

HINDUSTAN OIL EXPLORATION COMPANY LIMITED

Regd. Office: "HOEC House", Tandajia Road, Off Old Padra Road, Vadodara 390 020.

UNAUDITED FINANCIAL RESULTS (PROVISIONAL) FOR THE QUARTER ENDED ON 31.12.2004

Rs. Lac

Sr. No.	Particulars	For the Quarter Ended on		Nine Months Ended on		Audited for previous year Ended on 31.03.04
		31.12.04	31.12.03	31.12.04	31.12.03	
1	Net sales/Income from operations	2,073.32	969.35	5,844.14	2,890.72	3,833.95
2	Other Income	160.48	166.02	526.07	629.10	778.11
3	Total Income	2,233.80	1,135.37	6,370.21	3,519.82	4,612.06
4	Total Expenditure					
	a) (Increase)/Decrease in stock of Oil	(57.49)	151.89	(725.32)	(79.89)	(352.63)
	b) Field Operating Expenses	370.22	369.03	1,133.29	1,226.33	1,568.31
	c) Corporate Expenses					
	- Staff Expenses	116.84	69.16	314.84	214.00	293.59
	- Legal and Professional expenses	39.44	10.37	126.21	143.93	188.37
	- Other Expenses	72.00	109.59	255.93	222.89	297.58
	- Recovery of Expenses	(72.56)	(37.00)	(211.04)	(89.88)	(166.50)
		468.45	673.04	893.91	1,637.38	1,828.72
5	Interest and Financing Charges	61.77	-	107.56	-	-
6	Depreciation and Depletion	194.75	292.70	569.17	1,026.90	456.18
7	Provision and Write offs	22.63	46.35	34.83	183.72	122.07
8	Profit before Taxation and Prior period adjustments (3-4-5-6-7)	1,486.20	123.28	4,764.74	671.82	2,205.09
9	Prior period adjustments	-	-	-	52.49	52.49
10	Profit before Taxation (8-9)	1,486.20	123.28	4,764.74	619.33	2,152.60
11	Provision for Current Income Tax	597.00	33.00	1,701.00	33.00	160.00
12	Provision for Deferred Tax	(68.04)	(108.05)	(11.73)	(426.24)	(219.55)
13	Net Profit (10-11-12)	957.24	198.33	3,075.47	1,012.57	2,212.15
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					13,982.80
16	Basic and Diluted EPS (Rs.)	1.63	0.34	5.23	1.72	3.77
17	Aggregate of Non-Promoter Shareholding					
	- Number of Shares	58,744,935	58,744,935	58,744,935	58,744,935	58,744,935
	- Percentage of Shareholding	100%	100%	100%	100%	100%



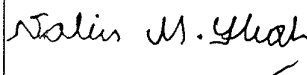
R/Anu

Notes :

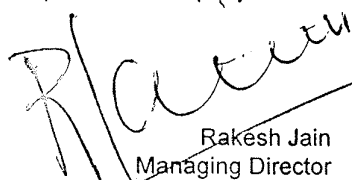
- 1 The Company is engaged in the business of Hydrocarbons and therefore, Segment Reporting as defined in Accounting Standard 17 is considered not applicable.
- 2
 - a) The Directorate General of Hydrocarbons has approved in January 2005 the revised plan of development submitted by HOEC on behalf of the PY-1 Contractor for a minimum development case.
 - b) The Management Committee of the Block CB-0N/7 (Onshore Cambay) has approved the plan of development of Pramoda Oil discovery. Oil and Natural Gas Corporation Ltd., has exercised its option to acquire 30% participating interest in the development of the said discovery. Development activities have commenced to bring this field on production.
 - c) Ministry of Petroleum & Natural Gas, Government of India has approved in January 2005 the transfer of 50% participating interest (PI) of M/s. Mosbacher (India) LLC (MIL) to the Company and transfer of Operatorship from MIL to the Company in the Block CY-OSN-97/1, offshore Cauvery Basin. With the aforesaid approval the Company becomes the Operator of the said block with 80% PI (balance 20% with MIL) effective October 2003.
 - d) The Company, on behalf of the consortium of North Balol field, has executed a Gas Sale & Purchase Agreement with Gujarat State Petroleum Corporation Ltd., for supply of daily contract quantity of 30,000 standard cubic meters of gas.
- 3 Increase in turnover is on account of commencement of production/sales of crude oil from replacement well PY-3 D3 S in PY-3 Block since May '04 and higher crude oil prices realised during the current quarter/nine months.
- 4 The Company has sold its share in five small fields in Cambay Basin at a net consideration of Rs. 93.75 lac, which has been included in Other Income for the nine months ended on December 31, 2004.
- 5 With reference to observations made in Auditors' Report FY 2003-04 regarding un-audited figures of expenditure of unincorporated joint ventures the Company has now received and incorporated audited accounts of four out of five joint ventures. As all these four assets are non producing there is no impact on profits. The closure of the fifth joint venture namely PG-Block under *force majeure* conditions is under arbitration and all the operations have been suspended since FY 2000-01.
- 6 Figures for the corresponding period last year are recast / regrouped to make them comparable with current year, wherever necessary.
- 7 Provision for Income tax in the current quarter is based on profit earned. In corresponding quarter of the previous year, the same was based on effective tax rate for the whole year.
- 8 Details of Investors' Complaints for the quarter ended on 31st December 2004.

Unresolved at the beginning of the quarter	Nil	
Received during the quarter	07	
Resolved during the quarter	04	
Unresolved at the end of the quarter	03	(Since resolved)
- 9 Impairment if any, of cash generating units, in terms of Accounting Standard 28 'Impairment of Assets' will be accounted for as at the Balance Sheet date.
- 10 The above results were reviewed by the Audit Committee and approved by the Board at its meeting held on January 19, 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
Partner
Mumbai, January 19, 2005

BY ORDER OF THE BOARD
For Hindustan Oil Exploration Company Limited


Rakesh Jain
Managing Director