

HINDUSTAN OIL EXPLORATION COMPANY LIMITED

Registered Office: 'HOEC HOUSE' Tandalja Road, Off Old Padra Road, Vadodara 390 020

UNAUDITED FINANCIAL RESULTS (PROVISIONAL) FOR THE QUARTER ENDED ON JUNE 30, 2009

Rupees in Lacs

Sr. No.	Particulars	Unaudited for the Quarter		Audited For the Previous Year
		Ended on 30.06.2009	Ended on 30.06.2008	Ended on 31.03.2009
1	a) Net Sales / Income from Operations (See Note 2)	1,502.27	1,948.93	8,517.84
	b) Other Operating Income	-	-	-
	c) Increase / (Decrease) in Stock of Crude Oil (See Note 3)	423.38	528.18	(224.37)
2	Total Income	1,925.65	2,477.11	8,293.47
3	Expenditure and Charges			
	a) Field Operating Expenses	1,130.63	1,071.26	4,300.57
	b) Corporate Expenses			
	- Staff Expenses	240.28	230.04	905.35
	- Net Loss on Foreign Exchange	-	433.65	-
	- Other Expenses	185.61	154.37	877.14
	- Recovery of Expenses (See Note 4)	(542.58)	(298.02)	(1,728.64)
	c) Depreciation, Depletion and Amortisation	330.31	112.34	1,181.85
	Total	1,344.25	1,703.64	5,536.27
4	Profit from Operations before Other Income, Interest and Exceptional Items (2-3)	581.40	773.47	2,757.20
5	Other Income (See Note 5)	1,350.48	1,233.28	4,623.66
6	Profit from Operations before Interest and Exceptional Items (4+5)	1,931.88	2,006.75	7,380.86
7	Interest and Financing Charges	116.48	142.16	1,037.72
8	Profit from Operations after Interest but before Exceptional Items (6-7)	1,815.40	1,864.59	6,343.14
9	Exceptional Items	-	-	-
10	Profit from Ordinary Activities before Tax (8-9)	1,815.40	1,864.59	6,343.14
11	Tax Expenses			
	a) Provision for Current Income Tax	200.00	130.00	323.50
	b) Provision for Deferred Tax	560.00	370.00	950.00
	c) Provision for Wealth Tax	1.50	0.50	2.00
	d) Provision for Fringe Benefit Tax	5.00	5.00	21.00
	e) MAT Credit Entitlement	(200.00)	-	(310.00)
12	Net Profit from Ordinary Activities after Tax (10-11)	1,248.90	1,359.09	5,356.64
13	Extraordinary Items (net of tax expenses)	-	-	-
14	Net Profit for the Period (12-13)	1,248.90	1,359.09	5,356.64
15	Paid up Equity Share Capital (Face Value of Rs. 10/- each)	13,050.93	13,050.93	13,050.93
16	Reserves excluding Revaluation Reserve			92,955.51
17	Basic and Diluted EPS (Rs.) - Not Annualised - before and after Extraordinary Items	Rs. 0.96	Rs. 1.04	Rs. 4.10
18	Public Shareholding			
	Number of Shares	68,924,155	95,039,610	68,924,155
	Percentage of Shareholding	52.82%	72.83%	52.82%
19	Promoters and Promoter Group Shareholding (See Note 10)			
	a) Pledged / Encumbered			
	Number of shares	-	N.A.	-
	Percentage of shareholding (as a % of the total shareholding of promoter and promoter group)	-	N.A.	-
	Percentage of shareholding (as a % of the total share capital of the company)	-	N.A.	-
	b) Non - encumbered			
	Number of shares	61,569,134	N.A.	61,569,134
	Percentage of shareholding (as a % of the total shareholding of promoter and promoter group)	100.00%	N.A.	100.00%
	Percentage of shareholding (as a % of the total share capital of the company)	47.18%	N.A.	47.18%

Notes :

- 1 The Company is primarily engaged in a single business segment of "Hydrocarbons and other incidental services". All the activities of the Company revolve around the main business. Further, the Company does not have any separate geographic segments other than India. Hence, there are no separate reportable segments as per AS-17 "Segmental Reporting".
- 2 Decrease in Net Sales / Income from Operations for the quarter ended June 30, 2009 as compared to quarter ended June 30, 2008 is primarily on account of lower crude oil price realisation.
- 3 Closing stock of crude oil is valued at the estimated Net Realisable Value and the increase / (decrease) in stock of crude oil is grouped under Total Income in line with the audited accounts of the Company.
- 4 Recovery of expenses includes expenditure incurred by the Company for the Unincorporated Joint Ventures where the Company is the Operator. Recovery of expense also includes parent company overhead pursuant to the respective Production Sharing Contracts. Such costs have been recovered from the respective Unincorporated Joint Ventures as per the terms of the respective Production Sharing Contracts.
- 5 Other Income includes net foreign exchange gain (including Company's share in Unincorporated Joint Ventures) recognised in accordance with the applicable accounting standards and Interest / Dividend on investment of surplus funds.
- 6 The Operator of the Unincorporated Joint Venture CB-ON-7 has sought extension for conducting additional exploration in certain areas of the Block. While the additional work programme has been considered, the final regulatory consents are awaited. The exploration expenses amounting to Rs. 535.62 Lacs as at June 30, 2009 will be appropriately dealt with based on final regulatory consents inline with the Company's Accounting Policy.
- 7 The Operator has declared Commercial Discovery in CB-OS/1 Block and is pursuing with the authorities for necessary approvals. Exploration Expenses amounting to Rs. 1,845.43 Lacs as at June 30, 2009 will be appropriately dealt with based on final regulatory consents inline with the Company's Accounting Policy.
- 8 With reference to the observations made in the Auditors' Report for Financial Year 2008-09 regarding one unaudited Unincorporated Joint Ventures' Accounts, we have to state that the Company has not received the Audited Accounts of Block GN-ON-90/3 (Pranhita-Godavari) being under arbitration. As the above Joint Venture has not entered the production phase there is no effect on the profit for the quarter ended June 30, 2009.
- 9 Figures for the previous periods have been regrouped / reclassified to make them comparable with the current period, wherever necessary. The Company has dealt with exchange differences arising on account of long term foreign currency monetary items in accordance with the new paragraph 46 of Accounting Standard 11 – The Effects of Changes in Foreign Exchange Rates amended by the Ministry of Corporate Affairs vide Notification dated March 31, 2009 on Companies (Accounting Standards) Amendment Rules, 2009 (G.S.R. 225 (E) dated 31.3.2009) effective from March 31, 2009 retrospectively for the period April 1, 2008 to March 31, 2009. Hence to this extent, the results for the quarter ended June 30, 2009 and June 30, 2008 are not comparable.
- 10 The details of Promoters and Promoter Group Shareholding is based on their declaration dated April 14, 2009 and April 15, 2009 issued pursuant to regulation 8A sub regulation 2 or regulation 8A sub regulation 3 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation,1997. Subsequent to the above declarations, the Company has not received any information from any of the Promoters / Promoter Group under the aforesaid regulations till date.
- 11 Subsequent to June 30, 2009, the Government of Rajasthan has granted the Petroleum Exploration License (PEL) dated July 13, 2009 for RJ-ONN-2005/1 and RJ-ONN-2005/2, in which the Company has a participating interest of 25% and 20%, respectively. Accordingly, the Production Sharing Contracts entered into by the Company for these blocks are effective from July 13, 2009.
- 12 Details of Investors' Complaints for the quarter ended on June 30, 2009

Unresolved at the beginning of the quarter	Nil
Received during the quarter	11
Replied / Resolved during the quarter	11
Unresolved at the end of the quarter	Nil
- 13 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on July 23, 2009. The same has also been subjected to a limited review by the Auditors.

BY ORDER OF THE BOARD
For Hindustan Oil Exploration Company Limited

Place : New Delhi
Date : July 23, 2009

Manish Maheshwari
Joint Managing Director