हिन्दुस्तान पेट्रोलियम कॉर्पोरेशन लिमिटेड

(भारत सरकार का उपक्रम) रजिस्टर्ड ऑफिस: 17, जमशेदजी टाटा रोड, मुंबई 400 020

HINDUSTAN PETROLEUM CORPORATION LIMITED

(A GOVERNMENT OF INDIA ENTERPRISE) REGISTERED OFFICE : 17, JAMSHEDJI TATA ROAD, MUMBAI 400 020

CIN No.: L23201MH1952GO1008858

11वीं मंजिल, टॉवर-1, जीवन भारती बिल्डिंग, 124, इन्दिरा चौक, नई दिल्ली-110001. फोन : 23467200, फैक्स: 011-23467235, तार: हिन्दपेटकॉर

11th Floor, Tower-1, Jeevan Bharti Building, 124, Indira Chowk, New Delhi-110001. Tel. : 23467200, Fax : 23467235, Telegram : Hindpetcor

Ref.: Co.Secy./VM/383/2017

November 09, 2017

Director – Investor Services & Listing,
The Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001 **Script Code: 500104**

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G-Block,
Bandra-Kurla Complex,
Bandra East,
Mumbai – 400 051 **Script Name : HINDPETRO**

Sub: Unaudited Financial Results for the Second Quarter ended September 30, 2017.

Dear Sir,

We wish to inform you that at the Meeting of the Board of Directors held on November 09,2017, the Board has considered and approved the Unaudited Financial Results for the Second Quarter ended September 30, 2017. We forward herewith the said Unaudited Financial Results for your information and records.

The said Unaudited Financial Results will also be published in the leading newspapers.

This is for your information.

Thanking you,

Very truly yours,

Shrikant M. Bhosekar
Company Secretary

Encl: a/a

सर्व शिक्षा अभियान

सब पढ़ें सब बढ़ें

G. M. Kapadia & Co.
1007, Raheja Chambers
213, Nariman Point
Mumbai 400021

M. P. Chitale & Co.
Hamam House,
Ambalal Doshi Marg,
Fort, Mumbai 400001

Limited Review Report on the Unaudited Standalone Financial Results for the Quarter and Half year ended on September 30, 2017

To the Board of Directors
Hindustan Petroleum Corporation Limited

Introduction

1. We have reviewed the accompanying statement of unaudited standalone financial results ('the Statement') of **HINDUSTAN PETROLEUM CORPORATION LIMITED** ('the Company') for the quarter and half year ended September 30, 2017, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR / CFD / FAC / 62 / 2016 dated July 5, 2016 except the disclosures regarding (a) Physical Performance disclosed in para B of the statement and (b) Average Gross Margins stated in Note No 2 of the Statement. In this Statement are incorporated the results of the Visakh Refinery of the Company, which have been subjected to a limited review by the branch auditor of the Company. The branch auditor's report dated November 2, 2017 was forwarded to us and the same has been dealt with in preparing this report, in the manner considered necessary by us. This Statement which is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

Scope of Review

2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Conclusion

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Indian Accounting Standards and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular No.

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

M. P. CHITALE & CO. MUMBAI

CIR/CFD/FAC/62/2016 dated July, 5 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Other matters

4. The accompanying statement includes Company's proportionate share in jointly controlled assets Rs. 28.15 Crores, and liabilities Rs. 13.11 Crores as on September 30, 2017, expenditure Rs. Nil /Rs. Nil and income Rs. 0.18 Crores/ Rs. 0.18 Crores for the quarter /half year ended September 30, 2017 in respect of 21 unincorporated joint ventures, which have been included based on unreviewed financial statements.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Reg. No. 104767W

Atul Shah
Partner
Membership No. 039569

For M. P. Chitale & Co.
Chartered Accountants
Firm Reg. No. 101851W

Anagha Thatte
Partner
Membership No. 105525

Place : New Delhi
Date : November 9, 2017

HINDUSTAN PETROLEUM CORPORATION LIMITED
(A GOVERNMENT OF INDIA ENTERPRISE)
Regd. Office : 17, Jamshedji Tata Road, Mumbai - 400 020
WEBSITE : www.hindustanpetroleum.com, E-mail : corphqo@hpcl.in, CIN No: L23201MH1952GOI008858

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30TH SEPTEMBER, 2017

(₹ in Crores)

Particulars	Un - Audited					Audited
	Quarter Ended			Six Months Ended		Year Ended
	30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016	31.03.2017
PART I						
A FINANCIAL PERFORMANCE						
1 Income						
(a) Sales/Income from Operations	54,152.80	59,891.27	47,750.60	114,044.07	99,350.12	213,488.95
(b) Other Operating Income	183.03	83.67	81.54	266.70	151.78	314.04
(c) Other Income (refer note # 5 below)	519.36	570.31	537.26	1,089.67	803.80	1,514.72
Total Income	54,855.19	60,545.25	48,369.40	115,400.44	100,305.70	215,317.71
2 Expenses						
(a) Cost of materials consumed	11,062.55	12,047.91	9,898.54	23,110.46	19,938.04	45,137.66
(b) Purchases of stock-in-trade	31,866.86	32,961.12	27,869.38	64,827.98	58,145.82	122,731.74
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,496.40)	3,380.30	72.55	1,883.90	(2,160.65)	(4,454.06)
(d) Excise Duty	6,813.25	6,506.43	5,719.96	13,319.68	12,540.23	26,779.28
(e) Employee benefits expense	708.12	698.38	605.10	1,406.50	1,219.56	2,946.08
(f) Finance Costs	156.34	142.96	127.47	299.30	252.51	535.65
(g) Depreciation and amortisation expense	680.41	667.05	615.95	1,347.46	1,226.79	2,535.28
(h) Other expenses (refer note # 5 below)	2,475.86	2,752.80	2,385.00	5,228.66	4,916.18	10,085.24
Total Expenses	52,266.99	59,156.95	47,293.95	111,423.94	96,078.48	206,296.87
3 Profit/(Loss) before exceptional items and tax	2,588.20	1,388.30	1,075.45	3,976.50	4,227.22	9,020.84
4 Exceptional Items - Expenses/(Income)	-	-	-	-	-	-
5 Profit/(Loss) before tax (3+/-4)	2,588.20	1,388.30	1,075.45	3,976.50	4,227.22	9,020.84
6 Tax Expense :						
(i) Current Tax	733.05	335.83	230.70	1,068.88	805.74	2,183.76
(ii) Deferred Tax	120.41	127.72	143.43	248.13	621.78	628.28
Total Tax Expense	853.46	463.55	374.13	1,317.01	1,427.52	2,812.04
7 Net profit/(loss) for the period (5-6)	1,734.74	924.75	701.32	2,659.49	2,799.70	6,208.80
8 Other comprehensive income						
Items that will not be reclassified to profit or loss	163.53	(129.73)	62.43	33.80	113.08	151.92
Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	8.20
Total Other Comprehensive Income	163.53	(129.73)	62.43	33.80	113.08	160.12
9 Total comprehensive income, for the period (7 +/- 8)	1,898.27	795.02	763.75	2,693.29	2,912.78	6,368.92
10 Paid up Equity Share Capital (Face value ₹ 10/- each)	1,523.82	1,015.88	1,015.88	1,523.82	1,015.88	1,015.88
11 Other Equity excluding Revaluation Reserves						19,331.14
12 Basic and Diluted Earnings Per Share (of ₹ 10/- each) (not annualised)	11.38	6.07	4.60	17.45	18.37	40.74
B PHYSICAL PERFORMANCE (in MMT)						
Crude Thruput	4.64	4.49	4.04	9.13	8.52	17.81
Market Sales						
- Domestic Sales	8.37	9.20	8.02	17.57	16.91	34.69
- Exports	0.36	0.06	0.16	0.42	0.19	0.54
Pipeline Thruput	5.05	4.65	4.12	9.70	8.77	17.91

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MUMBAI.

Notes:

1 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 November 2017.

2 Average Gross Refining Margin during the six months ended September 30, 2017 was US $ 6.75 per BBL as against US $ 5.12 per BBL during the corresponding period of previous year.

3 The Corporation has accounted for Budgetary Support amounting to ₹ 330.47 crores during April – September, 2017 (April – September, 2016 : ₹ 691.86 crores) towards under recovery on sale of PDS SKO.

4 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.

5 Other Income for the period April - September, 2017 includes ₹ 132.33 Crores towards gain on account of foreign currency transactions and translations. During, April - September, 2016 loss of ₹ 58.56 crores on account of foreign currency transactions was included in Other Expenses.

6 The Corporation has issued ₹ 3,264.50 crores (US Dollar Bond of US$ 500 Million) on 12.07.2017 for a period of 10 years. The loan would be payable in one installment on 12.07.2027 (i.e. maturity date).

7 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.

8 The Corporation operates in a single segment viz. Downstream petroleum sector.

9 The Corporation has created and maintained adequate security with respect to its secured listed non- convertible debt security.

10 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 :

	Quarter Ended			Six Months Ended		Year Ended
	30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016	31.03.2017
Revenue (Gross)	54,152.80	59,891.27	47,750.60	114,044.07	99,350.12	213,488.95
Less: Excise duty pertaining to GST Products only	-	526.51	500.62	526.51	1,000.42	2,238.94
Net comparable revenue	**54,152.80**	**59,364.76**	**47,249.98**	**113,517.56**	**98,349.70**	**211,250.01**

11 In the matter of arbitration between HPCL/PPCL (Prize Petroleum Company Limited, a 100% subsidiary of HPCL) v/s M3nergy for development of offshore marginal oilfields of cluster-7, the second partial award has been received in favour of HPCL/PPCL on 27th September 2017 for ₹ 444.45 Crores (equivalent US $ 91.3 Million, converted into INR taking exchange rate of ₹ 48.68 for a US Dollar prevailing on January 6, 2009, HPCL's share being 6/7th works out to ₹ 380.96 Crores) towards loss of profit and ₹ 41.60 crores (HPCL's share being 6/7th works out to ₹ 35.66 Crores) towards encashment of Bank Guarantee along with interest @ 9% p.a. w.e.f. 06/01/2009. The award is open to challenge and hence the Corporation has not considered the impact of the said award in the quarterly results.

12 During the Quarter, 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 have been 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.

13 Additional Disclosures as per Clause 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Particulars		Series G		
		30.09.2017	30.09.2016	31.03.2017
(a) Previous Due Date for the payment of Interest of Non Convertible Debentures (NCDs) and Status		14.03.2017 (Paid)	14.03.2016 (Paid)	14.03.2017 (Paid)
(b) Previous Due Date for the repayment of principal of NCDs		N.A.	N.A.	N.A.
(c) Next Due Date and amount for the payment of Interest of NCDs		13.03.2018 / ₹ 85.51 Crore	13.03.2017 / ₹ 85.51 Crore	13.03.2018 / ₹ 85.51 Crore
(d) Next Due Date and amount for the payment of principal of NCDs		13.03.2018/ ₹ 975 Crore	13.03.2018/ ₹ 975 Crore	13.03.2018 / ₹ 975 Crore
(e) Asset Cover available (no. of times)		1.1144	1.0759	1.1404
(f) The Credit Rating	CRISIL	CRISIL AAA / Stable	CRISIL AAA / Stable	CRISIL AAA / Stable
	India Ratings	Ind AAA / Stable	Ind AAA / Stable	Ind AAA / Stable
(g) Net Worth (₹ in Crores)		22,905.46	20,977.93	20,347.41
(h) Debt Service Coverage Ratio [Profits after Tax but before Depreciation and Finance Cost / (Finance Cost + Principal Repayment of Long Term Borrowings)]		14.39	11.53	1.23
(i) Interest Service Coverage Ratio [Profits before Depreciation, Finance Cost and Tax / Finance Cost]		18.79	22.60	22.57
(j) Debt Equity Ratio		0.60 : 1	0.82 : 1	0.51 : 1
(k) Debenture Redemption Reserve (₹ in Crores)		265.13	265.13	265.13

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M. P. CHITALE

14 STATEMENT OF ASSETS AND LIABILITIES AS ON

(₹ in Crores)

Particulars	Un - Audited 30.09.2017	Audited 31.03.2017
ASSETS		
1 Non-Current Assets		
(a) Property, Plant and Equipment	36,245.26	35,711.00
(b) Capital Work-in-Progress	2,293.00	1,810.48
(c) Intangible Assets	420.29	420.88
(d) Financial Assets		
(i) Investment in Subsidiaries, Joint Ventures and Associates	5,059.73	5,052.27
(ii) Other Investments	798.70	757.58
(iii) Loans	487.74	457.01
(iv) Other Financial Assets	6.60	-
(e) Other Non - Current Assets	1,316.14	1,338.88
	46,627.46	45,548.10
2 Current assets		
(a) Inventories	16,952.29	18,576.28
(b) Financial Assets		
(i) Investments	5,246.24	5,108.74
(ii) Trade Receivables	3,951.17	4,064.21
(iii) Cash and Cash Equivalents	2,129.69	8.85
(iv) Bank Balances other than above	22.48	24.82
(v) Loans	142.08	163.21
(vi) Other Financial Assets	2,902.50	4,324.44
(c) Other Current Assets	544.60	647.24
	31,891.05	32,917.79
(d) Assets classified as held for Sale / Disposal	2.81	3.96
	31,893.86	32,921.75
Total Assets	78,521.32	78,469.85
EQUITY AND LIABILITIES		
3 Equity		
(a) Equity Share Capital	1,524.21	1,016.27
(b) Other Equity	21,381.25	19,331.14
	22,905.46	20,347.41
Liabilities		
4 Non Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	6,986.17	6,278.15
(ii) Other Financial Liabilities	11,834.41	10,997.27
(b) Provisions	180.30	182.32
(c) Deferred Tax Liabilities (Net)	6,143.73	5,895.59
(d) Other Non-Current Liabilities	5.61	7.67
	25,150.22	23,361.00
5 Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	496.10	10,892.41
(ii) Trade Payables	12,905.34	12,664.56
(iii) Other Financial Liabilities	7,505.85	4,755.15
(b) Other Current Liabilities	6,424.99	3,968.21
(c) Provisions	2,728.51	2,408.50
(d) Current Tax Liabilities (Net)	404.85	72.61
	30,465.64	34,761.44
Total Equity and Liabilities	78,521.32	78,469.85

15 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 : November 09, 2017

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