



मंगलूर रिफाइनरी एण्ड पेट्रोकेमिकल्स लिमिटेड MANGALORE REFINERY AND PETROCHEMICALS LIMITED

(ऑयल एण्ड नेचुरल गैस कार्पोरेशन लिमिटेड की सहायक कंपनी) • (A Subsidiary of Oil and Natural Gas Corporation Limited)
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29th October, 2013

Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400 001. Fax No.022-22722037/39/41

The National Stock Exchange of India Limited
Exchange Plaza,
Bandra-Kurla Complex
Bandra (E), Mumbai – 400 051. Fax No.022-26598237/38/8347/48, 66418125

Sir,

Sub.: Press Release of 183rd Board Meeting.

We are enclosing herewith a copy of Press release of the 183rd Board Meeting held on 29th October, 2013 for your information and records.

Thanking you,

Yours faithfully,
For **MANGALORE REFINERY & PETROCHEMICALS LTD.**


DINESH MISHRA
COMPANY SECRETARY

Encl: A/a

MANGALORE REFINERY AND PETROCHEMICALS LIMITED
(A subsidiary of ONGC)

PRESS RELEASE

New Delhi, 29th October, 2013

MRPL Q2 FY-14 results showed an all round increase in Physical Performance , Turnover and Profits.

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 2013-14. The Company showed an all around improvement in performance both physical and financial during the Q2 of FY14 despite rupee devaluation by 5.40% in the quarter as compared to Q1 of FY14. The Company posted a GRM of 5.04 \$/bbl in Q2 FY-14. The GRM of Q2 FY-14 was lower than corresponding Q2 FY-13 mainly on account of reduced market margins.

The summarized performance results for of Q2FY14 and HY14 compared to the corresponding period is as follows:

Particulars	Q2		Variation	HY		Variation
	2013-14	2012-13		2013-14	2012-13	
Throughput (MMT)	3.69	3.59	3%	6.96	6.48	7%
Exports (MMT)	1.91	1.55	23%	3.46	2.90	19%
Total Turnover (₹ In Crore)	19,554	17,148	14%	35,688	30,613	17%
Export Turnover (₹ In Crore)	10,288	7,474	38%	17,216	13,414	28%
EBITA (₹ In Crore)	514	1,480	-65%	307	233	32%
PBT (₹ In Crore)	246	1,265	-81%	(208)	(230)	10% *
PAT (₹ In Crore)	236	1,185	-80%	(218)	(335)	35% *
GRM (US\$ / BBL)	5.04	9.19	-45%	3.98	3.14	27%
(₹ In Crore)	857	1,284	-33%	1,278	792	61%

(*) Reduction in Loss

GRM Variance Analysis	Q214	Q213	HY14	HY13
Operating Margin (₹ In Crore)	145	579	472	874
Inventory Gain / (Loss) (₹ In Crore)	712	705	806	(82)
Net Exchange Gain/(Loss) (₹ In Crore)	(249)	284	(766)	(365)

FINANCIAL PERFORMANCE REVIEW AND ANALYSIS:

A. Analysis of results Q2 FY 2014

MRPL keeping with market trend posts a positive financial results and increased physical performance in the 2nd Quarter of FY-14 compared to its 1st Quarter of FY-14. MRPL has posted PAT of ₹236 Crore (after considering ₹176 Crore as depreciation, ₹93 Crore as Interest Cost, Net Foreign Exchange loss of ₹249 crore). The profit for the corresponding second quarter of 2012-13 was PAT of ₹1185 Crore (after considering ₹146 Crore as depreciation, ₹70 crore as Interest Cost and Foreign Exchange gain of ₹284 crore). MRPL achieved a GRM of 5.04 USD per BBL for the 2nd Quarter of 2013-14 as compared to 9.19 USD per BBL during the corresponding quarter of last year 2012-13.

B Analysis of results of Half year FY-2014

MRPL has achieved a turnover of ₹ 35688 Crore (Exports ₹ 17216 Crore) for the half year ended 30th September, 2013 as against ₹30613 Crore (Exports ₹ 13414 Crore) during the earlier period , showing an increase of 17% on the total turnover and increase of 28% on the export turnover.

The strong financial performance in the Q2 FY-14 has enabled MRPL to recover substantial portion of losses posted in the Q1 of FY-14.

MRPL has posted loss after tax only of ₹ 218 Crore (after considering ₹345 Crore as depreciation, ₹170 Crore as Interest Cost, Net Foreign Exchange loss of ₹ 766 crore) (Rupee depreciated by 15%). The loss after tax for the corresponding half year of 2012-13 was ₹ 335 Crore (after considering ₹283 Crore as depreciation, ₹180 crore as Interest Cost and Foreign Exchange loss of ₹ 365 crore).

MARKETING INITIATIVES:

- a. The Company while retaining strong market presence in its Refinery zone for products being marketed to direct customers (viz. Bitumen & CRMB), the Fuel oil market share has come down due to discount philosophy of the players in the market and also due to availability of gas which is being used by the power plant and fertilizer units in and around Karnataka region. The bitumen and CRMB sales are less during the quarter compared to last period because of increased monsoon spell during this year to which road works are yet to commence.
- b. MRPL is continuing its limited presence in Retail Marketing of auto fuels, keeping in view the uncertainties in pricing of these products. The Company is in readiness for marketing of Petcoke and other new products that will be produced from Phase III Expansion and upgradation Project.

PHASE III REFINERY PROJECT:

MRPL Phase III Expansion project is nearing completion except poly propylene unit. The overall project progress as on 15th October, 2013 is 99.27%. Further with completion of two more tanks during the quarter, ₹16 crore was capitalised. The overall progress of Polypropylene Project has reached 91.40% as on 15th October, 2013 and is scheduled for commissioning during Q1 of FY-2015. The required facilities like Gas turbine 1 & 2 along with the Heat Recovery steam generator and one of the utility boiler of the Co generation power plant awarded to BHEL has been made operational. The availability of this has made possible to commence the commissioning activity of the balance units which were mechanically completed. The commissioning activity of DCU and PFCCU is likely to be completed and feed cut taken by end of December 2013. This year heavy monsoon and also the continuation of monsoon period till now has supplemented the overall delay in Phase III project completion.

SPM IMPLEMENTATION:

The partial SPM facility was commissioned on 30.08.2013. The unit has been operational and has handled Aframax/Suezmax Vessels since then. This has also given marginal savings in freight and decongested the available port facility.

CORPORATE SOCIAL RESPONSIBILITY:

The company as a socially conscious corporate continues its 'Samrakshan' programme. The company during the quarter has continued in its efforts on construction of class rooms of Govt. PU College, Midday meal scheme and scholarship for school going children.

FUEL CONSERVATION BY MRPL EMPLOYEES:

In line with MOPNG initiative for fuel conservation, MRPL Employees including top management team has started using voluntarily group transport facility every Wednesday from 16.10.2013 onwards and are regularly observing Bus day, Car Pool day to encourage fuel conservation amongst the employees .

Speaking on the occasion Shri Sudhir Vasudeva, Chairman complimented the Team MRPL for the positive physical and financial performance during the quarter and expressed his confidence in MRPL performance in the period to come. He thanked all the stakeholders for their unstinted support and confidence in MRPL.