



Hindustan Oil Exploration Company Limited

'Lakshmi Chambers', 192, St. Mary's Road, Alwarpet, Chennai - 600 018. INDIA.

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E-mail : contact@hoec.com ● Website : www.hoec.com CIN : L11100GJ1996PLC029880

27.10.2016

By 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
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Dear Sirs

Sub: Financial results for the quarter and six months ended September 30, 2016

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit the Standalone Un-Audited Financial Results of the Company as per Indian Accounting Standards (IND-AS) for the quarter and six months ended September 30, 2016 along with the Limited Liability Report issued thereon.

Accordingly, we are enclosing herewith the financial results for the quarter and six months ended September 30, 2016 for your information and record.

The above information is also available on the website of the Company – www.hoec.com.

We request you to kindly take the same on records and disseminate to public.

Yours Sincerely,

For Hindustan Oil Exploration Company Limited

P Elango
Managing Director

Encl.: a/a

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF HINDUSTAN OIL EXPLORATION COMPANY LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **HINDUSTAN OIL EXPLORATION COMPANY LIMITED** ("the Company"), for the quarter and six months ended September 30, 2016 and Standalone Unaudited Balance Sheet as at September 30, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. We have not performed a review or audit, as stated in Note 3, of the figures relating to the corresponding quarter and six months ended September 30, 2015 and of the figures relating to year ended and as at March 31, 2016, including the reconciliation of equity as of April 1, 2015, March 31, 2016 and September 30, 2015 and reconciliation of net profit for the year ended March 31, 2016, quarter and six months ended September 30, 2015 between the previous GAAP and Indian Accounting Standards ("IND AS"), as reported in this statement.

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement 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. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Bhavani Balasub

BHAVANI BALASUBRAMANIAN
Partner
(Membership No. 22156)

CHENNAI, OCTOBER 27, 2016





Hindustan Oil Exploration Company Limited

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Statement of Standalone Unaudited Financial Results for the Quarter and Six months ended September 30, 2016

(₹ in lacs)

Sr. No.	Particulars	Quarter ended			Six months ended		Year ended
		September 30, 2016 (Unaudited)	June 30, 2016 (Unaudited)	September 30, 2015 (Unaudited)	September 30, 2016 (Unaudited)	September 30, 2015 (Unaudited)	March 31, 2016 (Unaudited)
1	Income from Operations	555.33	600.28	573.72	1,155.61	1,643.04	2,834.43
2	Expenditure						
	a) Operating Expenses	246.79	271.11	379.02	517.90	738.52	1,250.35
	b) Decrease / (Increase) in Stock of Crude Oil and Condensate	(82.80)	(63.32)	48.93	(146.12)	193.10	215.37
	c) Employee Benefit Expenses	33.37	28.83	67.64	62.20	135.69	245.06
	d) Depletion, Depreciation and Amortization	325.58	229.57	282.12	555.15	622.73	1,207.78
	e) Provision for inventories	103.69	-	-	103.69	-	-
	f) Exploration Costs	-	-	13.17	-	19.58	22.84
	g) Other Expenses	349.05	298.52	238.81	647.57	412.50	480.23
	Total expenditure	975.68	764.71	1,029.69	1,740.39	2,122.12	3,421.63
3	Profit / (Loss) from Operations before Other Income, exceptional items and Tax	(420.35)	(164.43)	(455.97)	(584.78)	(479.08)	(587.20)
4	Other Income	611.15	346.73	230.68	957.88	414.12	882.27
5	Profit / (Loss) from ordinary activities before exceptional items and Tax	190.80	182.30	(225.29)	373.10	(64.96)	295.07
6	Exceptional Items	1,155.72	1,096.54	336.81	2,252.26	273.01	514.82
7	Profit - ordinary activities before tax	1,346.52	1,278.84	111.52	2,625.36	208.05	809.89
8	Tax Expenses- prior year adjustments	35.51	352.07	(2.73)	387.58	(2.73)	(6.18)
9	Net Profit for the period	1,311.01	926.77	114.25	2,237.78	210.78	816.07
10	Other Comprehensive income	(0.11)	(0.11)	(0.11)	(0.22)	(0.22)	(0.45)
11	Total Comprehensive Income	1,310.90	926.66	114.14	2,237.56	210.56	815.62
12	Paid up Equity Share Capital (Face Value of ₹ 10/- each)	13,050.93	13,050.93	13,050.93	13,050.93	13,050.93	13,050.93
13	Total Reserves						16,917.20
14	Basic and Diluted Earnings Per Share (in ₹) - Not Annualized	₹ 1.00	₹ 0.71	₹ 0.09	₹ 1.71	₹ 0.16	₹ 0.62



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(₹ in lacs)

Standalone Statement of Assets and Liabilities			
Sr. No.	Particulars	As at September 30, 2016 (Unaudited)	As at March 31, 2016 (Unaudited)
A	ASSETS		
1	Non-current Assets		
	(a) Property, Plant and Equipment	6,293.58	6,774.25
	(b) Development work-in-progress	15,544.45	13,011.46
	(c) Intangible assets	215.75	1.60
	(d) Financial Assets		
	(i) Investments		
	- Investments in subsidiary	50.00	50.00
	(ii) Other financial assets	83.04	117.79
	(e) Other non-current assets	4,985.11	4,810.50
	Total non-current assets	27,171.93	24,765.60
2	Current assets		
	(a) Inventories	2,607.21	2,243.41
	(b) Financial assets		
	(i) Investments	15,910.59	6,620.86
	(ii) Trade receivables	225.26	216.83
	(iii) Cash and cash equivalents	4,216.32	4,803.75
	(iv) Bank balances other than (iii) above	521.19	469.28
	(v) Other financial assets	118.70	78.95
	(c) Income tax assets (Net)	2,149.80	8,568.64
	(d) Other current assets	12.08	49.25
	Total current assets	25,761.15	23,050.97
	TOTAL	52,933.08	47,816.57
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity share capital	13,050.93	13,050.93
	(b) Other equity	19,154.76	16,917.20
	Total equity	32,205.69	29,968.13
2	Liabilities		
	Non-current liabilities		
	(a) Financial liabilities		
	(i) Trade and other payables	1,007.80	1,007.80
	(ii) Other financial liabilities	1,622.31	1,622.31
	(b) Employee benefit obligation	15.71	14.85
	(c) Provision for site restoration	9,142.85	9,142.85
	Total non-current liabilities	11,788.67	11,787.81
3	Current liabilities		
	(a) Financial liabilities		
	(i) Trade and other payables	251.19	196.17
	(b) Employee benefit obligation	7.55	5.80
	(c) Other current liabilities	8,679.98	5,858.66
	Total current liabilities	8,938.72	6,060.63
	TOTAL	52,933.08	47,816.57






Notes:-

1. The above un-audited financial results for the quarter and six months ended September 30, 2016 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on October 27, 2016. The statutory auditors of the company have carried out limited review of the results of the quarter and six months ended.
2. The Company has adopted Indian Accounting Standards ("Ind AS") on April 1, 2016 with April 1, 2015 as transition date. Accordingly, these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued there under and the other accounting principles generally accepted in India. Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS 34.
3. The financial results for the quarters and six months ended September 30, 2015 and year ended March 31, 2016 have not been audited or reviewed and have been presented based on the information compiled by the management after making the necessary adjustments to give a true and fair view of the results in accordance with Ind AS.
4. The individual items of expenses in the above financial results are net of amounts charged to Unincorporated Joint ventures (UJV) where the Company is the operator. The Company's share of such net expenses in UJV's are treated as exploration, development or production costs, as the case may be.
5. Exceptional items for the current quarter represents Interest received on refund of income tax for the Assessment years 2005-06 & 2006-07 amounting to ₹1,155.72 lacs.
6. Reconciliation between previously reported (referred to as 'Previous GAAP') and Ind AS quarters/six months ended/year presented are as under:

(a) EQUITY RECONCILIATION

(₹ in lacs)

Nature of adjustments	As at September 30, 2015	As at March 31, 2016	As at April 1, 2015
Equity under previous GAAP attributable	14,233.68	14,798.16	14,142.10
Depreciation, depletion and amortization	(76.26)	(69.13)	-
Fair valuation of investments	183.81	217.27	71.97
Effect of discounting of site restoration liability	1,970.90	1,970.90	1,887.50
Equity under Ind AS	16,312.13	16,917.20	16,101.57

(b) COMPREHENSIVE INCOME RECONCILIATION

(₹ in lacs)

Nature of adjustments	Quarter ended September 30, 2015	Six months ended September 30, 2015	For the Year ended March 31, 2016
Net Profit under Previous GAAP	47.06	91.59	656.06
Actuarial loss on employee defined benefit funds recognized in Other Comprehensive income	0.11	0.22	0.45
Investments at fair value adjusted in profit and loss	63.52	111.84	145.30
Effect of change in depletion recognized as change in estimate	3.56	7.13	14.26
Net Profit for the period under Ind AS	114.25	210.78	816.07
Other Comprehensive Income	(0.11)	(0.22)	(0.45)
Total Comprehensive Income under Ind AS	114.14	210.56	815.62





7. HOEC Bardahl India Ltd ("HBIL") renamed as Hindage Oilfield Services Limited is the wholly owned subsidiary of the company. Consequent to the discontinuation of distribution of Bardahl Manufacturing Corp ("BMC") products effective February 29, 2016, the legal process has been initiated against LV Rustore Applications Pvt Ltd ("LVR") to protect the interest of the company. The arbitration application filed by LVR under section 11 of the Arbitration Act was dismissed by the Court on October 14, 2016. The company will initiate to appoint an arbitrator to adjudicate the disputes. Meanwhile, the Memorandum and Articles of Association of HBIL was amended to include the business of oil field services representing the change in business objective of HBIL to align with the business of the company.
8. The Company operates in one segment i.e. "Oil and Gas".
9. Figures for previous quarters/ six months ended have been regrouped/reclassified wherever necessary to confirm to the current quarter/ six months ended presentation.

BY ORDER OF THE BOARD
For Hindustan Oil Exploration Company Limited



Director & CFO



Managing Director

Place : Chennai

Date : October 27, 2016

