the marine ecosystem, fisheries, marine flora and fauna, mangroves and other environmentally relevant parameters.

The Company completed the detailed EIA and marine studies and submitted the report to the Ministry on 1 June 2026 for consideration of the Environmental and CRZ Clearances. HOEC is responding to queries and providing information sought by the competent authorities through the prescribed regulatory process.

6. PY-1 has an established environmental approval and compliance history

The PY-1 development has been subject to environmental oversight since its inception. Environmental and CRZ approvals have previously been obtained for various phases of the field development, including offshore drilling, the onshore gas processing facility and the subsea pipeline.

The Company has continued to undertake environmental monitoring and submit the requisite compliance reports to the competent authorities in accordance with applicable requirements.

7. Existing infrastructure was designed to accommodate additional wells

The SUN offshore platform was constructed with nine well slots, of which only a part of the available capacity has been utilised. The proposed development wells are intended to utilise the existing platform infrastructure and available well slots.

The proposed programme therefore represents further development of an existing producing offshore field using predominantly existing infrastructure, rather than establishment of a new offshore development footprint.

8. Commitment to Tamil Nadu and local communities

HOEC has made cumulative investments of approximately ₹3,400 crore in the PY-1 Field and associated infrastructure. The Company remains committed to making future investments in a prudent and responsible manner and in full compliance with applicable statutory requirements.

HOEC has had a long operating presence in Tamil Nadu and has developed a strong understanding of the local marine environment and the socio-economic importance of fishing and coastal communities.

Approximately 80% of the employees and contractors engaged in the Company's PY-1 operations are sourced from the local community. The Company has also undertaken various community-development and welfare initiatives, including support for local infrastructure and community facilities.

9. Environmental protection remains paramount

HOEC fully respects the concerns expressed regarding protection of Tamil Nadu's marine and coastal environment. The Company shares the objective that hydrocarbon development must be undertaken without compromising applicable environmental safeguards.

Any drilling activity will be commenced only after obtaining the requisite statutory clearances and will be undertaken in accordance with the conditions stipulated by the competent authorities, together with appropriate environmental-management, marine-protection, safety and emergency-response measures.

10. Engagement with the Government of Tamil Nadu

HOEC intends to engage proactively with the concerned authorities of the Government of Tamil Nadu to provide the technical and environmental information relating to the proposed programme and to address any questions or concerns they may have.

The Company believes that transparent engagement with the State Government, regulatory authorities and relevant stakeholders is important and will extend its full cooperation in this regard.
In summary, the proposed activity relates to additional development wells within the existing PY-1 producing field; it does not involve opening a new exploration area. The wells are proposed to utilise the existing offshore platform, subsea pipeline and onshore processing infrastructure, without increasing the sanctioned production level of the field. The project is presently progressing through the prescribed Environmental and CRZ clearance process, and HOEC will undertake the drilling programme only upon receipt of the requisite statutory approvals.

HOEC remains committed to responsible development of India's domestic hydrocarbon resources while maintaining the highest standards of safety, environmental stewardship and engagement with local communities.

Further the media report does not have any material impact on the operations of the Company at present. Company will ensure all approvals are in place before initiating its drillings programme.

Yours Sincerely,
For Hindustan Oil Exploration Company Limited

BARORUCHI MISHRA

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Date: 2026.08.19 15:27:32 +05'30'

Baroruchi Mishra
Managing Director & CEO
DIN: 09223144