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

February 14, 2015
By Email

The Listing Department **The National Stock Exchange of India Ltd., "EXCHANGE PLAZA", Bandra Kurla Complex,** **Bandra (East),** **MUMBAI – 400 051**	**The Corporate Relationship Department** **BSE Limited,** **1st Floor, P. Jeejeebhoy Towers,** **Dalal Street** **MUMBAI – 400 001**

Dear Sir,

SUBJECT: SUBMISSION OF STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2014

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 December 31, 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 February 14, 2015.

Mr. P. Elango, Managing Director, HOEC said:

"I am delighted to lead HOEC which has a long corporate history as India's very first listed oil and gas Company in private sector, promoted by the legend and visionary Shri H.T. Parekh.

Current market conditions are indeed challenging and in that context management re evaluated the opportunities in its offshore and onshore portfolio and decided to sharpen the focus on its onshore assets in Assam and Gujarat.

Offshore projects will be reevaluated as and when the crude oil and gas prices improve and accordingly carried book value have been appropriately impaired, while maintaining title to these assets.

Our priority task is to improve the recovery from the producing wells in Gujarat and to fast track the development of 135 BCF recoverable gas resource from the discovered Dirok Field , Assam, with a target to deliver first gas in 18 to 24 months from date of receipt of all approvals.

Our plan for this year is to infuse technical talent and required funding to renew the assets and reposition the company on a path of stability and growth, slowly but surely."

HOEC Fact Sheet

For further information on HOEC, kindly visit www.hoec.com

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
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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 results of Hindustan Oil Exploration Company Limited ('the Company') for the quarter ended December 31, 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 provides 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 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. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited 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.

5. Emphasis of Matter
   Attention is invited to Note 2 of the Statement which describes the factors and conditions that indicate the existence of material uncertainties 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.: 83673
Place : Chennai
Date : February 14, 2015

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 December 31, 2014

(Rupees in Lacs)

Sr. No.	Particulars	For the Quarter			Year to date		For the year
		Ended on 31.12.2014 (Unaudited)	Ended on 30.09.2014 (Unaudited)	Ended on 31.12.2013 (Unaudited)	Current Period ended on 31.12.2014 (Unaudited)	Previous Period ended on 31.12.2013 (Unaudited)	Ended on 31.03.2014 (Audited)
1	**Income From Operations**						
	a) Net Sales / Income from Operations (See Note 5)	992.63	1,197.19	1,699.53	3,394.50	4,661.21	5,984.59
	b) Other Operating Income	-	-	-	-	-	-
	c) (Decrease) / Increase in Stock of Crude Oil, Condensate and Natural Gas	(31.65)	26.66	75.68	(102.44)	(211.49)	(288.79)
	Total Income From Operations (Net)	960.98	1,223.85	1,775.21	3,292.06	4,449.72	5,695.80
2	**Expenses**						
	a) Purchase of Stock in Trade	-	-	-	-	-	-
	b) (Increase) / Decrease in inventories of stock-in-trade	-	-	-	-	-	-
	c) Employee Benefit Expenses	134.77	180.15	265.45	519.93	793.52	1,006.38
	d) Other Expenses						
	- Operating Expenditure	550.56	999.09	609.87	1,932.83	2,412.86	2,804.50
	- Net (Gain) / Loss on Foreign Exchange	61.35	439.39	(57.61)	517.76	689.60	437.07
	- Administrative and other Expenses	140.74	172.41	248.28	433.48	755.09	896.55
	e) Recovery of Expenses	(158.27)	(177.18)	(316.22)	(539.42)	(1,002.13)	(1,234.45)
	f) Depreciation, Depletion and Amortisation	474.95	1,672.41	2,422.17	3,508.07	6,976.69	10,305.05
	g) Provision for Obsolete Inventories	1,125.00	-	-	1,125.00	-	-
	h) Exploration Costs (See Note 6)	22.41	39.58	-	91.54	-	4,461.22
	Total Expenses	2,353.53	3,325.85	3,171.94	7,589.19	10,625.63	18,676.32
3	Profit / (Loss) from Operations before Other Income, Finance Cost and Exceptional Items (1-2)	(1,392.55)	(2,102.00)	(1,396.73)	(4,297.13)	(6,175.91)	(12,980.52)
4	Other Income (Net)	174.99	269.01	155.18	597.04	462.50	578.39
5	Profit / (Loss) from Operations before Finance Cost and Exceptional Items (3+4)	(1,217.56)	(1,832.99)	(1,241.55)	(3,700.09)	(5,713.41)	(12,402.13)
6	Finance cost	371.89	591.02	261.41	1,455.87	814.94	1,365.23
7	Profit / (Loss) from Operations after Finance Cost but before Exceptional Items (5-6)	(1,589.45)	(2,424.02)	(1,502.96)	(5,155.96)	(6,528.35)	(13,767.36)
8	Exceptional Items-Impairment Loss/Additional Depletion (See Note 4)	10,211.30	106,131.39	-	116,342.68	-	-
9	**Profit / (Loss) from Ordinary Activities before Tax (7-8)**	(11,800.75)	(108,555.40)	(1,502.96)	(121,498.64)	(6,528.35)	(13,767.36)
10	Tax Expenses						
	a) Provision for Current Income Tax	-	-	-	-	-	-
	b) Provision for Deferred Tax / (Write-back)	-	-	-	-	-	-
	c) Reversal of MAT Credit	-	-	-	-	-	4,363.62
	d) Write-back of provision for income tax	-	-	-	-	(5,650.00)	(5,650.00)
11	**Net Profit / (Loss) from Ordinary Activities after Tax (9-10)**	(11,800.75)	(108,555.40)	(1,502.96)	(121,498.64)	(878.35)	(12,480.98)
12	Extraordinary Items (net of tax expenses)	-	-	-	-	-	-
13	**Net Profit / (Loss) for the Period (11-12)**	(11,800.75)	(108,555.40)	(1,502.96)	(121,498.64)	(878.35)	(12,480.98)
14	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	13,050.93
15	**Reserves excluding Revaluation Reserve as per Balance Sheet of Previous Accounting Year**						52,639.90
16	Basic and Diluted EPS (Rs.) - Not Annualised	Rs.(9.04)	Rs.(83.18)	Rs.(1.15)	Rs.(93.10)	Rs.(0.67)	Rs.(9.56)
17	Basic and Diluted EPS (Rs.) - Not Annualised - after Extraordinary Items	Rs.(9.04)	Rs.(83.18)	Rs.(1.15)	Rs.(93.10)	Rs.(0.67)	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	68,924,155	68,924,155
	Percentage of Shareholding	52.82%	52.82%	52.82%	52.82%	52.82%	52.82%
2	Promoters and Promoter Group Shareholding (See Note 7)						
	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	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%	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%	47.18%

	Particulars	For the Quarter ended December 31, 2014
B	**INVESTOR COMPLAINTS**	
	Pending at the beginning of the period	Nil
	Received during the period	1
	Disposed of during the period	1
	Remaining unresolved at the end of the period	Nil

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CHARTERED ACCOUNTANTS
CHENNAI

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) Company has appointed two executive directors (i.e. Managing Director and Chief Financial Officer) on February 2, 2015. Pursuant to the appointment, management has re-evaluated existing portfolio of projects considering the current environment of oil and gas industry and in line with the current oil prices. Based on such re-evaluation, management has revised their plans as follows:

   i) PY1 Field – Pursuant to independent third party reservoir study received by the Company in September 2014 quarter, no additional investment is planned. Company has applied for extension of Mining Lease beyond October 2015 and is confident of obtaining the same.(Also refer note 4)

   ii) PY3 Field - Operated by Hardy Exploration & Production (India) Inc., remains shut-in since July 31, 2011. Considering the current environment of oil prices, there are no plans for recommencement of production from existing wells and commencement of further development activities in the foreseeable future.

   In view of the above facts, there are uncertainties in the recoverability of carrying value of PY-3 assets. Accordingly, the Company has recognised an impairment loss for the carrying value of PY-3 assets amounting to Rs.7,075.1 Lakhs during the current quarter. (Also refer note 4)

   iii) CB-OS 1 Field
   Existing development plans are not economically viable considering the current oil prices. ONGC being the Operator of the block proposes to perform further studies on the field to determine the optimal development plan. Accordingly, no additional investment is expected in the foreseeable future.

   In view of the above factors, considering the uncertainty in the recoverability of carrying value of CB-OS 1 assets, Company has recognised an impairment loss for the carrying value of CB-OS -1 assets amounting to Rs.2,595.73 Lakhs during the current quarter. (Also refer note 4)

   iv) AAP-ON-94/1 Field
   Approval of Field Development Plan is awaited from Government of India and in addition, Environmental/wildlife/forest clearances are yet to be obtained. As per the development plan submitted to DGH, the estimated Capital Expenditure is US$ 85 Mn and HOEC's share is US$ 22.85 Mn. Carrying value of assets in books as of December 31, 2014 in respect of this field is Rs.11,726.86 Lakhs incurred for the successful exploration and appraisal wells.

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v) RJ-ONN-2005/1 Field
Exploration period expired on January 6, 2015 and Company has applied for extension of exploration period for excusable delays with Ministry of Petroleum and Natural Gas, Government of India. In the event of termination of PSC, the Company might be liable for the obligations in respect of minimum work programme/mandatory work programme not completed in terms of the PSC for its participating interest.

vi) RJ-ONN-2005/2 Field
Exploration period is valid till June 25, 2015 and the Operator of the block has made an application for extension of exploration period for completion of minimum/mandatory work programme. In the event of termination of PSC, Company might be liable for the obligations in respect of minimum work programme/mandatory work programme not completed in terms of the PSC for its participating interest.

vii) CB-ON-7 Palej Field
The Company has recognised an impairment loss for the carrying value of CB-ON-7 Palej Field amounting to Rs.540.50 Lakhs for an uncompleted exploratory well.

viii) Company is confident of getting a deferral for the amount payable to ENI India Limited and Saipem aggregating to Rs.3028.96 Lakhs beyond a period of one year.

Based on the above revised business plans, Company is confident of meeting the capital requirements to implement its business plans, commitments and obligations under the Production Sharing Contracts (PSC) and liabilities in the foreseeable future, with the existing cash and cash equivalents/liquid assets, tax refunds due to the Company and by raising financial resources through debt/equity financing as required, without any additional financial support from the existing promoters.

Board of Directors have approved the above revised plans in their meeting held on February 14, 2015. Accordingly, 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) As at September 30, 2014, the Company had loans outstanding of INR 96,084.5 Lakhs and interest accrued of INR 543.7 Lakhs payable to ENI Group. Vide a Deed of Termination and Release dated December 3, 2014, ENI Group has waived recovery of the above loan. The Company considers the waiver to be in the nature of a capital receipt akin to promoter's contribution towards Equity/Share Premium and has accordingly credited the same to "Capital Reserves". The interest accrued for the period up to date of termination has been paid by the Company during December 2014 quarter.

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CHENNAI
CHARTERED ACCOUNTANTS

4) Exceptional item includes additional depletion and impairment loss charged to the statement of profit and loss pursuant to an independent third party reservoir study of PY-1 Field and consequent revision of certain key assumptions by the Board of Directors. As a consequence, additional depletion amounting to INR 6,804.39 Lakhs for the production in the six months period up to September 30, 2014 has been provided in September 2014 quarter. Further the Company has carried out an impairment assessment as at September 30, 2014, based on procedures consistent with Accounting Standard 28 (AS 28) and recognised an impairment loss to the extent of INR 99,327 Lakhs. The following key assumptions have been used for determining the value-in-use of PY-1 Asset:
a. Pre-tax cash flows have been projected based on estimate of Proved Reserves as provided by the independent third party, estimate of commercially produceable proved reserves made by the management and considering cash flows necessary to maintain assessed standard of performance.
b. Discount rate of 13.28% has been considered reflecting market assessment based on transactions for similar assets.

   Exceptional item in the current quarter includes impairment of PY-3 assets for Rs 7,075.1 Lakhs, CB-OS/1 asset Rs 2595.7 Lakhs and Palej asset Rs 540.5 Lakhs for the reasons as stated in 2(ii) ,2(iii) and 2(vii) above.

5) During the Quarter ended December 31, 2014 the PY-1 Field was shut in for a period of 4 days due to annual shutdown by the Buyer / End Users for planned maintenance.

6) 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.

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

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

9) 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 February 14, 2015.

BY ORDER OF THE BOARD
For Hindustan Oil Exploration Company Limited

DIRECTOR&CFO

Managing Director
Place: Chennai
Date : February 14, 2015

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