

HINDUSTAN PETROLEUM CORPORATION LIMITED  
(A GOVERNMENT OF INDIA ENTERPRISE)

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STANDALONE AND CONSOLIDATED UNAUDITED / AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2016

| Particulars  | Un - Audited                       |                  |                  | Audited                         |                    |                                   |                    |
|--|------------------------------------|------------------|------------------|---------------------------------|--------------------|-----------------------------------|--------------------|
|  | Standalone Results - Quarter Ended |                  |                  | Standalone Results - Year Ended |                    | Consolidated Results - Year Ended |                    |
|  | 31.03.2016                         | 31.12.2015       | 31.03.2015       | 31.03.2016                      | 31.03.2015         | 31.03.2016                        | 31.03.2015         |
| <b>PART I</b>  |                                    |                  |                  |                                 |                    |                                   |                    |
| <b>A FINANCIAL PERFORMANCE ( ₹ in Crores )</b>   |                                    |                  |                  |                                 |                    |                                   |                    |
| <b>1 Income from Operations</b>  |                                    |                  |                  |                                 |                    |                                   |                    |
| Sales/Income from Operations   | 48,322.32                          | 48,307.78        | 48,638.82        | 1,97,744.28                     | 2,17,061.11        | 2,12,743.98                       | 2,30,226.32        |
| Less : Excise Duty Paid  | 6,196.36                           | 4,876.64         | 4,088.57         | 18,463.21                       | 10,680.74          | 25,983.55                         | 13,831.16          |
| <b>(a) Net Sales/Income from Operations</b>  | <b>42,125.96</b>                   | <b>43,431.14</b> | <b>44,550.25</b> | <b>1,79,281.07</b>              | <b>2,06,380.37</b> | <b>1,86,760.43</b>                | <b>2,16,395.16</b> |
| <b>(b) Other Operating Income</b>  | <b>69.28</b>                       | <b>69.28</b>     | <b>65.29</b>     | <b>290.12</b>                   | <b>245.81</b>      | <b>318.36</b>                     | <b>252.92</b>      |
| <b>Total Income from Operations (net)</b>  | <b>42,195.24</b>                   | <b>43,500.42</b> | <b>44,615.54</b> | <b>1,79,571.19</b>              | <b>2,06,626.18</b> | <b>1,87,078.79</b>                | <b>2,16,648.08</b> |
| <b>2 Expenditure</b>   |                                    |                  |                  |                                 |                    |                                   |                    |
| (a) Cost of materials consumed   | 8,479.21                           | 10,387.96        | 10,721.54        | 40,523.83                       | 56,158.44          | 57,641.04                         | 78,982.20          |
| (b) Purchases of stock-in-trade  | 25,668.07                          | 26,829.52        | 25,413.00        | 1,15,948.43                     | 1,29,278.36        | 1,01,962.08                       | 1,14,969.85        |
| (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade                      | 460.06                             | 487.50           | 1,416.16         | 177.40                          | 3,749.44           | 609.11                            | 5,078.44           |
| (d) Employee benefits expense  | 460.66                             | 703.41           | 608.03           | 2,314.53                        | 2,414.66           | 2,518.75                          | 2,593.11           |
| (e) Depreciation and amortisation expense  | 675.36                             | 697.80           | 554.93           | 2,666.77                        | 1,971.15           | 3,595.72                          | 2,489.40           |
| (f) Other expenditure  | 4,465.91                           | 2,851.64         | 3,480.36         | 12,700.07                       | 9,899.57           | 13,708.29                         | 10,324.23          |
| <b>Total Expenses</b>  | <b>40,209.27</b>                   | <b>41,957.83</b> | <b>42,194.02</b> | <b>1,74,331.03</b>              | <b>2,03,471.62</b> | <b>1,80,034.99</b>                | <b>2,14,437.23</b> |
| <b>3 Profit/(Loss) from Operations before Other Income, Finance Cost &amp; Exceptional Items (1-2)</b> | <b>1,985.97</b>                    | <b>1,542.59</b>  | <b>2,421.52</b>  | <b>5,240.16</b>                 | <b>3,154.56</b>    | <b>7,043.80</b>                   | <b>2,210.85</b>    |
| <b>4 Other Income</b>  | <b>407.85</b>                      | <b>203.96</b>    | <b>1,015.54</b>  | <b>1,138.05</b>                 | <b>1,706.15</b>    | <b>1,657.60</b>                   | <b>1,860.79</b>    |
| <b>5 Profit/(Loss) from ordinary activities before Finance Cost &amp; Exceptional Items (3+4)</b>      | <b>2,393.82</b>                    | <b>1,746.55</b>  | <b>3,437.06</b>  | <b>6,378.21</b>                 | <b>4,860.71</b>    | <b>8,701.40</b>                   | <b>4,071.64</b>    |
| <b>6 Finance Cost</b>  | <b>191.34</b>                      | <b>161.03</b>    | <b>153.18</b>    | <b>640.14</b>                   | <b>706.59</b>      | <b>1,747.25</b>                   | <b>1,841.15</b>    |
| <b>7 Profit/(Loss) from ordinary activities after Finance Cost but before Exceptional Items (5-6)</b>  | <b>2,202.48</b>                    | <b>1,585.52</b>  | <b>3,283.88</b>  | <b>5,738.07</b>                 | <b>4,154.12</b>    | <b>6,954.15</b>                   | <b>2,230.49</b>    |
| <b>8 Exceptional Items - Expenses/(Income)</b>   | -                                  | -                | -                | -                               | -                  | -                                 | (4.09)             |
| <b>9 Profit/(Loss) from Ordinary Activities before tax (7+/-8)</b>                                     | <b>2,202.48</b>                    | <b>1,585.52</b>  | <b>3,283.88</b>  | <b>5,738.07</b>                 | <b>4,154.12</b>    | <b>6,954.15</b>                   | <b>2,234.58</b>    |
| <b>10 Tax Expense</b>  | <b>649.54</b>                      | <b>543.26</b>    | <b>1,121.49</b>  | <b>1,875.33</b>                 | <b>1,420.86</b>    | <b>2,107.24</b>                   | <b>741.83</b>      |
| <b>11 Net Profit/(Loss) from Ordinary Activities after tax (9-10)</b>                                  | <b>1,552.94</b>                    | <b>1,042.26</b>  | <b>2,162.39</b>  | <b>3,862.74</b>                 | <b>2,733.26</b>    | <b>4,846.91</b>                   | <b>1,492.75</b>    |
| <b>12 Extraordinary Items (net of tax expenses)</b>  | -                                  | -                | -                | -                               | -                  | -                                 | 3.88               |
| <b>13 Net Profit/(Loss) for the period (11-12)</b>   | <b>1,552.94</b>                    | <b>1,042.26</b>  | <b>2,162.39</b>  | <b>3,862.74</b>                 | <b>2,733.26</b>    | <b>4,846.91</b>                   | <b>1,488.87</b>    |
| <b>14 Minority Interest</b>  | -                                  | -                | -                | -                               | -                  | (74.58)                           | (9.71)             |
| <b>15 Net Profit/(Loss) for the group (13-14)</b>  | <b>1,552.94</b>                    | <b>1,042.26</b>  | <b>2,162.39</b>  | <b>3,862.74</b>                 | <b>2,733.26</b>    | <b>4,921.49</b>                   | <b>1,498.58</b>    |
| <b>16 Paid up Equity Share Capital (Face value ₹ 10/- each)</b>  | <b>338.63</b>                      | <b>338.63</b>    | <b>338.63</b>    | <b>338.63</b>                   | <b>338.63</b>      | <b>338.63</b>                     | <b>338.63</b>      |
| <b>17 Paid up Debt Capital</b>   |                                    |                  |                  | <b>975.00</b>                   | <b>1,520.00</b>    |                                   |                    |
| <b>18 Reserves excluding Revaluation Reserves</b>  |                                    |                  |                  | <b>18,017.09</b>                | <b>15,683.08</b>   | <b>16,675.07</b>                  | <b>13,272.82</b>   |
| <b>19 Debenture Redemption Reserve</b>   |                                    |                  |                  | <b>265.14</b>                   | <b>413.31</b>      |                                   |                    |
| <b>20 Earnings Per Share (of ₹ 10/- each) (not annualised):</b>  |                                    |                  |                  |                                 |                    |                                   |                    |
| (i) Basic and Diluted before extraordinary item (₹)  | 45.86                              | 30.78            | 63.86            | 114.07                          | 80.72              | 145.34                            | 44.37              |
| (ii) Basic and Diluted after extraordinary item (₹)  | 45.86                              | 30.78            | 63.86            | 114.07                          | 80.72              | 145.34                            | 44.25              |
| <b>21 Debt Equity Ratio *</b>  |                                    |                  |                  | <b>0.95 : 1</b>                 | <b>1.13 : 1</b>    |                                   |                    |
| <b>22 Debt Service Coverage Ratio (DSCR) (No. of times) **</b>   |                                    |                  |                  | <b>0.99</b>                     | <b>1.57</b>        |                                   |                    |
| <b>23 Interest Service Coverage Ratio (ISCR) (No. of times) ***</b>                                    |                                    |                  |                  | <b>14.13</b>                    | <b>9.67</b>        |                                   |                    |
| <b>B PHYSICAL PERFORMANCE ( in MMT )</b>   |                                    |                  |                  |                                 |                    |                                   |                    |
| Crude Thruput  | 4.70                               | 4.57             | 4.45             | 17.23                           | 16.18              |                                   |                    |
| Market Sales (Including Exports)   | 9.05                               | 8.65             | 8.19             | 34.21                           | 31.95              |                                   |                    |
| Pipeline Thruput   | 4.22                               | 4.54             | 3.83             | 17.61                           | 14.91              |                                   |                    |

\*Debt Equity Ratio = Long Term Debts / (Share Capital + Reserves & Surplus)

\*\*Debt Service Coverage Ratio (DSCR) = Profits after Tax but before Depreciation and Interest / (Interest + Principal Repayment of Long Term Loans).

\*\*\* Interest Service Coverage Ratio (ISCR) = Profits before Depreciation, Interest and Tax / Interest.



**Notes:**

- 1 The Board, in its meeting dated February 1, 2016 and March 11, 2016 declared an interim dividend of ₹ 11.50 and ₹ 7.00 Per equity share.
- 2 The Board has recommended a final dividend of ₹ 16.00 per equity share.
- 3 The Audited Accounts are subject to review by the Comptroller & Auditor General of India under section 143 (6) of the Companies Act 2013.
- 4 Average Gross Refining Margins during the year ended March 16, were US \$ 6.68 per BBL as against US \$ 2.84 per BBL during the corresponding previous year.
- 5 During the year ended March 2016, Subsidy from Govt. of India on sale of PDS Kerosene & Domestic LPG amounting to ₹ Nil (2014-15: ₹ 636.99 crores) has been accounted.
- 6 Based on the approval received from Government of India, the Company has accounted for Budgetary Support amounting to ₹ 1,761.26 crores during 2015-16 towards under recovery on sale of PDS SKO. During 2014-15, Budgetary Support amounting to ₹ 5,057.94 crores was accounted towards under-recoveries on sale of PDS SKO, Domestic subsidized LPG and Diesel.
- 7 During the year ended March 2016, discount from upstream oil companies, viz., ONGC amounting to ₹ 190.33 crores in respect of Crude Oil purchased from them has been accounted. During the year ended March 2015, discount amounting to ₹ 10,862.21 crores from upstream oil companies, viz., ONGC & GAIL in respect of Crude Oil, PDS Kerosene & Domestic LPG purchased from them was accounted.
- 8 During the year, an amount of ₹ 282 Crores has been provided towards diminution in value of investment in respect of Subsidiaries, under AS -13.
- 9 In line with the Notification dated August 29, 2014 issued by Ministry of Corporate Affairs (MCA), the Corporation has complied with the requirements of paragraph 4(a) of Notes to Schedule II to the Companies Act, 2013, relating to componentization, from financial year 2015-16. Due to the above compliance, the depreciation expense for the year ended March 31, 2016 is increased by ₹ 260.88 crores. As provided in para 7 (b) of Schedule II to the Companies Act, 2013, the Corporation has charged ₹ 219.49 crores to the statement of Profit & Loss.
- 10 As of 31st March 2014, paid up equity capital of BGL was ₹ 5 lacs, in which HPCL and GAIL were holding 25% each. Balance 50% of shares were held by Kakinada Seaports Ltd (KSPL) on warehousing basis. In addition, each one of HPCL and GAIL had paid ₹ 22.49 crores as Advance against Equity / Share application money (totaling to ₹ 44.98 crores) in earlier years. On 20th August 2014, BGL allotted 2,24,87,500 shares on preferential basis to each of HPCL and GAIL towards the money paid earlier. Meanwhile there are certain Issues pending adjudication with another shareholder. Accordingly, keeping in view financial prudence, HPCL's share has been considered at 24.99% (considered as 24.99% in F.Y. 2014-15).
- 11 The Statutory Auditors have issued unmodified opinion on the Standalone and Consolidated financial results for the quarter and year ended March 31, 2016.
- 12 Additional Disclosures as per Clause 52(4) of SEBI (Listing and Disclosure Requirements) Regulations, 2015.

| Particulars  | 31.03.2016    |                               | 31.03.2015                    |                               |
|--|---------------|-------------------------------|-------------------------------|-------------------------------|
|  | Series F      | Series G                      | Series F                      | Series G                      |
| (a) Previous Due Date for the payment of Interest of Non Convertible Debentures (NCDs) | 09.11.2015    | 14.03.2016                    | 10.11.2014                    | 13.03.2015                    |
| (b) Previous Due Date for the repayment of principal of NCDs                           | 09.11.2015    | N.A.                          | N.A.                          | N.A.                          |
| (c) Next Due Date and amount for the payment of Interest of NCDs                       | N.A.          | 13.03.2017 /<br>₹ 85.5075 cr. | 09.11.2015 /<br>₹ 47.6875 cr. | 14.03.2016 /<br>₹ 85.5075 cr. |
| (d) Next Due Date and amount for the payment of principal of NCDs                      | N.A.          | 13.03.2018/<br>₹ 975 cr.      | 09.11.2015/<br>Rs 545 cr.     | 13.03.2018/<br>₹ 975 cr.      |
| (e) Net Worth (₹ in Crores)  | 18,356.10     |                               | 16,022.09                     |                               |
| (g) Asset Cover available  | N.A.          | 1.1162                        | 1.7177                        | 1.1710                        |
| (f) The Credit Rating  | CRISIL        | N.A.                          | CRISIL AAA/<br>Stable         | CRISIL AAA/<br>Stable         |
|  | India Ratings | N.A.                          | Ind AAA/ Stable               | Ind AAA/ Stable               |

- 13 The figures for the quarter ended 31st March 2016 and 31st March 2015 represent the difference between the audited figures in respect of full financial year and the unaudited figures of nine months ended 31st December 2015 and 31st December 2014 respectively.



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## 14 STATEMENT OF ASSETS AND LIABILITIES

(₹ in Crores)

| Particulars                                    | Audited                         |                  |                                   |                  |
|--|---------------------------------|------------------|-----------------------------------|------------------|
|  | Standalone Results - Year Ended |                  | Consolidated Results - Year Ended |                  |
|  | 31.03.2016                      | 31.03.2015       | 31.03.2016                        | 31.03.2015       |
| <b>A EQUITY AND LIABILITIES</b>                |                                 |                  |                                   |                  |
| <b>1 Shareholder's Funds</b>                   |                                 |                  |                                   |                  |
| (a) Share Capital                              | 339.01                          | 339.01           | 339.01                            | 339.01           |
| (b) Reserves and Surplus                       | 18,017.09                       | 15,683.08        | 16,987.65                         | 13,585.40        |
| (c) Minority interest                          |                                 |                  | 39.73                             | 114.33           |
| <b>Sub - Total - Shareholders' Funds</b>       | <b>18,356.10</b>                | <b>16,022.09</b> | <b>17,366.39</b>                  | <b>14,038.74</b> |
| <b>2 Non - Current Liabilities</b>             |                                 |                  |                                   |                  |
| (a) Long - Term Borrowings                     | 10,633.48                       | 14,855.83        | 21,746.80                         | 28,535.92        |
| (b) Deferred Tax Liabilities (net)             | 4,810.46                        | 4,103.60         | 3,686.63                          | 2,804.45         |
| (c) Other Long - Term Liabilities              | 9,450.58                        | 8,286.61         | 9,716.84                          | 8,544.53         |
| (d) Long - Term Provisions                     | 431.27                          | 581.47           | 515.51                            | 646.05           |
| <b>Sub - Total - Non - Current Liabilities</b> | <b>25,325.79</b>                | <b>27,827.51</b> | <b>35,665.78</b>                  | <b>40,530.95</b> |
| <b>3 Current Liabilities</b>                   |                                 |                  |                                   |                  |
| (a) Short - Term Borrowings                    | 3,888.54                        | 2,199.81         | 5,949.79                          | 4,603.10         |
| (b) Trade Payables                             | 6,587.07                        | 8,935.65         | 10,600.34                         | 12,639.49        |
| (c) Other Current Liabilities                  | 14,587.91                       | 10,168.06        | 16,263.29                         | 11,442.79        |
| (d) Short - Term Provisions                    | 1,725.52                        | 2,397.52         | 1,841.52                          | 2,489.63         |
| <b>Sub - Total - Current Liabilities</b>       | <b>26,789.04</b>                | <b>23,701.04</b> | <b>34,654.94</b>                  | <b>31,175.01</b> |
| <b>TOTAL - EQUITY AND LIABILITIES</b>          | <b>70,470.93</b>                | <b>67,550.64</b> | <b>87,687.11</b>                  | <b>85,744.70</b> |
| <b>B ASSETS</b>                                |                                 |                  |                                   |                  |
| <b>1 Non - Current Assets</b>                  |                                 |                  |                                   |                  |
| (a) Fixed Assets                               | 35,322.71                       | 32,537.23        | 51,962.16                         | 49,256.38        |
| (b) Goodwill on Consolidation                  | -                               | -                | 120.35                            | 118.56           |
| (c) Non - Current Investments                  | 6,000.06                        | 5,867.52         | 573.17                            | 578.12           |
| (d) Long - Term Loans and Advances             | 1,573.40                        | 1,429.86         | 1,729.72                          | 1,634.02         |
| (e) Other Non - Current Assets                 | 86.03                           | 116.55           | 186.04                            | 200.57           |
| <b>Sub - Total - Non - Current Assets</b>      | <b>42,982.20</b>                | <b>39,951.16</b> | <b>54,571.44</b>                  | <b>51,787.65</b> |
| <b>2 Current Assets</b>                        |                                 |                  |                                   |                  |
| (a) Current Investments                        | 4,994.62                        | 5,378.97         | 4,997.26                          | 5,534.70         |
| (b) Inventories                                | 12,709.12                       | 12,972.26        | 14,983.86                         | 16,044.75        |
| (c) Trade Receivables                          | 4,192.66                        | 3,603.05         | 4,533.73                          | 4,070.73         |
| (d) Cash and Bank Balances                     | 19.69                           | 17.07            | 2,799.35                          | 2,235.83         |
| (e) Short - Term Loans and Advances            | 5,295.52                        | 5,306.52         | 5,473.28                          | 5,372.75         |
| (f) Other Current Assets                       | 277.12                          | 321.61           | 328.19                            | 698.29           |
| <b>Sub - Total - Current Assets</b>            | <b>27,488.73</b>                | <b>27,599.48</b> | <b>33,115.67</b>                  | <b>33,957.05</b> |
| <b>TOTAL - ASSETS</b>                          | <b>70,470.93</b>                | <b>67,550.64</b> | <b>87,687.11</b>                  | <b>85,744.70</b> |



15 Consolidated Segment - wise Revenue, Results and Capital employed

| S. No. | Particulars   | (Audited)          |                    |
|--------|---|--------------------|--------------------|
|        |   | Year Ended         |                    |
|        |   | 31.03.2016         | 31.03.2015         |
| 1      | <b>SEGMENT REVENUE</b>  |                    |                    |
|        | a) Downstream Petroleum   | 1,87,724.65        | 2,17,497.85        |
|        | b) Exploration & Production of Hydrocarbons   | 78.78              | 30.30              |
|        | Sub-Total   | 1,87,803.43        | 2,17,528.15        |
|        | Less: Inter-Segment Revenue   | 7.56               | 7.51               |
|        | <b>TOTAL REVENUE</b>  | <b>1,87,795.87</b> | <b>2,17,520.64</b> |
| 2      | <b>SEGMENT RESULTS</b>  |                    |                    |
|        | a) Profit/(Loss) before Tax, Interest Income, Interest Expenditure and Dividend from each Segment |                    |                    |
|        | i) Downstream Petroleum   | 8,077.45           | 2,566.25           |
|        | ii) Exploration & Production of Hydrocarbons  | (201.50)           | 2.96               |
|        | Sub-Total of (a)  | 7,875.95           | 2,569.21           |
|        | b) Finance Cost   | 1,747.25           | 1,841.15           |
|        | c) Other Un-allocable Expenditure (Net of Un-allocable Income)                                    | (825.45)           | (1,506.52)         |
|        | Profit/(Loss) before Tax (a-b-c)  | 6,954.15           | 2,234.58           |
| 3      | <b>CAPITAL EMPLOYED</b>   |                    |                    |
|        | (Segment Assets- Segment Liabilities)   |                    |                    |
|        | a) Downstream Petroleum   | 54,412.19          | 45,113.42          |
|        | b) Exploration & Production of Hydrocarbons   | 442.75             | (826.76)           |
|        | c) Others (Unallocated-Corporate)   | 2,066.06           | 6,799.93           |
|        | <b>Total</b>  | <b>56,921.00</b>   | <b>51,086.59</b>   |

**Notes:**

- The Group is engaged in the following business segments:
    - Downstream Petroleum i.e. Refining, Marketing, Transportation of Petroleum Products, etc.
    - 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 of the following: (a) Turnover (Net of Excise Duties) (b) Subsidy from Government of India (c) Other income (excluding interest income, dividend income and investment income)
  - There are no geographical segments.
  - Previous period's figures have been regrouped/reclassified wherever necessary.
- 16 The above results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 27, 2016.
- 17 The Financial Results have been audited by the Statutory Auditors as required under Regulation 33 of SEBI (Listing and Disclosure Requirements) Regulations, 2015.
- 18 The above figures are in respect of standalone financial results, unless otherwise stated.
- 19 Previous period's figures have been regrouped/reclassified wherever necessary.

By order of the Board

  
 J Ramaswamy  
 Director (Finance)  
 DIN No. - 06627920

Place : New Delhi  
 Date : May 27, 2016



