



# Bharat Petroleum Corporation Limited

Regd. Office : Bharat Bhavan, 4 & 6, Currimbhoy Road, Ballard Estate, Mumbai 400 001.

## AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2008

Sr. No.	Particulars	Unaudited		Audited		Audited Consolidated results for	
		Three Months ended 31-03-2008	Three Months ended 31-03-2007	Accounting Year ended 31-03-2008	Accounting Year ended 31-03-2007	Accounting Year ended 31-03-2008	Accounting Year ended 31-03-2007
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>A</b>	<b>Physical Performance</b>						
1	Crude Throughput (Million tonnes)	5.00	5.27	20.95	19.78	23.52	22.28
2	Market Sales (Million tonnes)	6.97	6.31	25.79	23.45	26.08	23.66
3	Sales Growth (%)	10.46	12.08	9.98	8.41	10.23	8.58
4	Export Sales (Million tonnes)	0.30	0.17	1.93	1.72	1.93	1.72
<b>B</b>	<b>Financial Performance</b>						
							(Rs. in Million)
1	Sales / Income from Operations	354,731	266,327	1,216,841	1,074,523	1,231,797	1,090,789
	Less : Excise Duty paid	28,945	25,062	111,373	98,921	119,366	106,597
	Net Sales / Income from Operations	325,786	241,265	1,105,468	975,602	1,112,431	984,192
2	Other Income	1,343	2,740	12,394	7,525	11,673	6,886
3	Total Income (1+2)	327,129	244,005	1,117,862	983,127	1,124,104	991,078
4	Expenditure						
	(a) (Increase) / decrease in stock in Trade and work in progress	2,841	343	3,925	(2,054)	3,162	(1,211)
	(b) Consumption of raw materials	128,568	97,597	489,219	422,033	564,378	486,893
	(c) Purchase of traded goods	167,363	113,433	526,646	463,904	447,583	391,693
	(d) Employees cost	4,550	2,885	12,972	10,037	13,569	10,676
	(e) Depreciation and Amortisation	3,319	2,778	10,982	9,041	12,921	11,021
	(f) Other expenditure	13,864	14,402	42,980	47,162	46,702	52,554
	(g) Total	320,505	231,438	1,086,724	950,123	1,088,315	951,626
5	Interest	2,156	1,708	6,725	5,327	7,149	5,757
6	Exceptional Items	—	—	(1,560)	—	(1,560)	—
7	Profit before tax (3) - (4+5+6)	4,468	10,859	25,973	27,677	30,200	33,695
8	Provision for Taxation—including Fringe Benefit Tax	3,486	4,019	9,059	9,354	10,488	10,197
9	Provision for Taxation—Deferred	398	140	1,108	268	587	(61)
10	Net Profit after tax (7-8-9)	584	6,700	15,806	18,055	19,125	23,559
11	Minority interest	—	—	—	—	1,429	2,107
12	Net Profit for the group (10-11)	—	—	—	—	17,696	21,452
13	Paid-up Equity Share Capital (face value of Rs.10 per share)	3,615	3,615	3,615	3,615	3,615	3,615
14	Reserves excluding revaluation reserves as per balance sheet	—	—	113,153	99,120	125,454	110,094
15	Earnings per share (Rs.) - Basic & Diluted	1.62	18.53	43.72	49.94	48.94	59.33
16	Public Shareholding						
	— Number of Shares	129,213,327	129,213,327	129,213,327	129,213,327	129,213,327	129,213,327
	— Percentage of Shareholding	35.74	35.74	35.74	35.74	35.74	35.74

### Notes:

- The market sales during the year ended 31<sup>st</sup> March 2008 has increased to 25.79 MMT from 23.45 MMT achieved during the previous year. The increase is mainly in HSD Retail (16.42%), MS Retail (10.50%), HSD Direct (10.73%), LPG (7.29%) and ATF (8.97%) offset by reduction in Furnace Oil (-9.26%), Naphtha (-9.99%).
- During the year ended 31<sup>st</sup> March 2008, subsidy claim towards sale of SKO (PDS) and LPG (Domestic) amounting to Rs. 5,544 million (previous year Rs. 5,293 million) has been accounted as per the existing scheme approved by the Government of India.
- Financial results have been affected due to impact on account of high crude oil and product prices which could not be fully passed on to the consumers. The under recovery on HSD, MS, SKO (PDS) and LPG (Domestic) was partially compensated by the upstream oil companies as advised by the Government of India. Accordingly, Rs. 59,751 million for the year ended 31<sup>st</sup> March 2008 (previous year Rs. 44,622 million) has been accounted as discount on purchase of Crude Oil, LPG and SKO from ONGC and GAIL.  
Further, in lieu of the under-recoveries on sale of sensitive petroleum products during 2007-08, based on the approval of Government of India, the Corporation has accounted for Oil Marketing Companies Government of India Special Bonds amounting to Rs. 85,895 million (previous year Rs. 52,479 million) as "Sales / Income from Operations". This compensation has been received in the form of Oil Marketing Companies Government of India Special Bonds amounting to Rs. 46,181 million (Previous year Rs. 52,479 million). The balance amount of Rs. 39,715 million (Previous year Rs. Nil) is receivable as on 31<sup>st</sup> March 2008 from Government of India.
- The Gross Refining Margin (GRM) during the year ended 31<sup>st</sup> March 2008 was USD 4.60 per barrel (previous year USD 3.64 per barrel) for Mumbai Refinery and USD 7.18 per barrel (previous year USD 3.46 per barrel) for Kochi Refinery.
- Other Income for the year ended 31<sup>st</sup> March 2008 includes Rs. 2,547 million (previous year Rs. 193 million) towards gains on foreign exchange fluctuations.
- Pending finalisation of the revision in salary for management staff with effect from 1<sup>st</sup> January 2007, an amount of Rs. 1,702 million on an estimated basis has been provided under employees' cost during the year.
- The impact on account of transitional provisions on the implementation of Accounting Standard 15 – "Employee Benefits" is Rs. 354 million. After adjusting

- deferred tax asset of Rs. 120 million relating to this provision, the net impact of Rs. 234 million has been adjusted against opening balance of General Reserve.
- Depreciation includes Rs. 3,202 million for the year ended 31<sup>st</sup> March 2008 as compared to Rs. 1,803 million during previous year on account of LPG cylinders depreciated at 100%.
  - Exceptional items for the year represents profit of Rs. 1,279 million from sale of 49% stake in Bharat Shell Limited, a joint venture company and Rs. 281 million from sale of 1.31% stake in Numaligarh Refinery Limited, a subsidiary company.
  - The participating interest of the Corporation in the continuing Oil and Gas Blocks has been assigned to Bharat PetroResources Limited (BPRL), a 100% subsidiary of the Corporation.
  - Figures relating to corresponding periods of the previous year have been regrouped wherever necessary.
  - The Board of Directors has recommended a final dividend of Rs. 4 per share. The total amount of final dividend works out to Rs. 1,538 million including tax on dividend.
  - During the quarter ended 31<sup>st</sup> March 2008, complaints were received from one investor through SEBI and one investor through NSDL, which were resolved to the satisfaction of the complainants.
  - The Statutory Audit of Accounts for the year ended 31<sup>st</sup> March 2008 has been completed. Further, the Accounts were reviewed by the Audit Committee on 17<sup>th</sup> June 2008 before submission to the Board.
  - The Audited Accounts are subject to review by the Comptroller and Auditor General of India under Section 619(4) of the Companies Act, 1956.
  - The Audited Consolidated Financial Results for the year ended 31<sup>st</sup> March 2008 have been prepared in line with the requirements of Accounting Standard 21 – 'Consolidated Financial Statements' and Accounting Standard 27 – 'Financial Reporting of Interests in Joint Ventures'.

### SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Sr. No.	Particulars	Unaudited		Audited		Audited Consolidated results for	
		Three Months ended 31-03-2008	Three Months ended 31-03-2007	Accounting Year ended 31-03-2008	Accounting Year ended 31-03-2007	Accounting Year ended 31-03-2008	Accounting Year ended 31-03-2007
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
							(Rs. in Million)
1	<b>SEGMENT REVENUE</b>						
	a) Downstream Petroleum	326,024	242,473	1,111,463	978,510	1,118,429	987,271
	b) Exploration & Production of Hydrocarbons	—	—	—	—	—	—
	Sub-Total	326,024	242,473	1,111,463	978,510	1,118,429	987,271
	Less: Inter-Segment Revenue	—	—	—	—	—	—
	<b>TOTAL REVENUE</b>	<b>326,024</b>	<b>242,473</b>	<b>1,111,463</b>	<b>978,510</b>	<b>1,118,429</b>	<b>987,271</b>
2	<b>SEGMENT RESULTS</b>						
	a) Profit before Tax, Interest Income, Interest Expenditure and Dividend from each Segment						
	i) Downstream Petroleum	6,935	12,619	28,081	30,588	33,552	37,636
	ii) Exploration & Production of Hydrocarbons	640	(242)	(331)	(395)	(413)	(395)
	Sub-Total of (a)	7,575	12,377	27,750	30,193	33,139	37,241
	b) Interest Expenditure	2,156	1,708	6,725	5,327	7,149	5,757
	c) Other Un-allocable Expenditure Net of Un-allocable Income	951	(190)	(4,948)	(2,811)	(4,210)	(2,211)
	Profit before Tax (a - b - c)	4,468	10,859	25,973	27,677	30,200	33,695
3	<b>CAPITAL EMPLOYED</b>						
	(Segment Assets - Segment Liabilities)						
	a) Downstream Petroleum	140,899	144,425	140,899	144,425	185,484	183,671
	b) Exploration & Production of Hydrocarbons	(174)	1	(174)	1	1,316	1
	c) Others (Unallocated - Corporate)	(23,957)	(41,691)	(23,957)	(41,691)	(49,125)	(62,388)
	<b>TOTAL</b>	<b>116,768</b>	<b>102,735</b>	<b>116,768</b>	<b>102,735</b>	<b>137,675</b>	<b>121,284</b>

### NOTES:

- The Corporation is engaged in the following business segments:
  - Downstream petroleum i.e. Refining and Marketing of Petroleum Products.
  - Exploration and Production of Hydrocarbons (E & P Segment).
 Segments have been identified taking into account the nature of activities and the nature of risks and returns.
- Segment Revenue comprises of Turnover (net of excise duties), Subsidy received from the Government of India and Other income (excluding dividend, interest income and investment income).
- The results of the E&P segment for the year represents expenditure of Rs. 874 million on dry well charged off net of E&P expenditure of Rs. 543 million upto 31<sup>st</sup> March 2007 received from BPRL.
- There are no geographical segments.

The above audited results of Bharat Petroleum Corporation Limited and the audited Consolidated Financial results for the year ended 31<sup>st</sup> March 2008 have been taken on record by the Board at its meeting held on 17<sup>th</sup> June 2008.

For and on behalf of the Board of Directors

Place : Mumbai  
Date : 17<sup>th</sup> June 2008.

S. K. Joshi  
Director (Finance)