



Balance Sheet as at 31st March, 2011

	SCHEDULE	₹/Crores	
		2010-11	2009-10
SOURCES OF FUNDS			
Shareholders' Funds:			
a) Capital	1	339.01	339.01
b) Reserves and Surplus	2	12,206.79	11,218.96
		<u>12,545.80</u>	<u>11,557.97</u>
Loan Funds:			
a) Secured Loans	3	3,657.68	1,375.88
b) Unsecured Loans	4	21,363.51	19,926.49
		<u>25,021.19</u>	<u>21,302.37</u>
Deferred Tax Liability		3,195.63	1,807.97
TOTAL		<u>40,762.62</u>	<u>34,668.31</u>
APPLICATION OF FUNDS			
Fixed Assets:			
a) Gross Block	5	29,648.39	24,988.37
b) Less: Depreciation		<u>11,003.86</u>	<u>9,681.70</u>
c) Net Block		18,644.53	15,306.67
d) Capital Work-in-Progress	6	3,798.70	3,887.59
		<u>22,443.23</u>	<u>19,194.26</u>
Investments	7	11,335.02	11,387.22
Current Assets, Loans and Advances:			
a) Inventories	8	16,622.28	12,579.22
b) Sundry Debtors	9	2,654.37	2,437.34
c) Cash and Bank Balances	10	80.00	243.17
d) Other Current Assets	11	98.51	123.74
e) Loans and Advances	12	7,135.81	5,258.47
		<u>26,590.97</u>	<u>20,641.94</u>
Less:			
Current Liabilities and Provisions:			
a) Liabilities	13	17,801.84	14,535.52
b) Provisions		<u>1,804.76</u>	<u>2,019.59</u>
		<u>19,606.60</u>	<u>16,555.11</u>
Net Current Assets		<u>6,984.37</u>	<u>4,086.83</u>
TOTAL		<u>40,762.62</u>	<u>34,668.31</u>
STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS	20		

FOR AND ON BEHALF OF THE BOARD

S ROY CHOUDHURY
Chairman & Managing Director

B MUKHERJEE
Director-Finance

FOR V SANKAR AIYAR & CO.
Chartered Accountants
Firm No. 109208w

FOR OM AGARWAL & CO.
Chartered Accountants
Firm No. 000971c

SHRIKANT M. BHOSEKAR
Company Secretary

G SANKAR
Partner
Membership No. 46050

THALENDRA SHARMA
Partner
Membership No. 079236

Date : 26th May, 2011
Place : New Delhi



Schedules forming part of the Balance Sheet

	₹ / Crores	
	2010-11	2009-10
1. CAPITAL		
A. Authorised:		
75,000 Cumulative Redeemable Preference Shares of ₹ 100/- each	0.75	0.75
34,92,50,000 Equity Shares of ₹ 10/- each	<u>349.25</u>	<u>349.25</u>
	<u>350.00</u>	<u>350.00</u>
B. Issued, Subscribed & Called up :		
33,93,30,000 Equity Shares of ₹ 10/- each	339.33	339.33
Less: 7,02,750 Shares Forfeited	<u>(0.70)</u>	<u>(0.70)</u>
33,86,27,250 equity shares of ₹ 10 each fully paid up	338.63	338.63
Add: Shares Forfeited (money received)	<u>0.39</u>	<u>0.39</u>
	<u>339.01</u>	<u>339.01</u>
NOTES :-		
(1) 77,50,000 fully paid up equity shares of ₹ 10/- each were allotted to the shareholders of Lube India Limited on the amalgamation of that company for consideration other than cash.		
(2) 52,00,000 fully paid up equity shares of ₹ 10/- each were allotted to the President of India, for consideration other than cash, on the amalgamation of Caltex Oil Refining India Limited with the Corporation.		
(3) 26,44,30,000 equity shares of ₹ 10/- each were allotted as fully paid bonus shares by capitalisation of Capital Reserve, Capital Redemption Reserve and accumulated profits.		
(4) During the financial year 2007-08, Company has forfeited 7,02,750 shares issued as a part of the public issue in 1994-95, due to non receipt of allotment and/or call money from shareholders. Accordingly, the paid up share capital has been reduced from ₹ 339.33 crores to ₹ 338.63 crores.		
2. RESERVES AND SURPLUS		
Share Premium Account		
As per last Balance Sheet	1,153.77	1,153.77
Debenture Redemption Reserve		
As per last Balance Sheet	86.40	-
Add: Transfer from Profit & Loss Account	<u>176.15</u>	<u>86.40</u>
	262.55	86.40
Capital Grant		
As per last Balance Sheet	4.17	4.36
Received during the year	<u>-</u>	<u>-</u>
	4.17	4.36
Less: Amortised during the year	<u>(0.19)</u>	<u>(0.19)</u>
	3.98	4.17
General Reserve		
As per last Balance Sheet	1,259.47	1,129.33
Add: Transfer from Profit & Loss Account	<u>153.90</u>	<u>130.14</u>
	1,413.37	1,259.47
Profit and Loss Account		
Surplus as per Account annexed	<u>9,373.12</u>	<u>8,715.15</u>
	<u>12,206.79</u>	<u>11,218.96</u>
3. SECURED LOANS		
i. Collateral Borrowing and Lending Obligation (CBLO) (Secured by Pledge of Oil Bonds) (Due for repayment within one year : ₹ 990 crores; 2009-10 : ₹ 250 crores)	990.00	250.00
ii. Overdrafts from Banks (Secured by hypothecation of Stock-in-Trade)	667.68	125.88
iii. 7.35% Non-Convertible Debentures (repayable on 04th December, 2012) (Secured by mortgage, on first pari passu charge basis, over certain fixed assets of the Company situated at Mumbai Refinery)	1,000.00	1,000.00
iv. 7.70% Non-Convertible Debentures (repayable on 12th April, 2013) (Secured by mortgage, on first pari passu charge basis, over certain fixed assets of the Company situated at Mumbai Refinery and Visakh Refinery)	1,000.00	-
	<u>3,657.68</u>	<u>1,375.88</u>



Hindustan Petroleum Corporation Limited

Schedules forming part of the Balance Sheet

	₹ / Crores	
	2010-11	2009-10
4. UNSECURED LOANS		
Fixed Deposits	0.02	0.02
Clean Loans from Banks (Due for repayment within one year : ₹ 6,025 crores; 2009-10 : ₹ 7,975 crores)	6,025.00	7,975.00
Short Term Loans from Banks (repayable in foreign currency) (Due for repayment within one year : ₹ 9,628.36 crores; 2009-10 : ₹ 4,040.60 crores)	9,628.36	4,040.60
Term Loan from Oil Industry Development Board (Due for repayment within one year : ₹ 130.75 crores; 2009-10 : ₹ 96.25 crores)	751.75	548.00
Syndicated Loans from Foreign Banks (repayable in foreign currency) (Due for repayment within one year ₹ 1261.32 crores; 2009-10 : ₹ Nil)	4,058.38	2,012.87
Inter Company Deposits (Due for repayment within one year ₹ 500 crores; 2009-10 : ₹ 2,500 crores)	500.00	2,500.00
Commercial Paper (Due for repayment within one year ₹ 400 crores; 2009-10 : ₹ 2,850 crores) (Maximum amount raised during 2010-11 : ₹ 5,150 crores; 2009-10 : ₹ 4,500 crores)	400.00	2,850.00
	21,363.51	19,926.49

		(₹ / Crores)						
	Gross Block at cost as at 01/04/2010	Net Additions/ Reclassifica- tions	Net Deductions/ Reclassifica- tions	Gross Block at cost as at 31/03/2011	Depreciation and Amortisation for the year 2010-11	Total Depreciation and Amortisation upto 31/03/2011	Net Balance as at 31/03/2011	Net Balance as at 31/03/2010
A. OTHER THAN INTANGIBLE ASSETS								
1 Land -Freehold	573.76	46.37	-	620.13	-	-	620.13	573.76
2 Roads and Culverts	1275.86	276.80	18.61	1534.05	22.67	137.24	1396.81	1156.13
3 Buildings	2208.91	358.06	6.20	2560.77	50.63	351.03	2209.74	1905.77
4 Leasehold Property - Land	364.67	11.48	-	376.15	11.26	59.71	316.44	316.21
5 Railway Siding & Rolling Stock	292.01	2.73	7.73	287.01	12.81	172.46	114.55	126.41
6 Plant & Machinery	19379.26	4024.67	146.20	23257.73	1226.47	9817.56	13440.17	10731.05
7 Furniture, Fixtures & Office/Laboratory Equipment	573.50	79.32	17.48	635.34	44.56	287.41	347.93	319.31
8 Transport Equipment	150.73	10.88	4.05	157.56	13.96	80.23	77.33	80.73
9 Unallocated Capital Expenditure on Land Development	2.41	1.06	-	3.47	-	0.20	3.27	2.21
TOTAL(A)	24821.11	4811.37	200.27	29432.21	1382.36	10905.84	18526.37	15211.59
B. INTANGIBLE ASSETS								
1 Right of Way	16.86	23.29	-	40.15	-	-	40.15	16.86
2 Technical / Process Licenses	33.50	16.39	-	49.89	3.31	11.74	38.15	25.05
3 Software	116.91	9.27	0.04	126.14	22.57	86.28	39.86	53.17
TOTAL (B)	167.27	48.95	0.04	216.18	25.88	98.02	118.16	95.08
TOTAL (A+B)	24988.38	4860.32	200.31	29648.39	1408.24	11003.86	18644.53	15306.67
PREVIOUS YEAR	20208.83	4826.17	46.62	24988.37	1167.92	9681.70	15306.67	

- A. Includes assets costing ₹ 76,191/- (2009-2010 : ₹ 76,191/-) of erstwhile Kosan Gas Company not handed over to the Corporation. In case of these assets, Kosan Gas Company were to give up their claim. However, in view of the tenancy right sought by third party, the matter is under litigation.
- B. Includes ₹ 72.93 Crores (2009-2010: ₹ 76.90 Crores) being the Corporation's Share of Cost of Land & Other Assets jointly owned with other Oil Companies.
- C. Includes ₹ 35.14 Crores (2009-2010 : ₹ 56.20 Crores) towards Roads & Culverts, Transformers & Transmission lines, Railway Sidings & Rolling Stock, ownership of which does not vest with the Corporation. The Corporation is having operational control over such assets. These assets are amortised at the rate of depreciation specified in Schedule XIV of the Companies Act, 1956.
- D. Includes following assets which are used for distribution of PDS Kerosene under Jana Kalyan Pariyojana against which financial assistance is being provided by OIDD.

Description	First Cost (₹/Crores) (31/03/2011)	First Cost (₹/Crores) (31/03/2010)
Roads & Culverts	0.16	0.16
Buildings	1.68	1.68
Plant & Equipment	3.27	3.28
Total	5.11	5.12

- E. Includes Assets retired from active use and held for disposal - Gross Block : ₹ 22.34 Crores / Net Block : ₹ 3.11 Crores (2009-2010 : Gross Block : ₹ 41.78 Crores / Net Block : ₹ 12.98 Crores). These Assets are valued at their Net Book Value or Net Realisable Value whichever is lower : ₹ 1.46 Crores (2009-2010 : ₹ 4.72 Crores).
- F. Depreciation for the year includes ₹ NIL (2009-10 : ₹ 3.15 crores) on intangible assets, ₹ 1.50 Crores (2009-10 : ₹ 0.37 crores) on Plant and Machinery, ₹ 0.03 crores (2009-10 : ₹ NIL) on Buildings, ₹ 0.03 crores (2009-10 : ₹ NIL) on Transport Equipment and ₹ 0.01 crores (2009-10 : ₹ NIL) on Roads & Culverts towards Prior Period.



Schedules forming part of the Balance Sheet

	₹ / Crores	
	2010-11	2009-10
6. CAPITAL WORK-IN-PROGRESS (AT COST)		
Unallocated Capital Expenditure and Materials at Site	3,037.64	3,325.76
Advances for Capital Expenditure	102.70	49.35
Capital Stores	175.73	77.21
Capital Stores lying with Contractors	130.05	165.41
Capital goods in transit	3.02	4.43
	<u>3,449.13</u>	<u>3,622.16</u>
Construction period expenses pending apportionment (Net of recovery) :		
Establishment charges	107.76	88.96
Interest	241.81	169.66
Other Borrowing Cost	-	6.81
	<u>349.57</u>	<u>265.43</u>
	<u>3,798.70</u>	<u>3,887.59</u>
7. INVESTMENTS		
I. LONG TERM INVESTMENTS (at Cost):		
A. TRADE INVESTMENTS		
Quoted		
1. Mangalore Refinery and Petrochemicals Ltd. 29,71,53,518 Equity Shares of ₹ 10 each fully paid up	471.68	471.68
2. Oil India Ltd. 53,50,110 Equity Shares of ₹ 10 each fully paid up	561.76	561.76
3. 6.90% Oil Marketing Companies' GOI Special Bonds 2026*	3,500.00	3,500.00
Unquoted		
1. HPCL-Mittal Energy Ltd. 2,30,69,20,000 Equity Shares (122,64,70,000 Equity Shares for 2009-10) of ₹ 10 each fully paid-up	2,306.92	1,226.47
2. Hindustan Colas Ltd. 47,25,000 Equity Shares of ₹ 10 each fully paid-up	4.73	4.73
3. Petronet India Ltd. 1,59,99,999 Equity Shares of ₹ 10 each fully paid up Less : Provision for Diminution	16.00 (16.00)	16.00 (16.00)
4. Petronet MHB Ltd. 15,78,41,000 Equity Shares of ₹ 10 each fully paid up	157.84	157.84
5. Prize Petroleum Co. Ltd 99,99,600 Equity Shares of ₹ 10 each fully paid up 5,00,00,000 Preference Shares of ₹ 10 each, ₹ 8.60 each paid up (₹ 6.70 each paid up for 2009-10)	10.00 43.00	10.00 33.50
6. South Asia LPG Co. Pvt. Ltd. 5,00,00,000 Equity Shares of ₹ 10 each fully paid up	50.00	50.00
7. Bhagyanagar Gas Ltd. 12,497 Equity Shares of ₹ 10 each fully paid up	0.01	0.01
8. Aavantika Gas Ltd. 12,498 Equity Shares of ₹ 10 each fully paid up	0.01	0.01
9. CREDA HPCL Biofuel Ltd. 78,26,923 Equity Shares of ₹ 10 each fully paid	7.83	7.83
10. HPCL - Biofuels Ltd. 20,55,20,000 Equity Shares (10,00,00,000 Equity Shares for 2009-10) of ₹ 10 each fully paid-up	205.52	100.00
TOTAL(A)	<u>7,319.30</u>	<u>6,123.83</u>
B. OTHER INVESTMENTS		
Quoted		
1. Government Securities of the face value of ₹ 0.02 crores (2009-10 : ₹ 0.02 crores) - Deposited with Others - On hand - ₹ 0.25 lakhs (2009-10 : ₹ 0.25 lakhs)	0.02 0.00	0.02 0.00
2. Scooters India Ltd. 10,000 Equity Shares of ₹ 10 each fully paid up	0.01	0.01



Hindustan Petroleum Corporation Limited

Schedules forming part of the Balance Sheet

	₹ / Crores	
	2010-11	2009-10
Unquoted		
1. Government Securities of the face value of ₹ 0.24 lakhs (2009-10 : ₹ 0.24 lakhs)		
- Deposited with Others - ₹ 0.10 lakhs (2009-10 : ₹ 0.10 lakhs)	0.00	0.00
- On hand** - ₹ 0.14 lakhs (2009-10 : ₹ 0.14 lakhs)	0.00	0.00
2. East India Clinic Ltd.		
- 1/2% Debenture of face value of ₹ 14,600 (2009-10 : ₹ 0.15 lakhs)	0.00	0.00
- 5% Debenture of face value of ₹ 6,500 (2009-10 : ₹ 0.07 lakhs)	0.00	0.00
3. Shushrusha Citizen Co-operative Hospital Limited		
100 Equity Shares of ₹ 100 each fully paid up- ₹ 0.10 lakhs (2009-10 : ₹ 0.10 lakhs)	0.00	0.00
4. Petroleum India International (Association of Persons)***		
Contribution towards Seed Capital	5.00	5.00
TOTAL (B)	5.03	5.03
TOTAL LONG TERM INVESTMENTS	7,324.33	6,128.86
Less: Provision for loss on Investments** ₹ Nil (2009-10 : ₹ 0.14 lakhs)	0.00	0.00
TOTAL: I	7,324.33	6,128.86
II. CURRENT INVESTMENTS (at Cost or Fair Value whichever is lower)		
TRADE INVESTMENTS		
Quoted		
i. 7.47% Oil Marketing Companies' GOI Special Bonds, 2012	9.98	10.00
ii. 7.61% Oil Marketing Companies' GOI Special Bonds, 2015	5.10	5.12
iii. 6.90% Oil Marketing Companies' GOI Special Bonds, 2026	23.14	80.00
iv. 8.00% Oil Marketing Companies' GOI Special Bonds, 2026	23.65	23.76
v. 8.20% Oil Marketing Companies' GOI Special Bonds, 2024	1,284.46	1,292.64
vi. 6.35% Oil Marketing Companies' GOI Special Bonds, 2024	2,664.36	3,846.85
TOTAL CURRENT INVESTMENTS - II	4,010.69	5,258.36
TOTAL (I + II)	11,335.02	11,387.22

	Cost		Market / Redemption Value	
	2010-11	2009-10	2010-11	2009-10
Aggregate of quoted Investments	9,081.08	10,567.08	9,701.41	10,226.97
Aggregate of unquoted Investments	2,790.86	1,595.39		
	11,871.94	12,162.47		

* ₹ 2000 crores bonds pledged with Clearing Corporation of India Limited against CBLO Loan

** Includes ₹ 0.14 lakhs (2009-10 : ₹ 0.14 lakhs) not in the possession of the Company

*** Members in Petroleum India International (AOP) : Hindustan Petroleum Corporation Ltd., Bharat Petroleum Corporation Ltd., Engineers India Ltd., Indian Oil Corporation Ltd., Indian Petrochemicals Corporation Ltd., Chennai Petroleum Corporation Ltd. and Oil India Ltd.

	₹ / Crores	
	2010-11	2009-10
8. INVENTORIES		
(As per Inventory taken, valued and certified by the Management)		
Raw Materials	3,171.37	2,578.91
(Including in transit ₹ 1,360.38 crores; 2009-10 : ₹ 661.68 crores)		
Finished Products	11,548.61	8,966.92
(Including in transit ₹ 278.92 crores; 2009-10 : ₹ 116.29 crores)		
Stock in Process	1,693.98	836.89
Packages	10.89	8.16
	16,424.85	12,390.88
Stores and Spares (including ₹ 22.90 crores in transit 2009-10: ₹ 11.45 crores in transit)*	197.43	188.34
	16,622.28	12,579.22

* Includes stock lying with contractors ₹ 1.23 crores (2009-10 : ₹ 1.73 crores)



Schedules forming part of the Balance Sheet

	₹ / Crores	
	2010-11	2009-10
9. SUNDRY DEBTORS : (Unsecured)		
Over six months :		
Considered good	101.44	72.11
Considered doubtful	114.11	78.65
Others :		
Considered good	2,576.54	2,388.27
	2,792.09	2,539.03
Less: Provision for Doubtful Debts *	137.72	101.69
	<u>2,654.37</u>	<u>2,437.34</u>
* Provision for doubtful debts, in addition to specific provision, includes an ad-hoc provision @ one per cent of outstanding domestic debts (other than those relating to oil marketing companies and subsidiary/joint venture companies).		
10. CASH AND BANK BALANCES		
Cash on hand	1.47	1.45
Cheques Awaiting Deposit	5.72	3.59
With Scheduled Banks:		
- On Current Accounts	68.22	233.73
- On Non-operative Current Accounts*	0.01	0.01
- On Fixed Deposit Accounts **	4.51	4.29
With Others:		
In Current Account with Municipal Co-operative Bank Ltd. (maximum balance during the year ₹ 0.13 crores, 2009-10 : ₹ 0.17 crores)	0.08	0.11
	<u>80.00</u>	<u>243.17</u>
* Represents amount deposited as per Court Order pending final disposal.		
** Includes lodged as security deposit with Mumbai Port Trust ₹ 0.54 crores (2009-10 : ₹ 0.54 crores) and with IAAI ₹ 0.44 crores (2009-10 : ₹ 0.44 crores)		
11. OTHER CURRENT ASSETS		
Interest accrued on Bank Deposits and Investments	<u>98.51</u>	<u>123.74</u>
12. LOANS AND ADVANCES		
Secured, considered good :		
Advances recoverable in cash or in kind or for value to be received *	369.40	363.45
Interest Accrued thereon	161.94	154.57
Unsecured, considered good :		
Advances recoverable in cash or in kind or for value to be received	11.82	19.98
Balances with Excise, Customs, Port Trust etc.	98.91	102.49
Other Deposits	280.34	261.54
Prepaid Expenses	23.83	99.84
MAT Credit Entitlement	500.87	-
Amounts recoverable under Subsidy Schemes**	4,466.90	3,041.09
Share application money pending allotment	4.98	4.98
Advance towards equity	40.00	421.15
Other Accounts Receivable ***	1,176.83	789.38
Unsecured, considered doubtful :		
Accounts Receivable & Deposits	3.85	3.45
	<u>7,139.66</u>	<u>5,261.92</u>
Less : Provision for Doubtful Receivables	3.85	3.45
	<u>7,135.81</u>	<u>5,258.47</u>

* Includes ₹ 0.09 crores, (2009-10 : ₹ 0.28 crores) due from Directors; maximum balance ₹ 0.14 crores, (2009-10 : ₹ 0.35 crores and ₹ Nil (2009-10 : ₹ Nil) due from an Officer; maximum balance ₹ Nil, (2009-10 : ₹ Nil)

** Includes ₹ 4,396.41 crores towards Budgetary Support for 2010 - 11 from Govt. of India, (2009 - 10 : ₹ 3,034.08 crores)

*** Includes ₹ 6.14 crores (2009-10 : ₹ 6.30 crores) being amount due towards Company's share of profit of Petroleum India International.



Hindustan Petroleum Corporation Limited

Schedules forming part of the Balance Sheet

	₹ / Crores	
	2010-11	2009-10
13. CURRENT LIABILITIES AND PROVISIONS		
A. Current Liabilities		
Sundry Creditors		
i) Total outstanding dues of Micro, Small and Medium Enterprises *	2.81	1.81
ii) Total outstanding dues of creditors other than above	8,474.47	7,391.32
Deposits from Dealers/Consumers for LPG Cylinders	4,419.88	3,725.70
Other Deposits	213.29	183.34
Accrued Charges/Credits	62.28	56.42
Interest accrued but not due on loans	156.97	78.78
Preference share capital redeemed remaining unclaimed/unencashed	0.01	0.01
Unclaimed Dividend**	2.30	3.01
Other Liabilities	4,469.83	3,095.14
	<u>17,801.84</u>	<u>14,535.52</u>
B. Provisions		
Provision for Tax (Net)	(93.04)	551.12
Provision for Dividend	474.08	406.35
Provision for Gratuity & Pension	98.73	155.49
Provision for Other Long Term Benefits	700.69	484.37
Provision for Other Employee Benefits	547.23	354.61
Provision for Fringe Benefit Tax	0.16	0.16
Tax on Distributed Profits	76.91	67.49
	<u>1,804.76</u>	<u>2,019.59</u>
	<u>19,606.60</u>	<u>16,555.11</u>

* To the extent Micro and Small Enterprises have been identified, the outstanding balance including interest thereon, if any, as on March 31, 2011 is disclosed on which Auditors have relied upon.

** No amount is due as at the end of the year for credit to Investors' Education and Protection Fund.