



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

August 10, 2015
By Email / Online

The Listing Department
The National Stock Exchange of India
Ltd., "EXCHANGE PLAZA", Bandra
Kurla Complex,
Bandra (East), MUMBAI – 400 051

Stock Code: HINDOILEXP

The Corporate Relationship Department
BSE Limited,
1st Floor, P. Jeejeebhoy Towers,
Dalal Street, MUMBAI – 400 001

Stock Code: 500186

Dear Sir / Madam,

SUBJECT: Outcome of the Board Meeting held on August 10, 2015

We wish to inform you among others, the following is the outcome of the Board Meeting held on August 10, 2015:

- (1) Approved the Statement of Standalone Unaudited Results for the Quarter ended June 30, 2015.
- (2) Taken on record the Limited Review Report on Statement of Standalone Unaudited Results for the Quarter ended June 30, 2015 issued by the Statutory Auditors of the Company.
- (3) Appointed Mr. K. Premnatha as Dy. Manager and designated as Company Secretary & Compliance Officer of the Company.

Kindly take this on record and circulate the same amongst your members.

Mr. P. Elango, Managing Director said:

"This first quarter of FY 2016 marks the beginning of HOEC's journey towards a new path of slow and steady growth. Company posted positive results in this quarter, after 10 successive quarters of negative results and the Company is now debt free with adequate working capital to meet its future capital requirements.

During the last quarter, Assam Gas Development project crossed another important milestone by concluding a transparent public hearing for Environmental Clearance on 3 July 2015 at Assam. Technical talent required to execute the Assam Gas Development project is in place, tenders for all major procurement have been initiated and Company is on track to deliver First Gas by Q4 FY 2016-17."

Thanking you,

Yours faithfully,
For Hindustan Oil Exploration Company Limited


P. Elango
Managing Director

Encl: a.a



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PART I

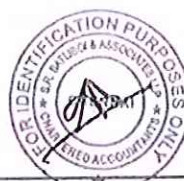
Statement of Standalone Unaudited Results for the Quarter Ended June 30, 2016

Sr. No.	Particulars	(Rupees in Lacs)			
		For the Quarter		For the year	
		Ended on 30.06.2016 (Unaudited)	Ended on 31.03.2015 (Audited)	Ended on 30.06.2014 (Unaudited)	Ended on 31.03.2015 (Audited)
1	Income From Operations				
a)	Net Sales / Income from Operations	1,069.32	652.02	1,204.68	4,046.52
b)	Other Operating Income	-	-	-	-
c)	(Decrease) / Increase in Stock of Crude Oil, Condensate and Natural Gas	(144.17)	97.30	(97.45)	(5.14)
	Total Income From Operations (Net)	925.15	749.32	1,107.23	4,041.38
2	Expenses				
a)	Operating Expenditure	359.50	419.63	383.17	2,352.47
b)	Employee Benefit Expenses	68.16	55.44	67.02	213.97
c)	Other Expenses				
	- Administrative and other Expenses	86.83	212.73	52.35	468.20
	- Net (Gain) / Loss on Foreign Exchange	86.86	(438.78)	17.02	78.98
d)	Depreciation, Depletion and Amortisation	344.18	372.34	1,360.71	3,880.41
e)	Provision for Obsolete Inventories	-	254.99	-	1,379.99
f)	Exploration Costs	6.41	613.26	29.55	704.80
	Total Expenses	951.94	1,489.61	1,909.82	9,078.82
3	Profit / (Loss) from Operations before Other Income, Finance Cost and Exceptional Items (1-2)	(26.79)	(740.29)	(802.59)	(5,037.44)
4	a) Other Income (Net)	135.12	148.61	153.04	745.65
5	Profit / (Loss) from Operations before Finance Cost and Exceptional Items (3+4)	108.33	(591.68)	(649.55)	(4,291.79)
6	Finance cost	-	10.98	492.95	1,466.85
7	Profit / (Loss) from Operations after Finance Cost but before Exceptional Items (5-6)	108.33	(602.66)	(1,142.50)	(5,758.64)
8	Exceptional Items-Impairment Loss/Additional Depletion (See Note 4)	63.80	-	-	116,342.68
9	Profit / (Loss) from Ordinary Activities before Tax (7-8)	44.53	(602.66)	(1,142.50)	(122,101.32)
10	Tax Expenses	-	-	-	-
11	Not Profit / (Loss) from Ordinary Activities after Tax (9-10)	44.53	(602.66)	(1,142.50)	(122,101.32)
12	Extraordinary Items (net of tax expenses)	-	-	-	-
13	Not Profit / (Loss) for the Period (11-12)	44.53	(602.66)	(1,142.50)	(122,101.32)
14	Paid up Equity Share Capital (Face Value of Rs. 10/- each)	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	-	-	-	14,142.10
16	Basic and Diluted EPS (Rs.) - Not Annualised	Rs. 0.03	Rs. (0.46)	Rs. (0.88)	Rs. (93.67)
17	Basic and Diluted EPS (Rs.) - Not Annualised - after Extraordinary Items	Rs. 0.03	Rs. (0.46)	Rs. (0.88)	Rs. (93.67)

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 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
	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, 2016
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the period	Nil
	Received during the period	Nil
	Disposed of during the period	Nil
	Remaining unresolved at the end of the period	Nil



Registered Office : 'HOEC House', Tandallja Road, Off Old Padra Road, Vadodara - 390 020, INDIA

☎ : 91 (0265) 2330766, 2333568 • Fax : 91 (0265) 2333567

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 development plan under the Production Sharing Contract (PSC) for the block AAP-ON -94/1 approved by the Directorate General of Hydrocarbons and the Ministry of Petroleum and Natural Gas in the near future. The development cost estimated for the total project is Rs 527 Crores (US\$ 85 million) and the share of the Company is estimated to be in the order of Rs 142 Crores (US\$ 22.85 million). These expenditures are to be incurred over a period of two years. The carrying value of the assets in the books of the Company's for the successful exploration and appraisal as at June 30, 2015 is Rs 118.17 Crores.

The Company has net current assets of Rs 131.10 Crores (including tax receivables of Rs 82.41 Crores) as at June 30, 2015 before adjusting a liability of Rs 27.19 Crores payable to the group companies of the Promoter. Management is confident that the above liability of Rs 27.19 Crores can be deferred for a period of more than one year and to the completion of the development of the block AAP-ON-94/1.

The Company has surrendered the exploration block RJ-ONN-2005/1 in terms of the policy guidelines issued by the Government of India vide letter dated July 9, 2015. The Company does not expect any further cost or liability for the unfinished minimum work program in terms of the Production Sharing Contract. In case of non-operated block RJ-ONN -2005/2 the Operator has sought the extension of the block validity and participation in the execution of the minimum work program or the liability towards the minimum work program is subject to the grant of the extension by the Government of India.

The Company has been rated for BBB+ for a line of credit of Rs 100 Crores by Indian Credit Rating Agency on May 15, 2015. Company is confident of meeting the capital requirements to implement its business plan, discretionary capital expenditure, commitments and the obligations under the Production Sharing Contracts (PSC) and liabilities, if any, 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. The Company has a successful track record of raising capital both debt and equity in the past and shall raise financial resources for the growth of the Company as and when required without any additional capital infusion from the promoter. Accordingly, the financial results have been prepared on the basis that the Company is a going concern with no further adjustments to the carrying value of assets and liabilities.



3. The individual items of expenses in the above financial results are net of amounts cross charged to Joint ventures where the Company is the operator. The Company's share of such net expenses in Joint Ventures is treated as exploration, development or production costs, as the case may be.
4. Exceptional items represents additional depletion and impairment in respect of:
 - a. PY1 field – Nil for the quarter ended June 30, 2015 (additional depletion of Rs 6,803.80 Lakhs and impairment loss of Rs 99,327.58 Lakhs for the year ended March 31, 2015).
 - b. PY3 Field – Impairment loss of Rs 36.48 Lakhs for the quarter ended June 30, 2015 (Impairment loss of Rs 7,075.10 Lakhs for the year ended March 31, 2015).
 - c. CB-OS 1 Field – Impairment loss of Rs 27.32 Lakhs for the quarter ended June 30, 2015 (Impairment loss of Rs 2,595.70 Lakhs for the year ended March 31, 2015).
 - d. CB-ON-7 Palej Field – Nil for the quarter ended June 30, 2015 (Impairment loss of Rs 540.50 Lakhs for the year ended March 31, 2015).
5. In respect of External Commercial Borrowing from ENI group, vide a Deed of Termination and Release dated December 3, 2014, ENI Group has waived recovery of such loan. The Company considers the waiver to be in the nature of a capital receipt akin to promoter's contribution towards Equity/Share Premium. Accordingly the Company has credited an amount of Rs 96,084.50 Lakhs to the "Capital Reserves".
6. With respect to one of its UJV not operated by the Company (CY-OS/90-1 (PY-3)), the operations in the field have been shut down on July 31, 2011. Subsequent to July 31, 2011 no further expenses have been approved by the Management Committee and hence the Company is not obligated to any further costs. The Company does not expect any future expenses with respect to this field. Accordingly, the Company has accounted for its share based on the audited accounts till the year ended March 31, 2012. Subsequently the Company has accounted towards expenditure of Rs 6.50 Lakhs and interest income on site restoration deposit of Rs 778.27 Lakhs from April 1, 2012 till the period ending June 30, 2015 based on the unaudited financial information.
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. The figures for the quarter ended March 31, 2015 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2015 and the unaudited published year to date figures up to December 31, 2014, being the end of the third quarter of the financial year, which were subjected to a limited review.



9. Figures for previous quarter's/year have been regrouped / reclassified wherever necessary to make them comparable with the current period.
10. The above unaudited financial results for the current quarter ended June 30, 2015 were subjected to a limited review by the auditors of the Company and reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on August 10, 2015.

BY ORDER OF THE BOARD
For Hindustan Oil Exploration Company Limited


Director & CFO


Managing Director

Place: Chennai

Date: August 10, 2015



**Limited Review Report On quarterly Financial Results and Year to Date Results of the Company
Pursuant to the Clause 41 of the Listing Agreement**

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, 2015 (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. 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 (UJVs) where the Company is having participating interest has been considered in the unaudited 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. *Basis for Qualified Conclusion*

The financial results in respect of a UJV not operated by the Company has been considered based on unaudited financial information as detailed in note 6 of the attached financial results. In the absence of audited accounts of the UJV, we are unable to comment on the adjustments that may be required to be made in these financial results.

5. **Qualified Conclusion**

Based on our review conducted as above, *except for the possible effects of the matters described in the Basis for Qualified Conclusion paragraph*, 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 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,



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

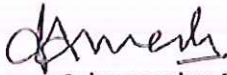
6. Emphasis of matter

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.: 83673



Place: Chennai

Date: August 10, 2015