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MANGALORE REFINERY AND PETROCHEMICALS LIMITED
(A subsidiary of ONGC)

PRESS RELEASE

New Delhi, 21st October 2011

MRPL Posts Positive Financials in 2nd Quarter 2011-12 , despite steep rapid rupee devaluation.

The Board of Directors of Mangalore Refinery and Petrochemicals Limited, a subsidiary company of ONGC and a category I Mini Ratna, approved its un-audited results for the second quarter of Financial Year 2011-12. Despite shutdown of CDU/VDU for revamp for part of September 2011 the physical performance of the refinery operation was higher. However the steep rupee devaluation has impacted the Profit After Tax.

PERFORMANCE of Q2:

Particulars	Q2		Variation
	2011-12	2010-11	
Throughput (MMT)	3.08	2.87	7% ↑
Exports (MMT)	1.34	1.10	22% ↑
Turnover (₹ In Crore)	12,404	9,590	29% ↑
Exports (₹ In Crore)	5,245	2,859	83% ↑
PBDIT (₹ In Crore)	227	540	↓
PBT (₹ In Crore)	30	411	↓
PAT (₹ In Crore)	24	282	↓

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GRM	(US\$ / BBL)	1.66	6.15	
	(₹ In Crore)	185	589	
GRM Variance Analysis				
Operating Margin	(₹ In Crore)	540	380	
Net Exchange Gain / (Loss)	(₹ In Crore)	(352)	123	
Inventory Gain / (Loss)	(₹ In Crore)	(3)	86	

FINANCIAL PERFORMANCE REVIEW AND ANALYSIS:

MRPL posts a moderate profit in 2nd Quarter 2011-12 PAT at Rs 24 Crore (after considering Rs 97 Crore as depreciation, Rs 73 Crore as interest Cost, Rs.27 Crore as Bank Charges, Rs 150 Crore as Interest Income and observing Foreign Exchange Loss of Rs.352 Crore. The corresponding profit and expenses for the second quarter 2010-11 are PAT of Rs 282 Crore (after considering Rs 100 Crore as depreciation, Rs 28 crore as interest Cost, Rs 44 Crore as Interest Income and Foreign Exchange Gain of Rs.123 crore).

MRPL has achieved an operating margin during Q2 of 4.84 USD per BBL as against 3.96 USD per BBL during the corresponding quarter. This Q2 is impacted by steep rupee devaluation from Rs.45.35 per USD (as on 30th June 2011) to Rs.49.30 per USD (as on 30.09.2011). This steep rupee depreciation by almost 10% has adversely impacted the profitability resulting in reduced PAT.

MRPL has achieved a turnover for the half year ended 30th September,2011 of Rs.26943 crore (Exports Rs.10580 crore) as against Rs18581 crore (Exports Rs 5318 crore) during the earlier period , showing an increase of 45% on the total turnover and increase of 99% on the export turnover.

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AWARDS, RECOGNITION AND ACHEIVEMENTS:

Mangalore Refinery and Petrochemicals Ltd. was awarded the "Unnatha Suraksha Puraskara" award instituted by the National Safety Council - Karnataka Chapter Safety Awards - 2011 for outstanding performance in Safety Management Systems under the category of Manufacture of Petroleum Products.

PHASE III: REFINERY PROJECT:

MRPL Phase III Expansion project is progressing well. The overall project progress as on 15th October 2011 is 88.4%.

The Refinery is planning to take-up commissioning of its additional 3 MMTPA CDU/VDU units and associated facility by Jan/Feb 2012 despite the disruption in work due to blockage caused by displaced families of MSEZ Ltd. and inclement weather during the quarter.

OTHER MAJOR PROJECTS:**CDU/VDU REVAMP:**

The CDU/VDU of 4.68 MMTPA has been taken for shutdown to facilitate final hook up job of revamp of the unit. The work is progressing revamp of CDU/VDU of 4.68 MMTPA capacity is progressing as per schedule and the plant has been declared as mechanically completed and back into operation ahead of schedule today.

HYDROCRACKER (HCU) REVAMP:

The HCU1 was taken on Shut down for revamp work as schedule. The revamp job has been completed and taken back on-stream on 17th October 2011.

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SPM IMPLEMENTATION:

The SPM implementation is on schedule and the progress as on 15th October 2011 is 46.9 % with completion target of May 2012. All the clearance as required are in place.

CORPORATE SOCIAL RESPONSIBILITY:

The company as a socially conscious corporate continues its 'Samrakshan' programme. The company during the quarter has arranged construction of class rooms, school building, road development and other activities .

The team MRPL extended its warm and affectionate welcome to the New CMD of ONGC and Chairman MRPL and re assured the dedication with enthusiasm and fullest co-operation in all spheres of activity.

Speaking on the occasion Shri Sudhir Vasudeva, Chairman complimented the Team MRPL for the excellent physical and financial performance during the quarter and also the progress of project implementation and thanked all the stakeholders for their unstinted support and confidence in MRPL.