

**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 2007**

Particulars	(Unaudited)			(Audited)		(Audited)	
	Nine Months Ended	Three Months Ended		Year Ended		Consolidated Results Year Ended	
	31.12.2006	31.03.2007	31.03.2006	31.03.2007	31.03.2006	31.03.2007	31.03.2006
<b>FINANCIAL PERFORMANCE (Rs. in Crores)</b>							
1 Gross Sales	68,833.01	<b>22,615.02</b>	20,256.60	<b>91,448.03</b>	74,044.11	<b>97,019.84</b>	78,881.98
2 Sales/Income from Operations	73,163.94	<b>23,754.21</b>	22,739.01	<b>96,918.15</b>	76,920.26	<b>102,489.96</b>	81,758.13
Less : Excise Duty Paid	5,972.18	<b>1,904.71</b>	1,960.97	<b>7,876.89</b>	6,014.23	<b>8,520.42</b>	6,575.07
Net Sales/Income from Operations	67,191.76	<b>21,849.50</b>	20,778.04	<b>89,041.26</b>	70,906.03	<b>93,969.54</b>	75,183.06
3 Other Income	488.07	<b>196.44</b>	165.11	<b>684.51</b>	349.46	<b>711.09</b>	358.93
4 Total Expenditure							
(Increase) / Decrease in Inventory	(229.40)	<b>(14.15)</b>	(155.56)	<b>(243.55)</b>	(1,408.96)	<b>(378.40)</b>	(1,359.64)
Consumption of Raw Materials	27,703.52	<b>8,113.27</b>	7,814.57	<b>35,816.79</b>	25,450.29	<b>40,462.38</b>	29,349.43
Staff Cost	567.57	<b>161.85</b>	175.49	<b>729.42</b>	641.49	<b>741.59</b>	651.84
Purchase of Products for Resale	35,376.65	<b>11,473.57</b>	10,012.89	<b>46,850.22</b>	42,178.12	<b>46,854.33</b>	42,180.80
Other Expenditure	2,388.90	<b>1,089.85</b>	966.25	<b>3,478.75</b>	3,243.34	<b>3,597.62</b>	3,363.10
	65,807.24	<b>20,824.39</b>	18,813.64	<b>86,631.63</b>	70,104.28	<b>91,277.52</b>	74,185.53
5 Interest and Other Borrowing Cost	270.26	<b>152.72</b>	53.62	<b>422.98</b>	175.88	<b>459.81</b>	220.91
6 Depreciation	517.60	<b>186.40</b>	174.46	<b>704.00</b>	690.23	<b>778.18</b>	762.07
7 Profit before Tax (2+3-4-5-6)	1,084.73	<b>882.43</b>	1,901.43	<b>1,967.16</b>	285.10	<b>2,165.12</b>	373.48
8 Provision for Taxation - Current (Net)	56.96	<b>292.73</b>	(141.60)	<b>349.69</b>	(141.60)	<b>369.23</b>	(134.34)
9 Profit after Current Tax (7-8)	1,027.77	<b>589.70</b>	2,043.03	<b>1,617.47</b>	426.70	<b>1,795.89</b>	507.82
10 Provision for Taxation - Deferred Liability/(Asset)	(0.78)	<b>37.24</b>	26.58	<b>36.46</b>	9.69	<b>111.79</b>	44.07
11 Fringe Benefit Tax	6.92	<b>2.92</b>	3.04	<b>9.84</b>	11.38	<b>10.08</b>	11.68
12 Net Profit (9-10-11)	1,021.63	<b>549.54</b>	2,013.41	<b>1,571.17</b>	405.63	<b>1,674.02</b>	452.07
13 Paid up Equity Share Capital (Face value Rs.10)	338.95	<b>338.95</b>	338.94	<b>338.95</b>	338.94	<b>338.95</b>	338.94
14 Reserves excluding Revaluation Reserves				<b>9,259.70</b>	8,396.80	<b>9,227.34</b>	8,294.29
15 Earnings Per Share (Rs.)	30.14	<b>16.21</b>	59.40	<b>46.35</b>	11.97	<b>49.39</b>	13.34
16 Cash Earnings Per Share (Rs.)	45.39	<b>22.81</b>	65.33	<b>68.20</b>	32.62	<b>75.65</b>	37.12
17 Aggregate of Non -Promoter Shareholding (Non -Govt.)							
No. of Shares	166,253,250	<b>166,253,250</b>	166,253,250	<b>166,253,250</b>	166,253,250	<b>166,253,250</b>	166,253,250
Percentage of Shareholding (%)	48.99	<b>48.99</b>	48.99	<b>48.99</b>	48.99	<b>48.99</b>	48.99
<b>PHYSICAL PERFORMANCE (in MMT)</b>							
Crude Thruput	12.45	<b>4.21</b>	4.11	<b>16.66</b>	13.82		
Market Sales (Including Exports)	16.08	<b>5.61</b>	5.06	<b>21.69</b>	19.42		
Pipeline Thruput	4.97	<b>1.76</b>	1.50	<b>6.73</b>	5.65		

**Notes :**

- The Board has recommended a final dividend of 120% in addition to the interim dividend of 60% paid in December 2006.
- 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 for the year ended 31st March 2007 were US \$ 4.78 per BBL (2005-06 : US \$ 3.22 per BBL) for Mumbai Refinery and US \$ 3.51 per BBL (2005-06 : US \$ 2.56 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 amounting to Rs. 540.23 crores (2005-06 : Rs. 531.29 crores) for the year has been accounted at 1/3rd of the subsidy rates for 2002-03 as approved by the Government of India.
- Financial results for the year have been affected due to high crude and product prices, which could not be fully passed on to the consumers. The under-recovery on MS, HSD, SKO (PDS) and LPG (Domestic) for the year was partially compensated by way of (a) Discounts from upstream oil companies, viz, ONGC and GAIL, in respect of Crude Oil / LPG / SKO purchased from them amounting to Rs. 4161.59 crores (2005-06 : Rs. 3221.59 crores) and (b) Oil Bonds from Government of India amounting to Rs. 4929.89 crores (2005-06 : Rs. 2,344.86 crores), which have been accounted during the period 2006-07.
- Provision for current tax is net of write back of provision relating to earlier years amounting to Rs. 302.98 crores (2005-06 : Rs.220.05 crores).
- Investor Complaints : Balance as on 01-01-2007 : 8, Received during the quarter : 7 , Disposed off during the quarter : 13, Balance as on 31-03-2007 : 2
- Previous year's figures have been regrouped/reclassified wherever necessary.

**SEGMENT-WISE RESULTS**

Rs. in Crores

Particulars	(Unaudited)	(Unaudited)		(Audited)		(Audited)	
	Nine Months Ended	Three Months Ended		Year Ended		Consolidated Results Year Ended	
	31.12.2006	31.03.2007	31.03.2006	31.03.2007	31.03.2006	31.03.2007	31.03.2006
<b>1 SEGMENT REVENUE</b>							
a) Downstream Petroleum	67,452.58	<b>21,955.49</b>	20,893.07	<b>89,408.07</b>	71,098.79	<b>94,358.99</b>	75,382.36
b) Exploration & Production of Hydrocarbons	-	-	-	-	-	<b>0.00</b>	0.00
Sub-Total	67,452.58	<b>21,955.49</b>	20,893.07	<b>89,408.07</b>	71,098.79	<b>94,358.99</b>	75,382.36
Less: Inter-Segment Revenue	-	-	-	-	-	-	-
<b>TOTAL REVENUE</b>	67,452.58	<b>21,955.49</b>	20,893.07	<b>89,408.07</b>	71,098.79	<b>94,358.99</b>	75,382.36
<b>2 SEGMENT RESULTS</b>							
a) Profit before Tax, Interest Income, Interest Expenditure and Dividend from each Segment							
i) Downstream Petroleum	1,161.33	<b>1,050.55</b>	1,914.97	<b>2,211.88</b>	317.78	<b>2,432.07</b>	448.41
ii) Exploration & Production of Hydrocarbons	(2.87)	<b>(17.24)</b>	(8.92)	<b>(20.11)</b>	(12.42)	<b>(20.74)</b>	(12.44)
Sub-Total of (a)	1,158.46	<b>1,033.31</b>	1,906.05	<b>2,191.77</b>	305.36	<b>2,411.33</b>	435.97
b) Interest Expenditure	270.26	<b>152.72</b>	53.62	<b>422.98</b>	175.88	<b>459.81</b>	220.91
c) Other Un-allocable Expenditure							
Net of Un-allocable Income	(196.53)	<b>(1.84)</b>	(49.00)	<b>(198.37)</b>	(155.62)	<b>(213.60)</b>	(158.42)
Profit before Tax (a-b-c)	1,084.73	<b>882.43</b>	1,901.43	<b>1,967.16</b>	285.10	<b>2,165.12</b>	373.48
<b>3 CAPITAL EMPLOYED</b> (Segment Assets- Segment Liabilities)							
a) Downstream Petroleum	13,893.25	<b>14,966.36</b>	12,670.39	<b>14,966.36</b>	12,670.39	<b>16,579.97</b>	14,188.03
b) Exploration & Production of Hydrocarbons	(18.74)	<b>(35.98)</b>	(15.87)	<b>(35.98)</b>	(15.87)	<b>(36.65)</b>	(15.91)
c) Others (Unallocated-Corporate)	(4,349.16)	<b>(5,331.73)</b>	(3,918.78)	<b>(5,331.73)</b>	(3,918.78)	<b>(6,975.47)</b>	(5,537.33)
Total	9,525.35	<b>9,598.65</b>	8,735.74	<b>9,598.65</b>	8,735.74	<b>9,567.85</b>	8,634.79

Notes:

1. 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.

2. Segment Revenue comprises the following:

- Turnover (Net of Excise Duties)
- Subsidy from Government of India
- Other income (excluding interest income, dividend income and investment income)

3. 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 29, 2007.

By order of the Board

Place : New Delhi  
Date : May 29, 2007

**C. Ramulu**  
Director (Finance)