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

July 26, 2014
By Courier /Fax/Email

The Listing Department
The National Stock Exchange of India Ltd.,
"EXCHANGE PLAZA", Bandra Kurla Complex
Bandra (East), MUMBAI – 400 051
FAX # 022–26598237 / 38 / 66418125 / 26

The Corporate Relationship Department
BSE Limited
1st Floor, P. Jeejeebhoy Towers
Dalal Street, MUMBAI – 400 001 Fax # 022-22723121 /2037/2041/2061

SUBJECT: STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER ENDED JUNE 30, 2014 AND LIMITED REVIEW REPORT.

Dear Sir,

In compliance with Clause 41 and other applicable provisions, if any, of the Listing Agreement entered into with your stock exchange, please find enclosed herewith the Statement of Standalone Unaudited Results for the Quarter ended June 30, 2014 and the Limited Review Report thereon issued by the Statutory Auditors of the Company.

The said results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on July 26, 2014.

Kindly take note of the said results and circulate the same amongst the members of your stock exchange.

Thanking you

Yours faithfully,
For **Hindustan Oil Exploration Company Limited**

Mitesh Bhatt
Assistant Company Secretary

Encl: a.a.

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

6th & 7th Floor- "A" Block
Tidel Park, (Module 601, 701 & 702)
No. 4, Rajiv Gandhi Salai, Taramani
Chennai-600 113, India
Tel : +91 44 6654 8100
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Limited Review Report

Review Report to
The Board of Directors
Hindustan Oil Exploration Company Limited

1. We have reviewed the accompanying statement of unaudited financial results of Hindustan Oil Exploration Company Limited ('the Company') for the quarter ended June 30, 2014 (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors/ committee of Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. The Company's proportionate share in the Unincorporated Joint Ventures where the Company is having participating interest has been considered in the unaudited standalone financial results and has been incorporated by the Company on the basis of the information obtained from the Operator of the respective Unincorporated Joint Ventures or the information available with the Company.

4. *Attention is invited to note 3(a) of the Statement which describes the uncertainty relating to the recoverability of the carrying value of Rs.115,350 Lakhs in respect of a producing property of the Company. We are unable to obtain sufficient appropriate audit evidence in relation to the assessment of impairment loss, if any, in the carrying value of the producing property. In view of the significant uncertainties involved, we are unable to comment on the adjustments that may be required to be made in the Statement.*

5. Based on our review conducted as above, *except for the possible effects of the matter described in paragraph 4,* nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", [specified under the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014)] and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Emphasis of Matter

Attention is invited to Note 2 of the Statement which describes the factors and conditions that indicate the existence of a material uncertainty that cast a substantial doubt on the Company's ability to continue as a going concern. Our report is not qualified for this matter.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm registration number: 101049W

per Subramanian Suresh
Partner
Membership No.: 083673

Place : Bangalore
Date : July 26, 2014

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

HINDUSTAN OIL EXPLORATION COMPANY LIMITED

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

Website: www.hoec.com Email: hoecshare@hoec.com CIN: L11100GJ1996PLC029880

PART I

Statement of Standalone Unaudited Results for the Quarter ended June 30, 2014

(Rupees in Lacs)

Sr. No.	Particulars	For the Quarter			For the year
		Ended on 30.06.2014 (Unaudited)	Ended on 31.03.2014 (Audited)	Ended on 30.06.2013 (Unaudited)	Ended on 31.03.2014 (Audited)
1	**Income From Operations**				
	a) Net Sales / Income from Operations (See Note 4 & 5)	1,204.68	1,323.38	1,550.41	5,984.59
	b) Other Operating Income	-	-	-	-
	c) (Decrease) / Increase in Stock of Crude Oil, Condensate and Natural Gas	(97.45)	(77.30)	(356.31)	(288.79)
	Total Income From Operations (Net)	**1,107.23**	**1,246.08**	**1,194.10**	**5,695.80**
2	**Expenses**				
	a) Purchase of Stock in Trade	-	-	-	-
	b) (Increase) / Decrease in inventories of stock-in-trade	-	-	-	-
	c) Employee Benefit Expenses	205.01	212.87	239.40	1,006.38
	d) Other Expenses				
	- Operating Expenditure	383.17	391.64	594.50	2,804.50
	- Net (Gain) / Loss on Foreign Exchange	17.02	(252.53)	242.02	437.07
	- Administrative and other Expenses	120.32	141.46	231.28	896.55
	e) - Recovery of Expenses	(205.96)	(232.32)	(350.27)	(1,234.45)
	f) Depreciation, Depletion and Amortisation	1,360.71	3,328.37	1,977.47	10,305.05
	g) Exploration Costs (See Note 7)	29.55	4,461.22	-	4,461.22
	Total Expenses	**1,909.82**	**8,050.71**	**2,934.40**	**18,676.32**
3	Profit / (Loss) from Operations before Other Income and Finance Cost (1-2)	(802.59)	(6,804.63)	(1,740.30)	(12,980.52)
4	Other Income (Net)	153.04	115.89	168.00	578.39
5	Profit / (Loss) from Operations before Finance Cost (3+4)	(649.55)	(6,688.74)	(1,572.30)	(12,402.13)
6	Finance cost	492.95	550.30	261.45	1,365.23
7	**Profit / (Loss) from Ordinary Activities before Tax (5-6)**	**(1,142.50)**	**(7,239.04)**	**(1,833.75)**	**(13,767.36)**
8	Tax Expenses				
	a) Provision for Current Income Tax	-	-	-	-
	b) Provision for Deferred Tax / (Write-back)	-	-	-	-
	c) Reversal of MAT Credit	-	4,363.62	-	4,363.62
	d) Write-back of provision for income tax	-	-	-	(5,650.00)
9	**Net Profit / (Loss) from Ordinary Activities after Tax (7-8)**	**(1,142.50)**	**(11,602.66)**	**(1,833.75)**	**(12,480.98)**
10	Extraordinary Items (net of tax expenses)	-	-	-	-
11	**Net Profit / (Loss) for the Period (9-10)**	**(1,142.50)**	**(11,602.66)**	**(1,833.75)**	**(12,480.98)**
12	Paid up Equity Share Capital (Face Value of Rs. 10/- each)	**13,050.93**	**13,050.93**	**13,050.93**	**13,050.93**
13	**Reserves excluding Revaluation Reserve as per Balance Sheet of Previous Accounting Year**				52,639.90
14	Basic and Diluted EPS (Rs.) - Not Annualised	**Rs.(0.88)**	**Rs.(8.89)**	**Rs.(1.41)**	**Rs.(9.56)**
15	Basic and Diluted EPS (Rs.) - Not Annualised - after Extraordinary Items	**Rs.(0.88)**	**Rs.(8.89)**	**Rs.(1.41)**	**Rs.(9.56)**

PART II

A	**PARTICULARS OF SHAREHOLDING**				
1	Public Shareholding				
	Number of Shares	68,924,155	68,924,155	68,924,155	68,924,155
	Percentage of Shareholding	52.82%	52.82%	52.82%	52.82%
2	Promoters and Promoter Group Shareholding (See Note 10)				
	a) Pledged / Encumbered				
	Number of shares	-	-	-	-
	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-
	Percentage of shares (as a % of the total share capital of the company)	-	-	-	-
	b) Non - encumbered				
	Number of shares	61,569,134	61,569,134	61,569,134	61,569,134
	Percentage of shareholding (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%
	Percentage of shareholding (as a % of the total share capital of the company)	47.18%	47.18%	47.18%	47.18%

	Particulars	For the Quarter ended June 30, 2014
B	**INVESTOR COMPLAINTS**	
	Pending at the beginning of the period	Nil
	Received during the period	2
	Disposed of during the period	2
	Remaining unresolved at the end of the period	Nil

Notes:

1 The Company is primarily engaged in a single business segment of "Hydrocarbons and Other Incidental Services". All the activities of the Company are 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 The Company has capital requirements to implement its business plans and commitments under the Production Sharing Contracts (PSC) in the foreseeable future, which cannot be met through internal accruals alone.As a strategic exercise initiated pursuant to appointment of a Financial Advisor, discussions are underway between the Promoter and prospective investors. Notwithstanding uncertainties which may be attached to the outcome of any such process, the Board recognizes that the Company has a successful track record of raising capital in the past and that the Company shall raise financial resources as and when needed to meet its commitments under the Production Sharing Contracts and to transform the reserves from the existing discoveries to production in the near to mid-term. Based on the foregoing, the Financial Results have been prepared on the basis that the Company is a going concern and that no adjustments are required to the carrying value of assets and liabilities.

3 (a) While the EBITDA of Rs.740.71 lacs for Quarter ended June 30,2014 is positive, the Company has reported negative EBIT of Rs.649.55 lacs and Loss Before Tax of Rs. 1,142.50 lacs for the same period, primarily due to high depletion, depreciation and amortization (DDA) charge in an offshore producing property, PY-1, located in the Cauvery Basin. The Company, as Operator, has commissioned a comprehensive geological and reservoir study by an independent 3rd party for PY-1 Field, the results and recommendations of which are still awaited. Pending the results of the Study, the Company has relied on the previous independent reserve report of January 2013 and the capital allocation assumption considered towards drilling additional producer wells at the time of the Impairment Test for the year ended March 2013. Should the findings of the Study and the capital allocation assumptions undergo revision, there may be uncertainty in the recoverability of the carrying value of PY-1 Asset, which as of June 30, 2014 is approximately Rs. 115,350 lacs.

3 (b) The Auditors have qualified their opinion in this regard and the Company's position is as explained above.

4 PY-3 Field, operated by Hardy Exploration & Production (India) Inc., remains shut since July 31, 2011. The Full Field Development Plan submitted by the Operator during May 2013 has been technically reviewed by all the JV Partners. Discussions are ongoing amongst the Joint Venture Partners with respect to the proposal to proportionately share cess and royalty on a cost recoverable basis.

5 During the Quarter ended June 30,2014, the PY-1 Field was shut in for a period of 27 days due to annual shutdown by the Buyer / End Users for planned maintenance.

6 During the Quarter ended June 30,2014, the Management Committee has approved the revised Plan of Development (rPoD) for "Gulf A" in CB-OS-1 Block and as per rPoD the First Oil is expected in December, 2015.

7 In compliance with SEBI directions relating to treatment of survey cost under the Guidance Note (Accounting for Oil and Gas Producing Activities, issued by Institute of Chartered Accountants of India), the Company is expensing survey costs.

8 The details of Promoter's Shareholding is based on their declarations giving the status that no share has been pledged for respective periods.

9 Figures for previous period/year have been regrouped / reclassified to make them comparable with the current period, wherever necessary.

10 The above results and notes thereto were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on July 26, 2014.

BY ORDER OF THE BOARD
For Hindustan Oil Exploration Company Limited

Manish Maheshwari
Managing Director
Place: New Delhi
Date : July 26, 2014