



Hindustan Petroleum Corporation Limited

Profit and Loss Account for the year ended 31st March, 2011

	SCHEDULE	₹ / Crores	2009-10
INCOME			
Sale of Products		132,669.97	108,598.68
(Net of Discount of ₹ 1,309.54 crores : 2009-10 ₹ 1,099.72 crores)			
Less : Excise Duty Paid		8,897.55	7,251.17
Net Sales		123,772.42	101,347.51
Recovery under Subsidy Schemes		9,726.52	6,289.95
Other Income	14	1,343.54	1,646.16
		134,842.48	109,283.62
INCREASE / (DECREASE) IN INVENTORY	15	3,438.78	3,249.96
EXPENDITURE AND CHARGES			
Purchase of Products for resale		85,396.86	62,677.82
Raw materials consumed		40,362.01	37,727.59
Packages consumed		143.42	136.39
Excise Duty on Inventory differential		285.15	337.08
Transshipping Expenses		2,886.50	2,653.56
Payments to and provisions for Employees	16	2,017.16	1,617.32
Exploration Expenses		93.03	255.62
Other Operating Expenses	17	2,444.80	2,938.86
Depreciation/ Amortisation		1,406.95	1,164.40
Borrowing Cost	18	884.00	903.75
		135,919.88	110,412.39
Profit for the year before Prior Period Adjustments and Taxes		2,361.38	2,121.19
Prior Period Adjustments Debits / (Credits) (Net)	19	15.24	(3.84)
PROFIT BEFORE TAXES		2,346.14	2,125.03
Provision for Current Taxation		425.52	561.50
Provision for Deferred Taxation (Net)		390.96	204.60
Provision for Current/Deferred Taxation of earlier years provided		82.16	57.51
MAT Credit Entitlement		(91.51)	-
Provision for Fringe Benefit Tax		-	0.05
PROFIT AFTER TAXES		1,539.01	1,301.37
Balance brought forward		8,715.15	8,104.16
PROFIT AVAILABLE FOR APPROPRIATION		10,254.16	9,405.53
APPROPRIATED FOR:			
General Reserve		153.90	130.14
Debenture Redemption Reserve		176.15	86.40
Proposed Final Dividend		474.08	406.35
Tax on Distributed Profits		76.91	67.49
BALANCE CARRIED FORWARD		9,373.12	8,715.15
EARNINGS PER SHARE (in ₹) - Basic & Diluted		45.45	38.43
(2010-11 : EPS = Net Profit - ₹ 1,539.01 crores / Weighted avg. no. of shares - 33.863 crores)			
(2009-10 : EPS = Net Profit - ₹ 1,301.37 crores / Weighted avg. no. of shares - 33.863 crores)			
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

SHRIKANT M. BHOSEKAR
Company Secretary

Date : 26th May, 2011
Place : New Delhi

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

G SANKAR
Partner
Membership No. 46050

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

THALENDRA SHARMA
Partner
Membership No. 079236



Schedules forming part of the Profit and Loss Account

	₹ / Crores	
	2010-11	2009-10
14. OTHER INCOME		
Interest (Gross): *		
On Investments		
Long Term Investments	241.50	241.50
Current Investments	343.11	457.87
On Deposits	0.30	0.37
On Staff Loans	18.79	15.40
On Customers' Accounts	24.40	54.28
On Others	55.85	38.00
	<u>683.95</u>	<u>807.42</u>
Dividend Income	82.07	46.25
Share of Profit from Petroleum India International (AOP)	0.02	0.62
Rent Recoveries	70.80	61.59
Exchange Rate Variation (Net)	279.88	533.30
Profit on Sale of Fixed Assets (Net)	-	1.66
Miscellaneous Income **	226.82	195.32
	<u>659.59</u>	<u>838.74</u>
	<u><u>1,343.54</u></u>	<u><u>1,646.16</u></u>
Note:		
* Tax deducted at source amounts to ₹ Nil (2009-10 : ₹ Nil)		
** Miscellaneous Income includes ₹ 0.19 crores (2009-10 : ₹ 0.19 crores) on account of amortisation of capital grant and ₹ Nil (2009-10 : ₹ Nil) on account of recognition of revenue grant from OADB during the year.		
15. INCREASE / (DECREASE) IN INVENTORY		
Closing Stock:		
Stock in Process	1,693.98	836.89
Finished Products	11,548.61	8,966.92
	<u>13,242.59</u>	<u>9,803.81</u>
Less: Opening Stock:		
Stock in Process	836.89	338.76
Finished Products	8,966.92	6,215.09
	<u>9,803.81</u>	<u>6,553.85</u>
	<u><u>3,438.78</u></u>	<u><u>3,249.96</u></u>



Hindustan Petroleum Corporation Limited

Schedules forming part of the Profit and Loss Account

	₹ / Crores	
	2010-11	2009-10
16. PAYMENTS TO AND PROVISIONS FOR EMPLOYEES		
Salaries, Wages, Bonus, etc.	1,281.58	1,143.90
Contribution to Provident Fund	75.91	77.34
Pension, Gratuity etc.	435.71	142.76
Employee Welfare Expenses	223.96	253.32
	<u>2,017.16</u>	<u>1,617.32</u>
17. OTHER OPERATING EXPENSES		
Consumption of Stores, Spares and Chemicals	116.66	174.27
Power and Fuel	2,733.01	2,412.28
Less : Fuel of own production consumed	<u>(2,393.45)</u>	<u>(2,164.07)</u>
	339.56	248.21
Repairs and Maintenance - Buildings	27.57	38.34
Repairs and Maintenance - Plant & Machinery	505.37	425.19
Repairs and Maintenance - Other Assets	115.87	96.16
Insurance	25.16	21.81
Rates and Taxes	46.58	48.87
Irrecoverable Taxes and Other Levies	173.38	123.55
Equipment Hire Charges	3.04	6.22
Rent	141.91	137.38
Travelling and Conveyance	114.45	97.39
Printing and Stationery	12.49	10.75
Electricity and Water	276.12	225.50
Charities and Donations	19.69	15.16
Stores & Spares written off	3.74	1.82
Loss on Sale of Current Investment	235.14	56.75
Provision for Diminution in value of Current Investments	(238.34)	703.73
Provision for Doubtful Debts	36.42	20.47
(After adjusting provision no longer required)		
Loss on Sale/ write-off of Fixed Assets/ CWIP (Net)	14.44	-
Security Charges	75.04	66.55
Advertisement & Publicity	92.57	104.48
Sundry Expenses and Charges (Not otherwise classified)	275.42	291.05
Consultancy & Technical Services	32.52	25.21
	<u>2,444.80</u>	<u>2,938.86</u>
18. BORROWING COST		
Interest on :		
- Long Term Loans	78.15	35.62
- Short Term Loans	733.52	854.24
- Overdraft from Banks	42.15	4.29
- Others	30.18	9.60
	<u>884.00</u>	<u>903.75</u>
19. PRIOR PERIOD DEBITS / (CREDITS)		
Expenditure on Enabling Assets	13.64	-
Repairs and Maintenance - Plant & Machinery	0.31	-
Depreciation	1.29	3.52
Interest	-	(2.66)
Raw Material & Packages	-	(4.70)
	<u>15.24</u>	<u>(3.84)</u>