

UNAUDITED FINANCIAL RESULTS (PROVISIONAL) FOR THE QUARTER AND HALF YEAR ENDED ON SEPTEMBER 30, 2006

Rs. in Lacs

Sr. No.	Particulars	Unaudited for the Quarter		Unaudited for the Half Year		Audited for the Previous Year
		Ended on 30.09.2006	Ended on 30.09.2005	Ended on 30.09.2006	Ended on 30.09.2005	Ended on 31.03.2006
1	Net Sales/Income from Operations	2,574.53	2,262.83	5,683.88	3,968.81	9,424.42
2	Other Income	139.34	150.49	253.79	332.32	546.87
3	Increase/(Decrease) in Stock of Crude Oil	472.90	4.32	456.02	88.27	270.86
4	Total Income	3,186.77	2,417.64	6,393.69	4,389.40	10,242.15
5	Total Expenditure					
	a) Field Operating Expenses	410.21	405.44	884.52	860.18	1,706.24
	b) Corporate Expenses					
	- Staff Expenses	70.21	149.45	339.08	301.77	667.68
	- Legal and Professional Expenses	78.31	77.54	143.56	117.85	346.68
	- Other Expenses	140.73	132.53	375.89	247.59	498.04
	- Recovery of Expenses	(204.67)	(166.97)	(405.25)	(272.47)	(729.42)
		494.79	597.99	1,337.80	1,254.92	2,489.22
6	Interest and Financing Charges	92.42	45.23	181.10	96.63	181.87
7	Depreciation, Depletion and Amortisation	221.75	189.02	460.83	373.64	779.52
8	Provisions and Write offs (See Note 2 & 3)	3,775.82	-	3,776.54	-	4,186.35
9	Profit before Taxation (4-5-6-7-8)	(1,398.01)	1,585.40	637.42	2,664.21	2,605.19
10	Provision for Current Income Tax	820.00	455.50	1,590.00	1,082.00	1,680.00
11	Provision for Deferred Tax	(1,318.00)	83.00	(1,373.00)	(190.00)	(850.00)
12	Fringe Benefit Tax	5.00	6.02	10.00	10.16	26.00
13	Net Profit (9-10-11-12)	(905.01)	1,040.88	410.42	1,762.05	1,749.19
14	Paid up Equity Share Capital (Face Value of Rs. 10/- each)	5,876.09	5,876.09	5,876.09	5,876.09	5,876.09
15	Reserves excluding Revaluation Reserve					18,240.68
16	Basic and Diluted EPS (Rs.) (not annualised)	(1.54)	1.77	0.70	3.00	2.98
17	Aggregate of Public Shareholding					
	Number of Shares	43,457,557	43,463,302	43,457,557	43,463,302	43,457,557
	Percentage of Shareholding	73.98%	73.99%	73.98%	73.99%	73.98%

Notes :

- The Company is engaged in a single business segment of Hydrocarbons and, therefore, Segment Reporting as defined in Accounting Standard 17 is considered not applicable.
 - Vinayaka-1 Exploratory Well in Block CY-OSN-97/1 did not encounter hydrocarbons and the Consortium decided to plug and abandon the well. The expenditure incurred upto September 30, 2006 amounting to Rs. 3775.10 Lacs (including allocated past survey cost, estimate of abandonment cost, demobilization cost etc.) has been written off. The expenditure incurred post September 30, 2006 amounting to Rs.934.87 Lacs will be written off in the next quarter.
 - Provisions and write-offs for the year ended March 31, 2006 includes write-off of exploration cost of Rs. 396.57 Lacs for PRS-4 Exploratory Well in CB-ON-7 Block, Rs. 3140.01 Lacs for Lakhi-1 Exploratory Well in AAP-ON-94/1 Block and Rs. 646.89 Lacs for CB-OS-1 Block.
 - The Rights Issue of the Company closed on October 6, 2006 and has been over subscribed. Allotment of shares shall be made by the Board as per the terms of the Letter of Offer subject to various approvals.
 - With reference to the observations made in the Auditors' Report for the FY 2005-06 regarding three unaudited joint ventures' accounts, the Company has subsequently received audited accounts of one of them. The Company is making efforts to persuade the remaining two joint venture operators to submit the audited accounts at the earliest. As the said joint ventures have not entered the production phase there is no affect on the profit for the quarter.
 - Figures for the previous periods have been recast / regrouped to make them comparable with the current period, wherever necessary.
 - Details of Investors' Complaints for the quarter ended on September 30, 2006.

Unresolved at the beginning of the quarter	Nil
Received during the quarter	78
Resolved during the quarter	78*
Unresolved at the end of the quarter	Nil
- * Includes 14 complainants replied back seeking additional / relevant information.
- The above results were reviewed by the Audit Committee and approved by the Board at its meeting held on October 27, 2006 and the same have been subjected to a limited review by the Auditors.

BY ORDER OF THE BOARD
For Hindustan Oil Exploration Company Limited

Manish Maheshwari
Joint Managing Director
Place : New Delhi
Date : October 27, 2006