

HINDUSTAN PETROLEUM CORPORATION LIMITED
(A GOVERNMENT OF INDIA ENTERPRISE)
Regd. Office : 17, Jamshedji Tata Road, Mumbai - 400 020
AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2006

Particulars	(Unaudited)			(Audited)		(Provisional Unaudited)	(Audited)
	Nine Months Ended	Three Months Ended		Year Ended		Consolidated Results Year Ended	
	31.12.2005	31.03.2006	31.03.2005	31.03.2006	31.03.2005	31.03.2006	31.03.2005
FINANCIAL PERFORMANCE (Rs. in Crores)							
1 Gross Sales	53,787.51	20,256.60	17,377.44	74,044.11	64,689.51	78,881.98	68,239.88
2 Sales/Income from Operations	54,181.25	22,739.01	17,518.01	76,920.26	65,218.33	81,758.13	68,768.70
Less : Excise Duty Paid	3,979.24	1,903.10	1,069.12	5,882.34	5,359.59	6,443.18	5,735.27
Net Sales/Income from Operations	50,202.01	20,835.91	16,448.89	71,037.92	59,858.74	75,314.95	63,033.43
3 Other Income	147.47	180.98	116.85	328.45	329.53	337.93	371.38
4 Total Expenditure							
(Increase) / Decrease in Inventory	(1,253.40)	(155.56)	18.28	(1,408.96)	(34.87)	(1,359.64)	(68.43)
Consumption of Raw Materials	17,707.05	7,875.13	4,874.96	25,582.18	20,576.22	29,481.32	23,359.55
Staff Cost	477.92	211.59	241.42	689.51	712.41	701.12	723.08
Purchase of Products for Resale	32,167.93	10,010.19	9,977.93	42,178.12	33,842.86	42,180.80	33,843.49
Other Expenditure	2,249.64	941.81	879.88	3,191.45	2,709.82	3,311.22	2,805.86
	51,349.14	18,883.16	15,992.46	70,232.30	57,806.44	74,314.82	60,663.55
5 Interest	100.90	57.84	16.61	158.74	81.64	203.77	133.28
6 Depreciation	515.77	174.46	187.75	690.23	659.59	760.81	736.73
7 Profit/(Loss) before Tax (2+3-4-5-6)	(1,616.33)	1,901.43	368.91	285.10	1,640.60	373.48	1,871.25
8 Provision for Taxation - Current (Net)	-	(141.60)	(17.45)	(141.60)	442.60	(134.34)	454.92
9 Profit/(Loss) after Current Tax (7 - 8)	(1,616.33)	2,043.03	386.36	426.70	1,198.00	507.82	1,416.33
10 Provision for Taxation - Deferred Liability/(Asset)	(16.89)	26.58	(113.44)	9.69	(79.33)	44.07	0.69
11 Fringe Benefit Tax	8.34	3.04	-	11.38	-	11.68	-
12 Net Profit / (Loss) (9 - 10-11)	(1,607.78)	2,013.41	499.80	405.63	1,277.33	452.07	1,415.64
13 Paid up Equity Share Capital (Face value Rs.10)	338.94	338.94	338.93	338.94	338.93	338.94	338.93
14 Reserves excluding Revaluation Reserves				8,396.80	8,101.92	8,318.00	7,977.50
15 Earnings Per Share (Rs.)	(47.44)	59.40	14.75	11.97	37.69	13.34	41.77
16 Cash Earnings Per Share (Rs.)	(32.72)	65.33	16.94	32.62	54.81	37.08	63.53
17 Aggregate of Non -Promoter Shareholding (Non -Govt.)							
No. of Shares	166,253,250	166,253,250	166,253,250	166,253,250	166,253,250	166,253,250	166,253,250
Percentage of Shareholding (%)	48.99	48.99	48.99	48.99	48.99	48.99	48.99
PHYSICAL PERFORMANCE (in MMT)							
Crude Thruput	9.71	4.11	3.19	13.82	13.94		
Market Sales (Including Exports)	14.41	5.07	5.12	19.48	20.09		
Pipeline Thruput	4.15	1.50	1.44	5.65	6.05		

Notes :

- The Board has recommended a dividend of 30%.
- The Audited Accounts are subject to review by the Comptroller & Auditor General of India under section 619(4) of the Companies Act 1956.
- The Gross Refining Margins during the year ended 31st March 2006 were US \$ 3.22 per BBL (2004-05 US \$ 5.60 per BBL) for Mumbai Refinery and US \$ 2.56 per BBL (2004-05 US \$ 5.06 per BBL) for Visakh Refinery.
- The prices of LPG (Domestic) and SKO (PDS) are subsidised as per the scheme approved by the Government in January 2003. Subsidy for the current year has been accounted at 1/3rd of the subsidy rates for 2002-03 as approved by the Government of India.
- Financial results of the year have been adversely affected due to impact on account of high crude 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, an amount of Rs. 3221.59 crores (2004-05 : Rs.1278.34 crores) has been accounted for during the year towards discount received from ONGC/GAIL on purchase of Crude Oil / LPG / SKO. Further, Oil Bonds issued by the Government of India towards under-recoveries suffered by OMCs on sale of sensitive products during 2005-06 for Rs.2344.86 crores (2004-05 : Nil) have been accounted under 'Sales/Income from Operations'
- A net amount of Rs. 435 crores (2004-05: Nil) has been accounted during the current year as discount on MS, HSD, SKO (PDS) and LPG (Domestic) on purchase from refineries.
- The Consolidated Financial Results have been prepared in line with the requirement of Accounting Standard 21 - 'Consolidated Financial Statements' and Accounting Standard 27 - 'Financial Reporting of Interests in Joint Ventures'.
- Investor Complaints : Balance as on 01-01-2006 : Nil, Received during the quarter : 3 , Disposed off during the quarter : 2 , Balance as on 31-03-2006 : 1
- Previous year's figures have been regrouped/reclassified wherever necessary.

SEGMENT-WISE RESULTS

Particulars	Rs. in Crores						
	(Unaudited)	(Unaudited)		(Audited)		(Provisional Unaudited)	(Audited)
	Nine Months Ended	Three Months Ended		Year Ended		Consolidated Results Year Ended	
	31.12.2005	31.03.2006	31.03.2005	31.03.2006	31.03.2005	31.03.2006	31.03.2005
1 SEGMENT REVENUE							
a) Downstream Petroleum	50,276.97	20,932.70	16,566.85	71,209.67	60,062.60	75,493.25	63,283.91
b) Exploration & Production of Hydrocarbons	-	-	-	-	-	-	-
Sub-Total	50,276.97	20,932.70	16,566.85	71,209.67	60,062.60	75,493.25	63,283.91
Less: Inter-Segment Revenue	-	-	-	-	-	-	-
TOTAL REVENUE	50,276.97	20,932.70	16,566.85	71,209.67	60,062.60	75,493.25	63,283.91
2 SEGMENT RESULTS							
a) Profit before Tax, Interest Income, Interest Expenditure and Dividend from each Segment							
i) Downstream Petroleum	(1,618.55)	1,919.20	345.60	300.64	1,600.03	431.27	1,879.22
ii) Exploration & Production of Hydrocarbons	(3.50)	(8.92)	(3.45)	(12.42)	(3.45)	(12.44)	(3.45)
Sub-Total of (a)	(1,622.05)	1,910.27	342.15	288.22	1,596.58	418.83	1,875.77
b) Interest Expenditure	100.90	57.84	16.61	158.74	81.64	203.77	133.28
c) Other Un-allocable Expenditure Net of Un-allocable Income	(106.62)	(49.00)	(43.37)	(155.62)	(125.66)	(158.42)	(128.76)
Profit before Tax (a-b-c)	(1,616.33)	1,901.43	368.91	285.10	1,640.60	373.48	1,871.25
3 CAPITAL EMPLOYED (Segment Assets- Segment Liabilities)							
a) Downstream Petroleum	10,936.06	5,978.47	8,240.32	5,978.47	8,240.32	6,755.33	8,960.52
b) Exploration & Production of Hydrocarbons	(6.95)	(15.87)	(3.45)	(15.87)	(3.45)	(15.89)	(3.45)
c) Others (Unallocated-Corporate)	(4,095.78)	2,773.14	203.98	2,773.14	203.98	1,947.46	(616.68)
Total	6,833.33	8,735.74	8,440.85	8,735.74	8,440.85	8,686.90	8,340.39

Notes:

- The Company is engaged in the following business segments:
 - Downstream i.e. Refining and Marketing of Petroleum Products
 - Exploration and Production of Hydrocarbons

Segments have been identified taking into account the nature of activities and the nature of risks and returns
- Segment Revenue comprises the following:
 - Turnover (Net of Excise Duties)
 - Subsidy from Government of India
 - Net Claim/(surrender to) PPAC/GOI
 - Other income (excluding interest income, dividend income and investment income)
- There are no geographical segments.

The above results have been reviewed and recommended by the Audit Committee and taken on record by the Board of Directors at its meeting held on May 25, 2006.

By order of the Board

Place : New Delhi
Date : May 25, 2006

C. Ramulu
Director (Finance)