

HINDUSTAN PETROLEUM CORPORATION LIMITED  
(A GOVERNMENT OF INDIA ENTERPRISE)

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STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2017

| Particulars   | Un - Audited     |                  |                  |                   |                   | Audited           |
|---|------------------|------------------|------------------|-------------------|-------------------|-------------------|
|   | Quarter Ended    |                  |                  | Nine Months Ended |                   | Year Ended        |
|   | 31.12.2017       | 30.09.2017       | 31.12.2016       | 31.12.2017        | 31.12.2016        | 31.03.2017        |
| <b>PART I</b>   |                  |                  |                  |                   |                   |                   |
| <b>A FINANCIAL PERFORMANCE</b>  |                  |                  |                  |                   |                   |                   |
| <b>1 Income</b>   |                  |                  |                  |                   |                   |                   |
| (a) Sales/Income from Operations  | 62,831.71        | 54,152.80        | 55,470.66        | 176,875.78        | 154,820.78        | 213,488.95        |
| (b) Other Operating Income  | 244.44           | 183.03           | 75.20            | 511.14            | 226.98            | 314.04            |
| (c) Other Income (refer note # 5 below)   | 474.32           | 519.36           | 282.66           | 1,563.99          | 1,086.46          | 1,514.72          |
| <b>Total Income</b>   | <b>63,550.47</b> | <b>54,855.19</b> | <b>55,828.52</b> | <b>178,950.91</b> | <b>156,134.22</b> | <b>215,317.71</b> |
| <b>2 Expenses</b>   |                  |                  |                  |                   |                   |                   |
| (a) Cost of materials consumed  | 13,177.49        | 11,062.55        | 11,963.69        | 36,287.95         | 31,901.73         | 45,137.66         |
| (b) Purchases of stock-in-trade   | 37,832.11        | 31,866.86        | 32,021.10        | 102,660.09        | 90,166.92         | 122,731.74        |
| (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | (139.47)         | (1,496.40)       | (1,577.36)       | 1,744.43          | (3,738.01)        | (4,454.06)        |
| (d) Excise Duty   | 5,601.90         | 6,813.25         | 6,985.09         | 18,921.58         | 19,525.32         | 26,779.28         |
| (e) Employee benefits expense   | 669.93           | 708.12           | 610.42           | 2,076.43          | 1,829.98          | 2,946.08          |
| (f) Finance Costs   | 89.85            | 156.34           | 130.13           | 389.15            | 382.63            | 535.65            |
| (g) Depreciation and amortisation expense   | 679.92           | 680.41           | 633.56           | 2,027.38          | 1,860.35          | 2,535.28          |
| (h) Other expenses (refer note # 5 below)   | 2,775.68         | 2,475.86         | 2,657.27         | 8,004.34          | 7,573.46          | 10,085.24         |
| <b>Total Expenses</b>   | <b>60,687.41</b> | <b>52,266.99</b> | <b>53,423.90</b> | <b>172,111.35</b> | <b>149,502.38</b> | <b>206,296.87</b> |
| <b>3 Profit/(Loss) before exceptional items and tax</b>                           | <b>2,863.06</b>  | <b>2,588.20</b>  | <b>2,404.62</b>  | <b>6,839.56</b>   | <b>6,631.84</b>   | <b>9,020.84</b>   |
| <b>4 Exceptional Items - Expenses/(Income)</b>                                    | -                | -                | -                | -                 | -                 | -                 |
| <b>5 Profit/(Loss) before tax (3+/-4)</b>   | <b>2,863.06</b>  | <b>2,588.20</b>  | <b>2,404.62</b>  | <b>6,839.56</b>   | <b>6,631.84</b>   | <b>9,020.84</b>   |
| <b>6 Tax Expense :</b>  |                  |                  |                  |                   |                   |                   |
| (i) Current Tax   | 931.69           | 733.05           | 484.45           | 2,000.57          | 1,290.19          | 2,183.76          |
| (ii) Deferred Tax   | (18.32)          | 120.41           | 329.86           | 229.81            | 951.64            | 628.28            |
| <b>Total Tax Expense</b>  | <b>913.37</b>    | <b>853.46</b>    | <b>814.31</b>    | <b>2,230.38</b>   | <b>2,241.83</b>   | <b>2,812.04</b>   |
| <b>7 Net profit/(loss) for the period (5-6)</b>                                   | <b>1,949.69</b>  | <b>1,734.74</b>  | <b>1,590.31</b>  | <b>4,609.18</b>   | <b>4,390.01</b>   | <b>6,208.80</b>   |
| <b>8 Other comprehensive income</b>   |                  |                  |                  |                   |                   |                   |
| Items that will not be reclassified to profit or loss                             | 35.14            | 163.53           | 66.50            | 68.94             | 179.58            | 151.92            |
| Income tax relating to items that will not be reclassified to profit or loss      | -                | -                | -                | -                 | -                 | 8.20              |
| <b>Total Other Comprehensive Income</b>   | <b>35.14</b>     | <b>163.53</b>    | <b>66.50</b>     | <b>68.94</b>      | <b>179.58</b>     | <b>160.12</b>     |
| <b>9 Total comprehensive income, for the period (7 +/- 8)</b>                     | <b>1,984.83</b>  | <b>1,898.27</b>  | <b>1,656.81</b>  | <b>4,678.12</b>   | <b>4,569.59</b>   | <b>6,368.92</b>   |
| <b>10 Paid up Equity Share Capital (Face value ₹ 10/- each)</b>                   | <b>1,523.82</b>  | <b>1,523.82</b>  | <b>1,015.88</b>  | <b>1,523.82</b>   | <b>1,015.88</b>   | <b>1,015.88</b>   |
| <b>11 Other Equity excluding Revaluation Reserves</b>                             |                  |                  |                  |                   |                   | <b>19,331.14</b>  |
| <b>12 Basic and Diluted Earnings Per Share (of ₹ 10/- each) (not annualised)</b>  | <b>12.79</b>     | <b>11.38</b>     | <b>10.44</b>     | <b>30.25</b>      | <b>28.81</b>      | <b>40.74</b>      |
| <b>B PHYSICAL PERFORMANCE ( in MMT )</b>  |                  |                  |                  |                   |                   |                   |
| <b>Crude Thruput</b>  | <b>4.52</b>      | <b>4.64</b>      | <b>4.66</b>      | <b>13.65</b>      | <b>13.18</b>      | <b>17.81</b>      |
| <b>Market Sales</b>   |                  |                  |                  |                   |                   |                   |
| - Domestic Sales  | 9.23             | 8.37             | 9.02             | 26.80             | 25.93             | 34.69             |
| - Exports   | 0.21             | 0.36             | 0.25             | 0.63              | 0.44              | 0.54              |
| <b>Pipeline Thruput</b>   | <b>5.17</b>      | <b>5.05</b>      | <b>4.47</b>      | <b>14.87</b>      | <b>13.24</b>      | <b>17.91</b>      |

**Notes:**

- The Audit Committee has reviewed the above results and the same have been subsequently approved by the Board of Directors in their meeting held on 9th February 2018.
- The Financial Results have been reviewed by the Statutory Auditors as required under regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Corporation has accounted for Budgetary Support amounting to ₹ 194.53 crores during October – December, 2017 (October – December, 2016 : ₹ 263.88 crores) towards under recovery on sale of PDS SKO. For the nine months ended December 31, 2017 this amounts to ₹ 525.00 crores (April - December, 2016 : ₹ 955.74 crores).
- Average Gross Refining Margin during the nine months ended December 31, 2017 was US \$ 7.51 per BBL as against US \$ 5.57 per BBL during the corresponding period of previous year.
- Other Income for the period April - December, 2017 includes ₹ 406.64 Crores (October - December 2017 ₹ 274.31 crores) towards gain on account of foreign currency transactions and translations. During, April - December, 2016 loss of ₹ 111.70 crores (October - December 2016 ₹ 53.14 crores) on account of foreign currency transactions and translations was included in Other Expenses.
- Pursuant to the approval of the Shareholders through the process of postal ballot during July 2017, the Corporation has issued bonus shares in the ratio of one equity shares of ₹ 10/- for two existing equity share of ₹ 10/- each in July, 2017. Accordingly, EPS for earlier periods has been recalculated and presented. This is in accordance with Ind AS - 33.
- During the period July-September 2017, the recommendations of the 3rd Pay Revision Committee have been approved by the Board for pay revision with effect from January 1, 2017. However, the presidential directives were issued on October 13, 2017 for implementation of the same. Accordingly the implementation of the Committee's recommendations are in progress. The Corporation does not expect any material impact on the financial results on final implementation of the recommendation as the Corporation has been making estimated provisions based on the recommendations in the current period and earlier periods.



- 8 Post implementation of Goods and Services Tax (GST) w.e.f. 1st July 2017, some of the petroleum products have come under the domain of current GST Laws and the balance petroleum products continue to remain under the Excise Laws. Since Excise Duty is included in revenue and GST is not included in revenue, the comparable revenues from operations for the relevant periods under consideration are given below :

| ₹ Crores  | Quarter Ended    |                  |                  | Nine Months Ended |                   | Year Ended        |
|---|------------------|------------------|------------------|-------------------|-------------------|-------------------|
|   | 31.12.2017       | 30.09.2017       | 31.12.2016       | 31.12.2017        | 31.12.2016        | 31.03.2017        |
| Revenue (Gross)                                   | 62,831.71        | 54,152.80        | 55,470.66        | 176,875.78        | 154,820.78        | 213,488.95        |
| Less: Excise duty pertaining to GST Products only | -                | -                | 562.51           | 526.51            | 1,562.92          | 2,238.94          |
| <b>Net comparable revenue</b>                     | <b>62,831.71</b> | <b>54,152.80</b> | <b>54,908.15</b> | <b>176,349.27</b> | <b>153,257.86</b> | <b>211,250.01</b> |

- 9 Subsequent to end of 3rd quarter of FY 2017 - 18, on January 31, 2018, based on the Share Purchase agreement (SPA) entered into between Government of India and Oil and Natural Gas Corporation Limited, 51.11% Equity Shares in the Paid up Capital of Hindustan Petroleum Corporation Limited (HPCL) have been acquired by Oil and Natural Gas Corporation Limited. HPCL continues to be a Government Company as defined under Section 2(45) of the Companies Act, 2013.
- 10 The decision of the arbitration with M3nergy Sdn. Bhd. relating to development of an oilfield has been given in favour of the Corporation. M3nergy Sdn. Bhd. has challenged the said order and accordingly, on conservative basis, the Corporation has decided not to recognise the award amount in the Financial Statements. The Corporation's share of the award amounts to approximate ₹ 416.62 crores.
- 11 The Corporation operates in a single segment viz. Downstream petroleum sector.
- 12 The Board at its meeting held on 9th February, 2018 declared an interim dividend of ₹ 14.50 per equity share (Face value : ₹ 10/- per equity share).
- 13 Previous periods figures have been regrouped/reclassified, wherever necessary.

By order of the Board



J Ramaswamy  
Director (Finance)  
DIN No. - 06627920

Place : New Delhi  
Date : February 09, 2018

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