

HINDUSTAN OIL EXPLORATION COMPANY LIMITED

Regd. Office : "HOEC HOUSE" Tandalja Road, Off Old Padra Road, Baroda 390 020.

UNAUDITED FINANCIAL RESULTS (PROVISIONAL) FOR THE QUARTER ENDED ON 30.06.2005

(Rs. lac)

Sr. No.	Particulars	Quarter Ended on 30.06.05	Corresponding Quarter in the Previous year Ended on 30.06.04	Audited Results for the Previous Year Ended on 31.03.05
1	Net sales/Income from operations	1,705.98	1,858.55	8,553.48
2	Other Income	181.83	144.95	691.91
3	Total Income	1,887.81	2,003.50	9,245.39
4	Total Expenditure			
	a) (Increase)/Decrease in stock of Oil	(83.95)	84.12	(28.78)
	b) Field Operating Expenses	454.74	372.39	1,681.03
	c) Corporate Expenses			
	- Staff Expenses	152.32	114.88	453.88
	- Other Expenses	154.65	119.84	555.67
	- Recovery of Expenses	(105.50)	(32.27)	(401.22)
		572.26	658.96	2,260.58
5	Interest and Financing Charges	51.40	-	162.97
6	Depreciation, Depletion and Amortisation	184.62	199.34	880.57
7	Provisions and Write offs (see Note 3) <i>WMM</i>	0.72	(13.73)	(159.10)
8	Profit before Taxation (3-4-5-6-7)	1,078.81	1,158.93	6,100.37
9	Provision for Current Income Tax	626.50	331.00	1,950.00
10	Provision for Deferred Tax	(273.00)	127.00	302.00
11	Fringe Benefit Tax	4.14	-	-
12	Net Profit (8-9-10-11)	721.17	700.93	3,848.37
13	Paid up Equity Share Capital (Face Value of Rs. 10/- each)	5,876.09	5,876.09	5,876.09
14	Reserves excluding Revaluation Reserve			17,831.17
15	Basic and Diluted EPS (Rs.)	1.23	1.19	6.55
16	Aggregate of Non-Promoter Shareholding			
	Number of Shares	58,744,935	58,744,935	58,744,935
	Percentage of Shareholding	100%	100%	100%

WMM

Hain

Notes :

- 1 The Company is engaged in the business of Hydrocarbons only and therefore, Segment Reporting as defined in Accounting Standard 17 is considered not applicable.
- 2 Net sales for the current quarter is lower on account of lower production due to unplanned temporary shut down for repairs and higher share of Profit Petroleum to Government in PY-3 field.
- 3 Exploratory well PRS-4 in CB-ON-7(Palej), drilled in April 2005, encountered tight oil bearing sands and it was decided to plug and abandon the Well. However, the Company, as Operator of this Block, may take a decision to re-enter the said well based on results of studies currently underway.

In view of the above, the Company has decided to carry forward the cost (Rs. 368.86 lac) of the Well PRS-4.

- 4 With reference to the observations made in Auditors' Report FY 2004-05 regarding unaudited joint ventures' account, the Company has received audited accounts of one out of three such non-producing joint ventures. The Company is making efforts to pursue such joint venture operators to submit the audited accounts in requisite time. As the said Joint Ventures have not entered the production phase there is no effect on profit for the quarter.

- 5 Figures for the corresponding period last year are recast / regrouped to make them comparable with current year, wherever necessary.

- 6 Details of Investors' Complaints for the quarter ended on 30th June 2005.

Unresolved at the beginning of the quarter	Nil
Received during the quarter	01
Resolved during the quarter	01
Unresolved at the end of the quarter	Nil

- 7 The above results were reviewed by the Audit Committee and approved by the Board at its meeting held on July 26, 2005 and the same have been subjected to a limited review by the Auditors.

In terms of our report of even date attached
For S.B.BILLIMORIA & CO.
Chartered Accountants

Nalin M. Shah

Nalin M. Shah
Partner
Mumbai, 26th July 2005

BY ORDER OF THE BOARD
For Hindustan Oil Exploration Company Limited

Rakesh Jain
Rakesh Jain
Managing Director
Chennai, 26th July 2005