Hindustan Oil Exploration Company Limited
Off : '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

October 25, 2010
By Courier / Fax

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
Bombay Stock Exchange Limited
1st Floor, P. Jeejeebhoy Towers
Dalal Street, MUMBAI – 400 013
Fax # 022-22723121 /2037/2041/2061

SUBJECT: UNAUDITED (STANDALONE) FINANCIAL RESULTS (PROVISIONAL) FOR THE QUARTER / SIX MONTHS ENDED ON SEPTEMBER 30, 2010

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 the Un-audited (Standalone) Financial Results (Provisional) of the Company for the quarter / six months ended on September 30, 2010.

The said results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on October 25, 2010.

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

Minesh Bhatt
Assistant Company Secretary

Encl: a.a.

Regd. Office : 'HOEC House' Tandalja Road, Vadodara - 390 020. INDIA
✆ : 91 (0265) 2330766, 2333568 • Fax : 91 (0265) 2333567, 2333918
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HINDUSTAN OIL EXPLORATION COMPANY LIMITED

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

UNAUDITED (STANDALONE) FINANCIAL RESULTS (PROVISIONAL) FOR THE QUARTER / SIX MONTHS ENDED ON SEPTEMBER 30, 2010

Rupees in Lacs

Sr. No.	Particulars	Unaudited for the Quarter		Unaudited for the Six Months		Audited For the Year
		Ended on 30.09.2010	Ended on 30.09.2009	Ended on 30.09.2010	Ended on 30.09.2009	Ended on 31.03.2010
1	a) Net Sales / Income from Operations (See Note 3)	6,762.01	1,237.26	15,105.48	2,739.53	14,005.50
	b) Other Operating Income	-	-	-		-
	c) Increase / (decrease) in Stock of Crude Oil, Condensate and Natural Gas (See Note 4)	115.73	(879.95)	716.79	(456.57)	497.18
2	Total Income	6,877.74	357.31	15,822.27	2,282.96	14,502.68
3	Expenditure and Charges					
	a) Field Operating Expenses (See Note 3)	1,862.27	220.48	3,921.04	1,351.11	3,909.13
	b) Corporate Expenses					
	- Staff Expenses	265.12	164.17	558.92	404.45	987.56
	- Net Loss / (Gain) on Foreign Exchange	(56.05)	341.26	(30.49)	(796.80)	(848.75)
	- Other Expenses	338.12	201.57	577.99	387.18	846.93
	- Recovery of Expenses (See Note 5)	(489.11)	(482.12)	(882.79)	(1,024.70)	(1,886.01)
	c) Depreciation, Depletion and Amortisation (See Note 3)	2,681.47	79.97	6,041.83	410.28	4,719.50
	Total	4,601.82	525.33	10,186.50	731.52	7,728.36
4	Profit from Operations before Other Income, Interest and Exceptional Items (2-3)	2,275.92	(168.02)	5,635.77	1,551.44	6,774.32
5	Other Income (Net)	191.54	90.14	282.74	302.56	537.57
6	Profit from Operations before Interest and Exceptional Items (4+5)	2,467.46	(77.88)	5,918.51	1,854.00	7,311.89
7	Interest and Financing Charges	340.36	92.80	667.04	209.28	804.27
8	Profit from Operations after Interest but before Exceptional Items (6-7)	2,127.10	(170.68)	5,251.47	1,644.72	6,507.62
9	Exceptional Items	-	-	-	-	-
10	**Profit from Ordinary Activities before Tax (8-9)**	**2,127.10**	**(170.68)**	**5,251.47**	**1,644.72**	**6,507.62**
11	Tax Expenses					
	a) Provision for Current Income Tax	400.00	60.00	1,020.00	260.00	1,080.00
	b) Provision for Deferred Tax	670.00	10.00	1,700.00	570.00	2,310.00
	c) Provision for Wealth Tax	-	-	2.00	1.50	2.00
	d) Provision for Fringe Benefit Tax	-	(5.00)	-	-	-
	e) MAT Credit Entitlement (Net)	(400.00)	(60.00)	(1,020.00)	(260.00)	(1,043.62)
12	**Net Profit from Ordinary Activities after Tax (10-11)**	**1,457.10**	**(175.68)**	**3,549.47**	**1,073.22**	**4,159.24**
13	Extraordinary Items (net of tax expenses)	-	-	-	-	-
14	**Net Profit for the Period (12-13)**	**1,457.10**	**(175.68)**	**3,549.47**	**1,073.22**	**4,159.24**
15	Paid up Equity Share Capital (Face Value of Rs. 10/- each)	**13,050.93**	**13,050.93**	**13,050.93**	**13,050.93**	**13,050.93**
16	Reserves excluding Revaluation Reserve					97,114.76
17	Basic and Diluted EPS (Rs.) - Not Annualised - before and after Extraordinary Items	**Rs. 1.12**	**Rs.(0.13)**	**Rs. 2.72**	**Rs. 0.82**	**Rs. 3.19**
18	Public Shareholding					
	Number of Shares	68,924,155	68,924,155	68,924,155	68,924,155	68,924,155
	Percentage of Shareholding	52.82%	52.82%	52.82%	52.82%	52.82%
19	Promoters and Promoter Group Shareholding (See Note 9)					
	a) Pledged / Encumbered					
	Number of shares	-	-	-	-	-
	Percentage of shareholding (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
	Percentage of shareholding (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	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%	100.00%
	Percentage of shareholding (as a % of the total share capital of the company)	47.18%	47.18%	47.18%	47.18%	47.18%

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Notes:

1 Disclosure of assets and liabilities as per clause 41(1)(ea) of the Listing Agreement for the half year ended September 30, 2010 on standalone basis.

(Amount in Rupees Lacs)

	Particular	As at Sep 30, 2010	As at Sep 30, 2009	As at March 31, 2010
	SOURCES OF FUNDS			
1	**Shareholders' Funds**			
	a. Share Capital	13,051	13,051	13,051
	b. Reserves and Surplus	99,903	94,029	97,114
2	**Loan Funds**			
	a. Secured Loans	7,046	11,414	8,272
	b. Unsecured Loans	55,554	60,588	56,975
	Total (1 + 2)	**175,554**	**179,082**	**175,412**
	APPLICATION OF FUNDS			
3	**Fixed Assets**	163,097	156,724	167,018
4	**Investments**	8,829	3,099	291
5	**Foreign Currency Monetary Item Translation Difference Account**	11	488	25
6	**Deferred Tax Asset / (Liabilities)**	(1,169)	2,271	531
7	**Current Assets, Loans And Advances**			
	a. Inventories	5,602	3,517	4,325
	b. Sundry Debtors	2,502	456	4,123
	c. Cash and Bank Balances	5,297	33,593	7,998
	d. Other Current Assets	97	80	22
	e. Loans and Advances	6,712	5,781	6,346
		20,210	43,427	22,814
8	**Less : Current Liabilities And Provisions**			
	a. Current Liabilities	6,985	23,682	6,790
	b. Provisions	8,439	3,245	8,477
		15,424	26,927	15,267
9	**Net Current Assets (7 - 8)**	4,786	16,500	7,547
	Total (3 + 4 + 5 + 6 + 9)	**175,554**	**179,082**	**175,412**

2 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".

3 The Company has commenced the production of Natural Gas and Condensate from PY-1 Field during November 2009.The Natural Gas from PY-1 Field is supplied to GAIL (India) Limited. Pursuant to the Production Sharing Contract for PY-1 Field, Chennai Petroleum Corporation Limited (CPCL), is designated as the Government nominee for purchasing the Condensate. The production at PY-1 Field was shut down from July 24, 2010 to August 15, 2010 since pursuant to the terms of the Gas Sale Agreement executed between the Company and Gail India Limited ("the Buyer"), the buyer of PY-1 Gas has informed the Company that it will not be able to off-take the Gas supply from PY-1 due to major maintenance activities at the end user's plant.

4 Closing stock of Crude Oil (including Condensate) and Natural Gas is valued at the estimated Net Realisable Value and the increase / (decrease) in Stock of Crude Oil, Condensate and Natural Gas is grouped under Total Income in line with the annual audited accounts of the Company.

5 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 recovered 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.

6 The Joint Venture partners of CB-ON-7 have requested the Government for retention of certain block area in accordance with the Government guidelines for further exploration. The related exploration expenses amounting to Rs. 536.12 Lacs as at September 30, 2010 will be appropriately dealt with based on outcome of regulatory decision 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. The related exploration expenses amounting to Rs. 1,845.43 Lacs as at September 30, 2010 will be appropriately dealt with based on final regulatory decision inline with the Company's Accounting Policy.

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8 With reference to the qualification made in the Auditors' Report for Financial Year 2009-2010 and the Limited Review Report for the quarter / six months ended September 30, 2010 regarding accounting of cost of certain services included in the Development Expenditure, we have to state that the Company had entered into a Petroleum Service Agreement (PSA) with ENI India Limited "ENI" (one of the Promoter Group Companies). As per the terms of the PSA, ENI has agreed to provide petroleum operation related services on "cost basis". Pursuant to the PSA, the Company, upon Board approval, had issued certain job orders for specific services. The Company had accrued and capitalised development expenditure amounting to Rs. 186,316,978 as at September 30, 2010 (including amount of Rs. 160,438,827 as at March 31, 2010). However, the payment shall be made upon receiving (a) ENI's statutory auditor's certificate for "at cost" charge out rates; and (b) Certified timesheets from ENI supporting the man-day efforts charged. The Company is in the process of receiving the requisite documentation from ENI to satisfy the above mentioned requirement. The Company expects that there should not be any material impact on the results for the quarter / six months ended September 30, 2010.

9 The details of Promoters Shareholding is based on their declarations giving the status that no share has been pledged by the Promoters as of September 30, 2010.

10 Details of Investors' Complaints for the quarter ended on September 30, 2010

Unresolved at the beginning of the quarter	Nil
Received during the quarter	13
Replied / Resolved during the quarter	13
Unresolved at the end of the quarter	Nil

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

12 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on October 25, 2010. The same has also 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 25, 2010

SENDING REPORT

Oct. 25 2010 04:34PM

YOUR LOGO : HOEC
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01	02266418126	Oct.25 04:33PM	01'27	SND	04	OK

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01	02222722037	Oct. 25 04:26PM	02'18	SND	04	OK

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