



*energising lives*

# ANNUAL REPORT 2009-2010





# Exploring Opportunities

*We are committed to expanding our horizons, synergizing efforts to attain excellence and enhance value for our stakeholders.*

*With an inspiring vision as our lodestar, we continually adapt to change, devising novel strategies to succeed in a global environment.*

*We strive to continuously surpass the diverse expectations of our customers, leveraging technology and our enthusiastic workforce to evolve innovative solutions to achieve our desired goals.*

*Energizing lives continues to remain central to all our endeavours.*

*We focus on sustainable development with great importance accorded to social responsibility, health, safety, security and environmental care. We also transcend boundaries in our search for renewable energies, leading to a greener and cleaner future.*

***BPCL .... leaving footprints of excellence.***



# Chairman's Letter

Dear Shareowners,

I would like to inform you that I will be laying down office on 18th August, 2010 on the expiry of my term as Chairman & Managing Director. I, therefore, will not have the privilege of addressing you at the forthcoming Annual General Meeting to be held in September.

Over the last 33 years, I have had the honour of being a part of the Bharat Petroleum family and leading the Organisation as the Chairman & Managing Director since August, 2005. As we enter a new decade, BPCL is poised to spread its wings and become one of the leading energy companies. These are exciting times for India and BPCL is well placed to make a significant contribution in meeting the growing energy needs of the country. It is an opportune time for a change of guard and for a new Captain to take charge and elevate BPCL to an even higher plane in terms of performance and achievement.

BPCL has evolved from being an oil refining and marketing entity to a group having a presence, not only across the country but in several parts of the world. BPCL has been amongst the first in India to embrace cutting edge technology in key areas of operations and introduce products and services aimed at meeting existing and emerging needs of the consumer. It is little wonder then that the BPCL brand enjoys one of the highest valuations in the country.

During the last five years, there have been many major achievements.

The processing capacity of Kochi Refinery has been expanded from 7.5 MMTPA to

9.5 MMTPA. The grass roots refinery at Bina costing Rs. 11,397 crores, the biggest project ever to be undertaken by BPCL, is ready to be commissioned. With this, the group's annual refining capacity will exceed 30 MMT and will give BPCL access to its own source of products across the country. Growth in market volumes has kept pace with the increase in refining capacity. Entry into the upstream sector of Exploration and Production has gathered pace, with BPCL having a presence in six countries across five continents. Results have been very encouraging with the announcement of two discoveries of oil and gas in Brazil and Mozambique respectively. The foray into gas and alternate sources of energy has been progressing smoothly. The focus on Research & Development will yield results in the days to come. The BPCL group is therefore, well poised to reach the next level in terms of growth and expansion.

The recent past has easily been one of the most challenging periods. The global economy has been experiencing an upheaval, the likes of which have not been witnessed for a very long time. The Indian oil industry has had to grapple with the problem of volatile crude oil prices, rising under-recoveries on the sale of four key petroleum products, severe liquidity constraints and rising costs of borrowings. At the same time, it had to fulfill its responsibility of meeting the growing energy needs of the country. It is gratifying to note that the challenging external environment has not been an impediment to BPCL achieving the goals that it had set for itself.

Overcoming adverse conditions and delivering excellence has been BPCL's forte. This has been possible owing to the composition of its DNA. BPCL considers 'Innovation' as the key philosophy driving the business. This has enabled BPCL to have the first mover advantage in terms of introducing novel offerings to meet the emerging customer needs. It has also enabled the Organisation to look at out-of-the-box solutions and process improvements when confronted with the effects of the economic

downturn. The ability to innovate flows from the inherent trait of the company to deal with 'Change.' In today's dynamic and volatile environment, managing change is very important to sustain and improve profitability and growth. BPCL also thrives on 'Collaboration,' both within and outside the organization, thereby facilitating the leveraging of mutual strengths. We have successfully partnered with some of the leading companies, particularly in the upstream sector. Within the organization also, cross-functional teams are at the forefront in all the major initiatives that are undertaken. This work environment has been extremely conducive for achieving excellence. Finally, the 'Leadership' talent developed within the company is one of BPCL's core strengths. The challenging internal work environment has facilitated the development of a strong pool of leaders. This has not only enabled the development of the next level of leaders, but has also helped in evolving managers with an entrepreneurial spirit. These are unique features which have enabled BPCL to not only cope with challenges, but also emerge stronger.

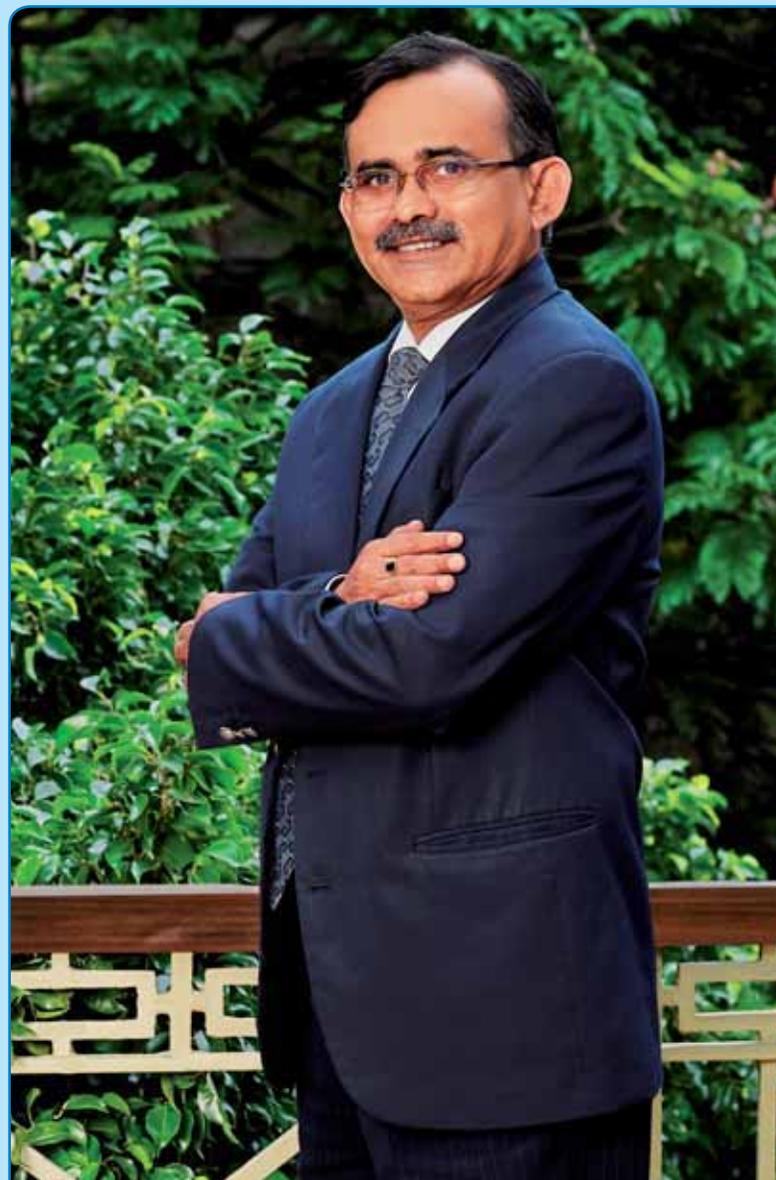
As the economy grows, opportunities are only going to increase. It is important to make calculated moves in the areas of Exploration & Production, Green Power, Research & Development, Customer Responsiveness and Capacity Building. Even as I prepare to lay down office, BPCL is preparing its action plan for the coming years. The entire Organisation, starting with the Board, has been involved in articulating the goals for the next five years till 2015 under Project DreamPlan. Having led the BPCL team and having seen the employees perform from close quarters, I am confident of BPCL's abilities to achieve its ambitious goals in the years ahead.

I have been extremely fortunate to work with a committed group of people who have a passion for excellence. The results achieved can be attributed solely to the untiring efforts of every member of the BPCL team. The cooperation and guidance provided

by my colleagues on the Board was invaluable. Your unstinting support in all our endeavours was crucial in its success, for which I will remain eternally grateful. I have no doubt that the coming days will see BPCL scaling greater heights as it continues with its mission of energising lives.

I truly see BPCL becoming the most admired Global Energy Company, innovatively leveraging people and technology.

Warm regards,  
**ASHOK SINHA**  
Chairman & Managing Director



# Board of Directors



**ASHOK SINHA**  
Chairman & Managing Director



**S. RADHAKRISHNAN**  
Director (Marketing)



**S. K. JOSHI**  
Director (Finance)



**R. K. SINGH**  
Director (Refineries)



**P. K. SINHA**  
Addl. Secretary & Financial  
Advisor, Ministry of  
Petroleum & Natural Gas



**T. BALAKRISHNAN**  
Additional Chief Secretary, (I&C)  
Government of Kerala  
(up to 29.6.2010)



**ALKESH KUMAR SHARMA**  
Secretary (IP),  
Government of Kerala  
(w.e.f. 30.6.2010)



**S. K. BARUA**  
Director



**RAMA BIJAPURKAR**  
Director  
(up to 30.6.2010)



**I. P. S. ANAND**  
Director  
(w.e.f. 28.1.2010)



**S. MOHAN**

Director (Human Resources)



**A. H. KALRO**

Director  
(up to 28.1.2010)



**N. VENKITESWARAN**

Director



**HARESH M. JAGTIANI**

Director  
(w.e.f. 28.1.2010)

**S. V. KULKARNI**  
Company Secretary

## Bankers

State Bank of India

Union Bank of India

Corporation Bank

Bank of India

State Bank of Patiala

Central Bank of India

Deutsche Bank

Standard Chartered Bank

ABN AMRO Bank N.V.

ICICI Bank

HDFC Bank Ltd.

State Bank of Travancore

Indian Bank

Industrial Development Bank of India Ltd.

BNP Paribas

Calyon Bank

## Auditors

B. K. Khare & Co.

K. Varghese & Co.

## Share Transfer Agents

Data Software Research Co. Pvt. Ltd.

22, Sree Sovereign Complex,  
4th Cross Street, Trustpuram,  
Kodambakkam, Chennai 600 024

## Registered Office

Bharat Bhavan

4&6 Currimbhoy Road,  
Ballard Estate, Mumbai 400 001

# Group Performance Highlights



- Sales turnover at Rs. 133,749.10 crores
- Crude throughput at 23.03 MMT
- Market Sales including exports at 30.76 MMT
- Net profit at Rs. 1,719.98 crores
- Oil and Gas discoveries abroad show promise
- Innovating continuously across the entire value chain

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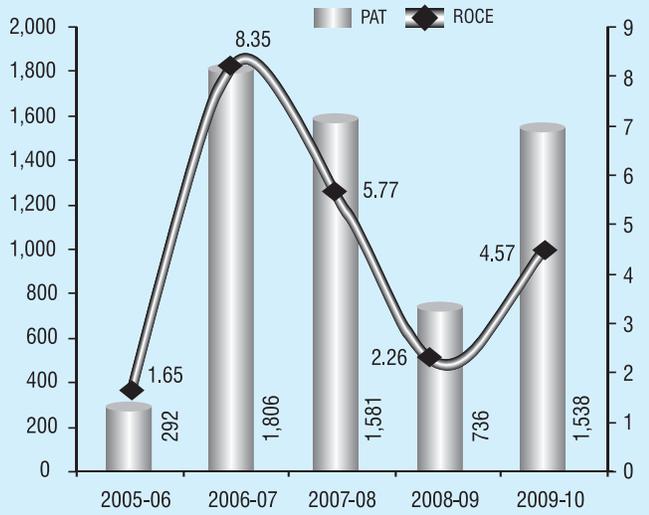


Mr. S. Mohan, Director (Human Resources), Mr. S. Radhakrishnan, Director (Marketing), Mr. Ashok Sinha, Chairman & Managing Director, Mr. S. K. Joshi, Director (Finance) and Mr. R. K. Singh, Director (Refineries).

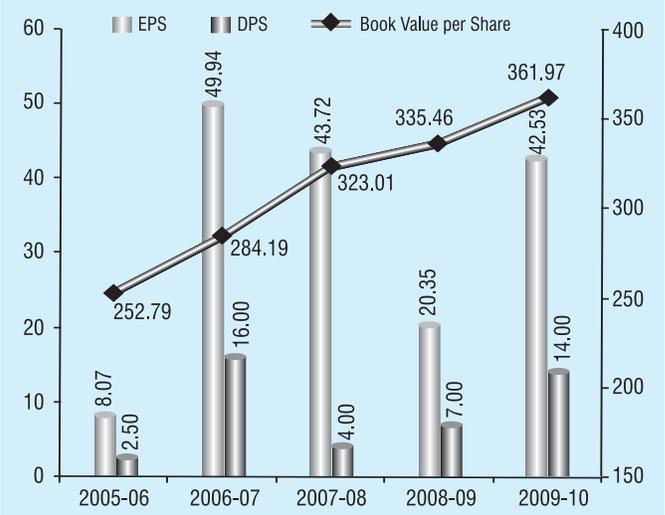
# Management Team

<b>Ms. I. Sasikala</b>	Chief Vigilance Officer	<b>Mr. K.P. Chandy</b>	Regional LPG Manager, South
<b>Mr. A.K. Bansal</b>	Executive Director (Gas)	<b>Mr. K.V. Shenoy</b>	General Manager (Retail) In-charge, South
<b>Mr. Anurag Deepak</b>	Executive Director Logistics (Retail), Mumbai	<b>Mr. M.M. Chawla</b>	General Manager (Pipeline Projects), E&P
<b>Mr. B.K. Datta</b>	Executive Director (Supply Chain Optimization)	<b>Mr. M.M. Somaya</b>	General Manager (Brand & Public Relations)
<b>Mr. D.M. Reddy</b>	Executive Director (Industrial & Commercial)	<b>Mr. M.P. Govindarajan</b>	General Manager (Human Resources), Kochi Refinery
<b>Ms. Dipti Sanzgiri</b>	Executive Director (Human Resources Development)	<b>Ms. Monica Widhani</b>	General Manager (Urban Retailing)
<b>Mr. E. Nandakumar</b>	Executive Director, Kochi Refinery	<b>Mr. N.S. Ramu</b>	General Manager (Retail), South
<b>Mr. J. Ravichandran</b>	Executive Director (Refineries Finance)	<b>Mr. P. Anandasundaresan</b>	General Manager (Sales) I&C, Mumbai
<b>Mr. K.K. Gupta</b>	Executive Director (Retail) In-charge	<b>Mr. P. Balasubramanian</b>	General Manager (Corporate Finance)
<b>Mr. K.V. Seshadri</b>	Executive Director, Mumbai Refinery	<b>Mr. P. C. Srivastava</b>	General Manager (Retail), West
<b>Mr. P.S. Bhargava</b>	Executive Director (Planning)	<b>Mr. Pallav Ghosh</b>	General Manager (Retail), East
<b>Mr. R.K. Mehra</b>	Executive Director (International Trade)	<b>Mr. P. Padmanabhan</b>	General Manager (Technical), Mumbai Refinery
<b>Mr. R.M. Gupta</b>	Executive Director (LPG)	<b>Mr. Pramod Sharma</b>	General Manager (Coordination)
<b>Mr. S. Krishnamurti</b>	Executive Director (Corporate Affairs)	<b>Mr. Prasad K. Panicker</b>	General Manager (Operations), Mumbai Refinery
<b>Mr. S.P. Gathoo</b>	Executive Director (Human Resources Services)	<b>Mr. P.V. Kumar</b>	General Manager (International Trade)
<b>Mr. S. P. Mathur</b>	Executive Director (Engineering & Projects)	<b>Mr. R.P. Natekar</b>	General Manager (Corporate Treasury)
<b>Mr. S. Ramesh</b>	Executive Director (Lubes)	<b>Mr. R. Ranganath</b>	General Manager Finance (Retail) HQ
<b>Ms. Sumita Bose Roy</b>	Executive Director (Audit)	<b>Mr. S.B. Bhattacharya</b>	General Manager (Aviation)
<b>Mr. S. Varadarajan</b>	Executive Director (Corporate Finance)	<b>Mr. S.K. Agrawal</b>	General Manager (Legal)
<b>Mr. A.K. Kaushik</b>	General Manager (IS - Infrastructure & Services)	<b>Mr. S.K. Mathur</b>	General Manager (Retail), North
<b>Mr. Basudev Rana</b>	General Manager (Highway Retailing), Retail HQ	<b>Mr. Sharad K. Sharma</b>	General Manager Sales (LPG) HQ
<b>Mr. Brij Pal Singh</b>	General Manager (Operations), Retail	<b>Mr. S. Vijayakumar</b>	General Manager (Human Resources), Mumbai Refinery
<b>Mr. George Paul</b>	General Manager (Sales) Retail HQ	<b>Mr. Tapan Datta</b>	General Manager (Vigilance), CO
<b>Mr. G.S. Wankhede</b>	General Manager (Operations), MMBPL	<b>Mr. Tomy Mathews</b>	General Manager (Operations), Kochi Refinery
<b>Mr. I. Srinivas Rao</b>	General Manager (LNG Marketing)	<b>Mr. T. Somanath</b>	General Manager – Talent Management
<b>Mr. J. Dinaker</b>	General Manager Finance (International Trade)	<b>Dr. U.V. Girish Kumar</b>	General Manager (IT & BI), Retail HQ
<b>Mr. John Minu Mathew</b>	General Manager (Technical), Kochi Refinery	<b>Mr. V. Anand</b>	General Manager (Sales), Retail South
<b>Mr. J.R. Akut</b>	General Manager (IIS Technology)	<b>Mr. Vinod Giri</b>	General Manager (Marketing Corporate)
<b>Mr. J.S. Sokhi</b>	General Manager (Retail Initiatives), Retail HQ	<b>Mr. Arun Kumar Singh</b>	Chief Procurement Officer
<b>Mr. K.B. Narayanan</b>	General Manager (ERP - CC)	<b>Mr. D.K. Mane</b>	Head (Health, Safety, Security & Environment) Entity
<b>Mr. K. N. Ravindran</b>	General Manager (Projects), Kochi Refinery	<b>Dr. G. Vasudev</b>	Dy. General Manager (Quality Control Cell)
		<b>Ms. Madhu Sagar</b>	Dy. General Manager (Employee Satisfaction Enhancement), CO
		<b>Mr. S.V. Kulkarni</b>	Company Secretary

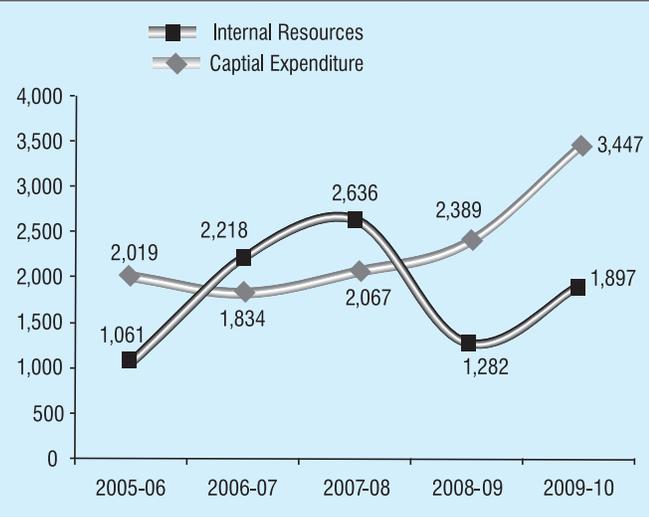
**PROFIT AFTER TAX (Rs. in Crores)  
RETURN ON CAPITAL EMPLOYED (in %)**



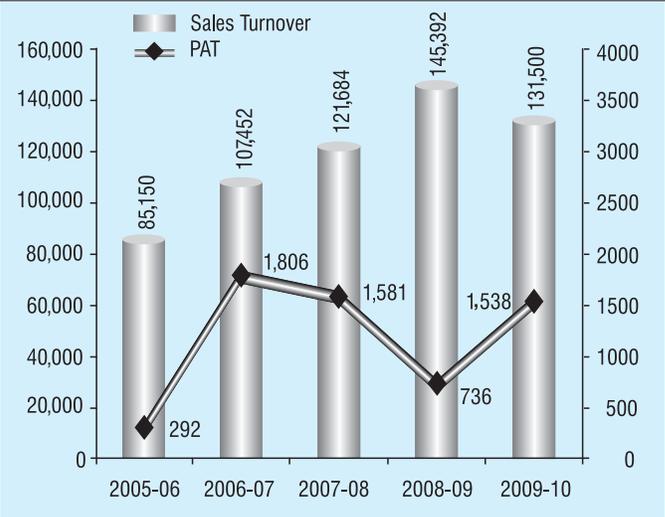
**EARNINGS PER SHARE / DIVIDEND PER SHARE /  
BOOK VALUE PER SHARE (in Rs.)**



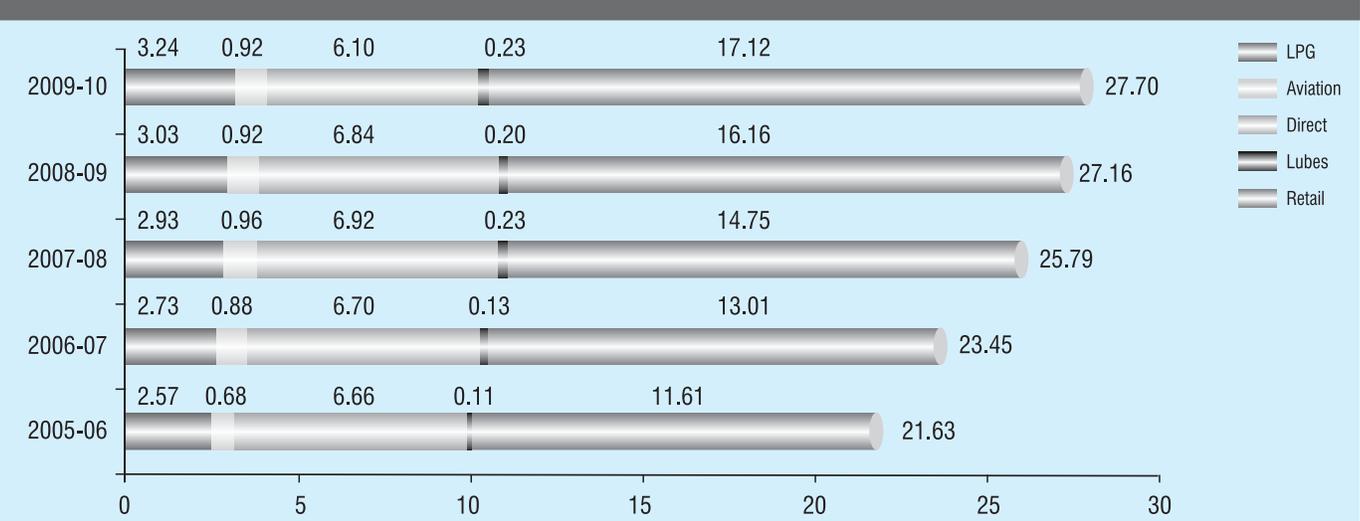
**INTERNAL RESOURCES /  
CAPITAL EXPENDITURE (Rs. in Crores)**



**SALES TURNOVER / PROFIT AFTER TAX (Rs. in Crores)**

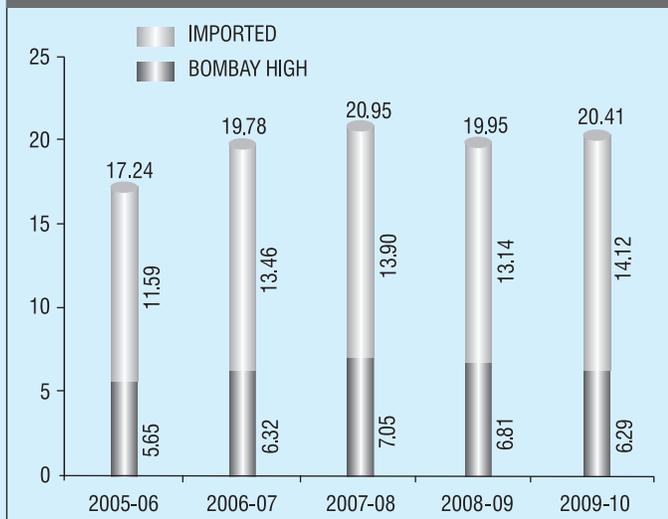


**MARKET SALES VOLUME (Million Metric Tonnes)**

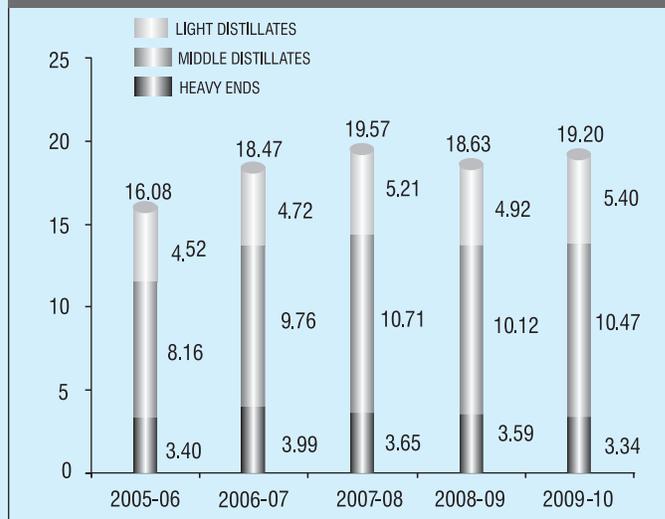


Note : The figures for the years 2005-06 and onwards are merged figures including erstwhile KRL.

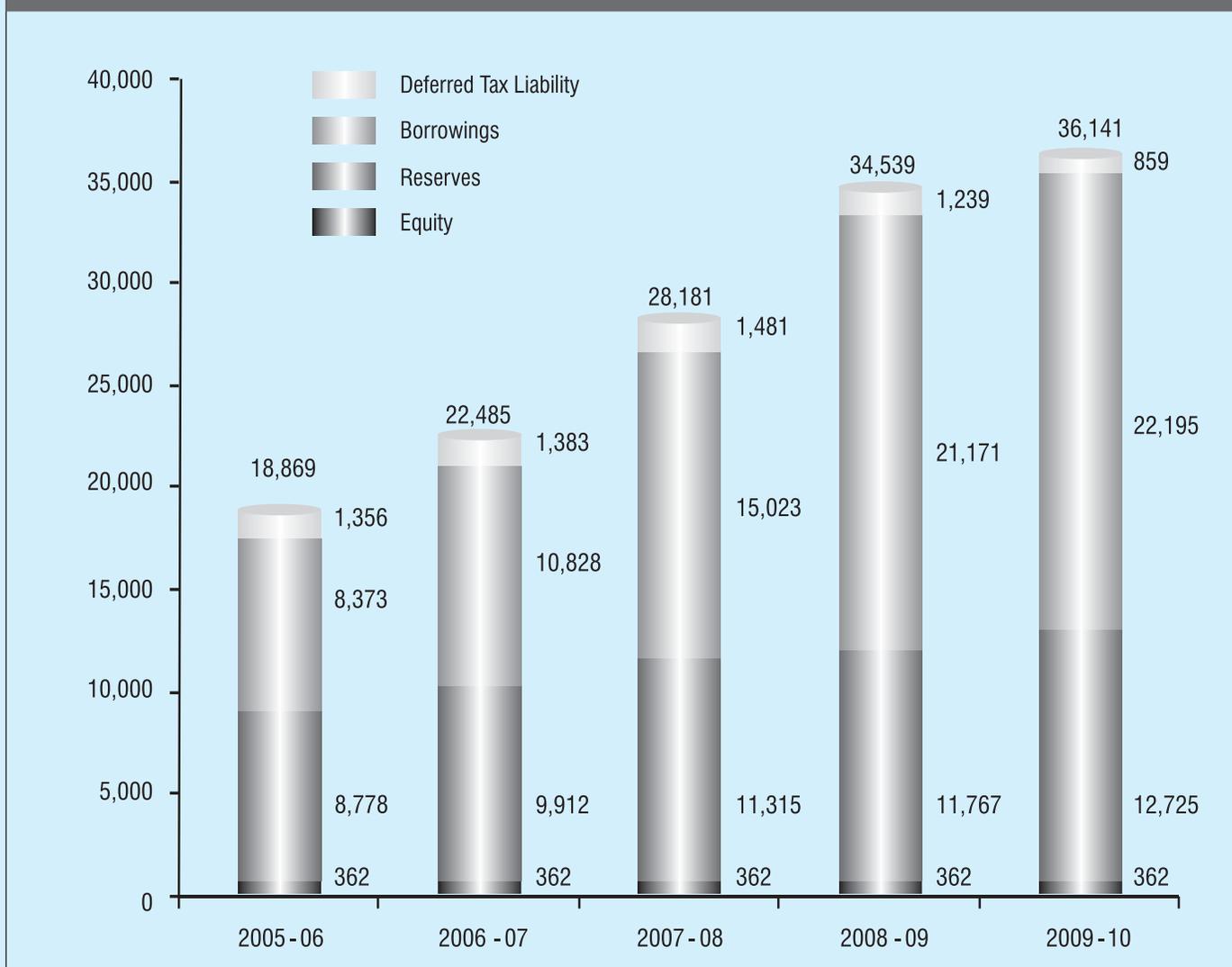
### CRUDE PROCESSED (Million Metric Tonnes)



### PRODUCTION (Million Metric Tonnes)

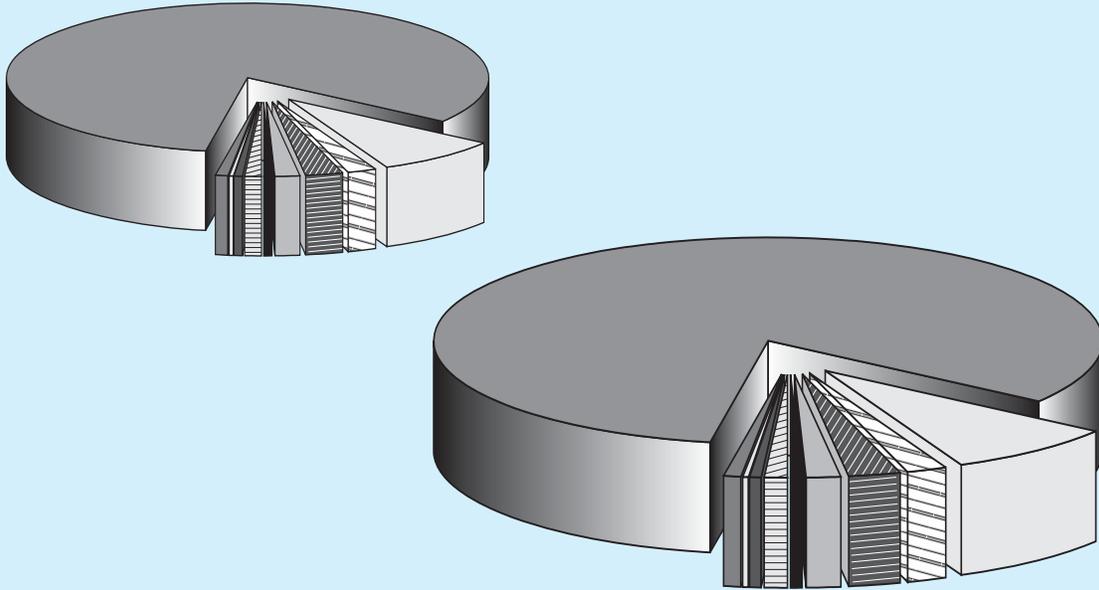


### TOTAL FUNDS EMPLOYED (Rs. in Crores)



Note : The figures for the years 2005-06 and onwards are merged figures including erstwhile KRL.

## DISTRIBUTION OF EACH RUPEE EARNED



### 2008-2009

### 2009-2010

84.07	82.11	Raw Materials, Purchase of Products for resale and packages
7.70	8.44	Duties, Taxes etc.
1.65	1.93	Transportation
2.42	2.46	Stores and other Operating Expenses
1.28	1.60	Employees' remuneration and other benefits
1.47	0.76	Interest on Borrowings
0.73	0.93	Depreciation
0.18	0.62	Income Tax
0.19	0.43	Dividend (including Corporate Dividend Tax)
0.31	0.72	Retained Profits

The Directors take pleasure in presenting their Report on the performance of Bharat Petroleum Corporation Limited (BPCL) for the year ended 31<sup>st</sup> March, 2010.

## PERFORMANCE OVERVIEW

### Group Performance

The aggregate Refinery throughput at BPCL's Refineries at Mumbai and Kochi and that of its subsidiary company, Numaligarh Refinery Limited (NRL) in 2009-10 was 23.03 Million Metric Tonnes (MMT) as compared to 22.20 MMT in 2008-09. The BPCL Group ended the year with market sales of 28.06 MMT as compared to 27.45 MMT in the previous year. The group's exports of petroleum products during the year stood at 2.70 MMT as against 1.38 MMT in 2008-09.

The financial year saw the group achieve a sales turnover of Rs. 133,749.10 crores, as compared to Rs. 147,336.82 crores recorded in 2008-09. The Profit after Tax stood at Rs. 1,719.98 crores in 2009-10 as against Rs. 724.13 crores in the previous year. After setting off the minority interest, the Group earnings per share increased to Rs. 45.15 in the current year from Rs. 17.53 in 2008-09.

CONSOLIDATED GROUP RESULTS		
	2009-10	2008-09
<b>Physical Performance</b>		
Crude Throughput (MMT)	<b>23.03</b>	22.20
Market Sales (MMT)	<b>28.06</b>	27.45
<b>Financial Performance</b>		<b>Rs. in Crores</b>
Sales / Income from Operations	<b>133,749.10</b>	147,336.82
Less: Excise Duty Paid	<b>(9,932.38)</b>	(10,779.70)
Net Sales / Income from Operations	<b>123,816.72</b>	136,557.12
Gross Profit	<b>5,341.35</b>	4,800.60
Interest	<b>1,124.66</b>	2,404.32
Depreciation & amortization	<b>1,444.56</b>	1,261.71
Profit before tax	<b>2,772.13</b>	1,134.57
Provision for taxation – Current	<b>1,324.75</b>	674.06
Profit after Current Tax	<b>1,447.38</b>	460.51
Provision for Fringe Benefit Tax	-	14.40
Provision for taxation – Deferred	<b>(301.27)</b>	(285.11)
Short provision for Taxation in earlier years provided for	<b>28.67</b>	7.09
Net Profit	<b>1,719.98</b>	724.13
Minority Interest	<b>87.62</b>	90.37
Net Income of the group attributable to BPCL	<b>1,632.36</b>	633.76
Group Earnings per share attributable to BPCL (Rs.)	<b>45.15</b>	17.53

## Company Performance

During the year 2009-10, the crude throughput at BPCL's refineries at Mumbai and Kochi was 20.41 MMT as against the level of 19.94 MMT achieved in 2008-09. The market sales of the company increased from 27.16 MMT in 2008-09 to 27.70 MMT in 2009-10.

<b>FINANCIAL HIGHLIGHTS</b>		
	<b>Rs. in Crores</b>	
	<b>2009-10</b>	<b>2008-09</b>
Sales Turnover – Gross	<b>131,499.72</b>	145,392.07
Gross Profit before Depreciation, Interest and Tax	<b>4,619.32</b>	4,246.01
Interest	<b>1,010.95</b>	2,166.37
Depreciation & amortization	<b>1,242.32</b>	1,075.53
Profit before tax	<b>2,366.05</b>	1,004.11
Provision for Taxation – Current	<b>1,127.00</b>	490.00
Provision for Fringe Benefit Tax	-	13.25
Provision for Taxation – Deferred	<b>(303.25)</b>	(242.13)
Short provision for taxation in earlier years provided for	<b>4.68</b>	7.09
Net Profit	<b>1,537.62</b>	735.90
Balance brought forward	<b>76.37</b>	#
Amount available for disposal	<b>1,613.99</b>	735.90
# Rs. 10,000		
<b>The Directors propose to appropriate this amount as under:</b>		
Towards Dividend:		
Final (proposed) Dividend -	<b>506.16</b>	253.08
Towards Corporate Dividend Tax	<b>72.77</b>	31.45
For transfer to Debenture Redemption Reserve	<b>700.00</b>	300.00
For transfer to General Reserve	<b>154.00</b>	75.00
Balance carried to Balance Sheet	<b>181.06</b>	76.37
<b>Summarized Cash Flow Statement :</b>		
Cash Flows:		
Inflow/(Outflow) from operations	<b>(1,515.15)</b>	6,212.34
Inflow/(Outflow) from investing activities	<b>1,538.43</b>	(9,908.75)
Inflow/(Outflow) from financing activities	<b>652.09</b>	(2,285.32)
Net increase/(decrease) in cash & cash equivalents	<b>675.37</b>	(5,981.73)

BPCL's sales turnover for 2009-10 stood at Rs. 131,499.72 crores, reflecting a reduction of 9.55% over the previous year's turnover of Rs. 145,392.07 crores. However, the sales in volume terms increased from 27.16 MMT in 2008-09 to 27.70 MMT in 2009-10, registering an increase of 1.99%. The profit before tax for the year increased by 132.65% over the preceding year to reach a level of Rs. 2,366.05 crores as compared to Rs. 1,004.11 crores in 2008-09. After providing for tax, (including deferred tax and fringe benefit tax) of Rs. 828.43 crores as against Rs. 268.21 crores during the last year, the profit after tax

for the year stood at Rs. 1,537.62 crores, showing an increase of 108.94% over the level of Rs. 735.90 crores recorded in 2008-09.

The Board of Directors has recommended a dividend of 140% (Rs. 14 per share) for the year on the paid-up share capital of Rs.361.54 crores which will absorb a sum of Rs. 578.93 crores out of the profit after tax inclusive of Rs. 72.77 crores for Corporate Dividend Tax on distributed profits. BPCL's net worth as on 31<sup>st</sup> March, 2010 stands at Rs. 13,086.71 crores, as compared to Rs. 12,128.11 crores as at the end of the previous year.

The earnings per share amounted to Rs. 42.53 in 2009-10 as compared to Rs. 20.35 in 2008-09. Internal cash generation during the year were higher at Rs. 1,898.10 crores as against Rs. 1,282.29 crores in 2008-09. BPCL's contribution to the exchequer by way of taxes and duties during 2009-10 amounted to Rs. 26,685.75 crores as against Rs.25,331.78 crores in the previous financial year.

Borrowings from banks decreased from Rs. 19,242.56 crores as at 31<sup>st</sup> March, 2009 to Rs. 18,743.87 crores at the close of the current financial year. The Collateralized Borrowing and Lending Obligation (CBLO) through Clearing Corporation of India Limited amounted to Rs. 500 crores as at the end of the year as compared to Rs. 150 crores at the end of the previous year. Loans from Oil Industry Development Board increased to Rs. 921.37 crores as at 31<sup>st</sup> March, 2010 as compared to Rs. 761.50 crores at the end of the previous year. Debentures worth Rs. 1,000 crores were issued during the year and remained outstanding as on 31<sup>st</sup> March 2010 in addition to the debentures of Rs. 1,000 crores issued in 2008-09.

Public deposits as at 31<sup>st</sup> March 2010 stood at Rs. 0.24 crores as compared to Rs. 3.45 crores at the end of the previous year. The amount of deposits, matured but unclaimed, at the end of the year was Rs. 0.15 crores, which pertains to 35 depositors.

The total Capital Expenditure during the year 2009-10 amounted to Rs. 3,446.55 crores as compared to Rs. 2,389.34 crores during the year 2008-09.

The Comptroller and Auditor General of India (C&AG) has no comment upon or supplement to the Statutory Auditors' Report on the Accounts for the year ended 31<sup>st</sup> March, 2010. The letter from C&AG is annexed as Annexure E.

## REFINERIES

### MUMBAI REFINERY

During the year 2009-10, Mumbai Refinery with an installed capacity of 12 MMTPA, processed 12.52 MMT of crude oil as against 12.26 MMT processed in 2008-09. Notwithstanding the turnarounds in some major units during the year, the refinery achieved a capacity utilization of 104% as compared to 102% in the previous year. The refinery achieved its highest ever production of several products including Liquefied Petroleum Gas (LPG), Methyl Tertiary Butyl Ether (MTBE), Aviation Turbine Fuel (ATF) and Lube Base Oils. The refinery also commenced the production of Euro IV quality Motor Spirit (MS) and High Speed Diesel (HSD) from February 2010. During the year, the refinery processed the Nigerian crude oil - Agbami for the first time. The gross refining margin (GRM) for the year stood at USD 1.78 per barrel as compared to USD 4.48 per barrel in 2008-09. This has translated into an overall gross margin of Rs. 792.63 crores for the year as compared to Rs. 1,892.28 crores in 2008-09. The reduction in the GRM was mainly due to volatility in the international prices of crude oil and finished products and unfavorable crude-product spreads.

### KOCHI REFINERY:

Kochi Refinery recorded a throughput of 7.89 MMT in 2009-10 as compared to 7.68 MMT achieved in 2008-09. The capacity utilization of the refinery stood at 105% as compared to 102.4% in the previous year. This was achieved despite a major shutdown undertaken in connection with the capacity expansion of the refinery. The refinery also processed the Agbami crude oil for the first time. The refinery achieved its highest level of production of ATF and packed Bitumen during the year. The gross refining margin for the year 2009-10 was USD 4.87 per barrel as against USD 6.28 per barrel in the previous year. This translated into an overall gross margin of Rs. 1,366.63 crores for the year as compared to Rs. 1,658.78 crores in 2008-09.

The details of the performance of the Refineries, their activities and future plans are discussed in the Management Discussion and Analysis Report (MD&A).

### MERGER OF KRL WITH BPCL

As informed in the last year's Report, merger of the erstwhile Kochi Refineries Limited (KRL) with BPCL under Sections 391 to 394 of the Companies Act 1956 had been completed, following receipt of the Order dated 18<sup>th</sup> August, 2006 issued by the Ministry of Company Affairs, New Delhi. One of the Shareholders of the erstwhile KRL had filed a Writ Petition in the Delhi High Court challenging the merger, and the same is pending as on date.

### MARKETING

During the year 2009-10, BPCL's market sales volume touched a level of 27.70 MMT as compared to 27.16 MMT in the previous year. This represented a growth rate of 1.99% over the previous year. BPCL's market share amongst the public sector oil companies stood at 22.38% as at 31<sup>st</sup> March, 2010 as compared to 22.62% as at the end of the previous year.

A detailed discussion of the performance of the Marketing function is given in the MD&A.

### PROJECTS

#### Central India Refinery Project

Bharat Oman Refineries Limited (BORL), a company promoted by BPCL, is setting up a 6 MMTPA capacity grass roots Refinery at Bina in Madhya Pradesh. Oman Oil Company Limited (OOC) is partnering BPCL in this project. The refinery is being set up along with crude oil import facilities consisting of a Single Point Mooring (SPM) system and Crude Oil Storage Terminal (COT) at Vadinar and cross-country crude oil pipeline from Vadinar to Bina. The project is estimated to have an as-built capital cost of Rs.11,397 crores which will be funded with a debt equity ratio of 1.6:1.

BORL has an authorized share capital of Rs. 7,000 crores. BPCL and OOC had invested Rs. 75.5 crores each in the equity share capital of BORL. BPCL, with the approval of

the Government of India, decided to enhance its equity contribution in the equity of BORL to the extent of 50%. OOC agreed to make an additional investment of Rs. 1,219.67 crores in 81.31 crores equity shares at a premium of Rs. 5 per share for which the Investors Rights Agreement (IRA) was signed between BPCL, OOC and BORL in November 2009. The agreed investment has been brought in and OOC was allotted 81.31 crores equity shares in May 2010. As on 31<sup>st</sup> March, 2010, BPCL had contributed a sum of Rs. 1,300 crores towards subscribing for shares in BORL. An amount of Rs. 813.11 crores from this was converted into 81.31 crores equity shares at par and allotted to BPCL in May 2010. The balance amount of Rs. 486.89 crores was converted into 48.69 crore warrants representing the right to subscribe to 48.69 crore equity shares of Rs. 10 each. BPCL has also made additional investment of Rs. 448.79 crores against which it was allotted 29.92 crore warrants, which will be entitled for equal number of equity shares of Rs. 10 each at a later date. Till the time the total equity of BORL is tied up, BPCL and OOC will hold 50% shares each in BORL. On a future date, BPCL and OOC will be holding about 49% and 26% respectively in the fully diluted equity of BORL.

The refinery is slated to commence commercial production in the current year. The crude oil receipt facilities at Vadinar and crude oil tankages & intermediate product tankages at the refinery site have been commissioned. The Vadinar – Bina crude oil pipeline has been commissioned and crude oil has been received in the refinery tanks. The Crude Distillation Unit was commissioned on 29<sup>th</sup> June, 2010. The cumulative capital expenditure as on 30<sup>th</sup> June, 2010 amounted to Rs. 9,938 crores. The total commitments made up to that date was Rs. 11,012 crores.

#### **Bina Product Despatch Terminal**

The Bina Product Despatch Terminal is designed to facilitate the marketing of products from the new refinery at Bina. The dispatch terminal was completed with a tankage of 4.45 lakh kilolitres for storing white oils, 10 bay road loading gantry and single spur rail loading gantry for white oils, 6 x 1400 MT LPG mounded storage, 4 bays road loading gantry for LPG, and other associated infrastructural facilities, adjacent to the Bina refinery. The terminal facilities are mechanically complete. Receipt and road dispatch facilities for LPG and SKO have been commissioned. The balance commissioning will be synchronized with the commissioning of the Bina Refinery. The approved cost of the project is Rs. 639.11 crores and the cumulative expenditure as on 30<sup>th</sup> June, 2010 stood at Rs. 565.33 crores.

#### **Bina Kota Product Pipeline**

The project, with an approved cost of Rs. 405.82 crores, involved the laying of an 18" (45.72 cm) dia, 257 km long cross-country product pipeline from Bina to Kota, to facilitate the economic evacuation of MS, HSD, Superior Kerosene Oil (SKO) and ATF from the new refinery at Bina.

The pipeline is designed for an initial throughput of 2.8 MMTPA and will be connected to the existing multi-product Mumbai-Manmad-Manglya-Piyala-Bijwasan pipeline at Kota to facilitate distribution of products from the Bina refinery to the markets in northern India. The pipeline is mechanically complete and will be commissioned on receiving products from the Bina Refinery. The cumulative expenditure on the project as on 30<sup>th</sup> June, 2010 stood at Rs. 358.29 crores.

#### **Capacity Expansion cum Modernization Project (CEMP) – Phase II at Kochi Refinery**

The project was undertaken to put up facilities for production of auto fuels i.e. MS and HSD conforming to Euro III /IV equivalent norms along with modernization and capacity expansion of the refinery from 7.5 MMTPA to 9.5 MMTPA. The approved cost of the project is Rs. 3,941 crores.

The capacity expansion of the refinery was completed in July 2009 and the balance facilities are expected to be completed by October 2010. The overall physical progress of the project is 96.10 % as on 30<sup>th</sup> June 2010 and the total expenditure as on that date stood at Rs. 2,731.93 crores.

#### **Fuels Quality Upgrade Project at Mumbai Refinery**

The project costing Rs. 390 crores was undertaken to make plant modifications at the Mumbai refinery for improving quality of MS and HSD to meet the Euro IV equivalent norms. The capacity of the Diesel Hydrodesulphurization Unit has been enhanced from 1.4 MMTPA to 2 MMTPA and a new FCC Gasoline Splitter at the Refinery was erected. The project has been completed and the units commissioned in January 2010.

#### **Continuous Catalytic Regeneration Reformer (CCR) Facilities and Hydrocracker Revamp**

The project is being undertaken to increase the production of Euro IV grade MS and HSD at Mumbai Refinery. This involves revamping of the Hydrocracker Unit to increase the capacity from 1.75 MMTPA to 2.0 MMTPA and setting up of a 0.9 MMTPA capacity Continuous Catalytic Regeneration (CCR) Reformer Unit at a cost of Rs. 825 crores. The project is scheduled for completion by December 2011. As on 30<sup>th</sup> June, 2010, the project has achieved physical progress of 19.67 %. The cumulative expenditure as on that date was Rs. 62.54 crores and the total commitment has exceeded Rs. 211.05 crores.

#### **LPG Import Facilities at JNPT with Strategic Storage at Uran**

The project is being undertaken to develop LPG import facilities at Jawaharlal Nehru Port Trust (JNPT) including installation of marine unloading arms and associated facilities; laying of 12" (30.48 cm) pipeline from JNPT to Uran LPG plant and development of refrigerated storage at Uran. The approved cost of the project is Rs.304.40 crores.

The project has achieved an overall progress of 65.6% as on 30<sup>th</sup> June, 2010 and is scheduled for completion in December 2010. The cumulative expenditure as on 30<sup>th</sup> June, 2010 stood at Rs. 111.39 crores.

### **Strategic Storage for LPG**

Strategic storage for LPG, at a total cost of Rs. 193 crores, is being provided by putting 23 mounded storage vessels at 12 different locations. These were re-designed after standardization of size and capacity, cost optimization and vessel fabrication. The work at locations is expected to be completed by December, 2010.

### **RESEARCH & DEVELOPMENT (R&D)**

Research and development (R&D) is an integral part of BPCL's strategy for achieving sustainable growth and profitability. To enhance R&D capabilities, BPCL is continuously strengthening the infrastructure and manpower resources at its Corporate R&D Centre, Greater Noida, Uttar Pradesh as well as at its Product & Application Development Centre, Sewree, Mumbai and the R&D Centre at Kochi Refinery. BPCL's initiatives in the area of R&D are discussed separately in the MD&A.

Further, the areas covered under R&D and the benefits derived from R&D activities are detailed in Form B of Annexure A to the Directors' Report.

### **NON-CONVENTIONAL ENERGY INITIATIVES**

BPCL has placed strong emphasis on the development of non-conventional/ renewable sources of energy. A number of initiatives have been undertaken in tapping non-conventional energy sources like bio-diesel, wind energy, solar energy and fuel cells in order to develop alternate sources of energy.

BPCL has focused on promoting green fuels with a view to protect the environment by reducing pollution and dependency on imported fuels. Tracts of unproductive, barren and non cultivable fallow land are being used for the growth of Jatropha and Karanj plants. The plantations would contribute towards environment protection, prevention of soil erosion and provide feedstock for manufacturing bio-diesel. BPCL has promoted Bharat Renewable Energy Limited, a joint venture company with the objective of entering the Bio-diesel Value Chain in the state of Uttar Pradesh. "Project Triple One" has been launched with the aim of cultivating one million acres (404686.3 hectares) of wasteland, creating one million jobs and producing one million tonnes of Bio-diesel from the plantation to replace diesel over the next 10 years.

BPCL has been one of the first energy companies to successfully generate power through windmills. Windmills with a capacity of 5 MW (four windmills of 1.25 MW each) in the hilly range of Kapatguda in Karnataka are currently in operation and the power produced by them is being sold to Karnataka State Electricity grid. BPCL has plans to make further investments in windmills in the states of Rajasthan, Maharashtra, Gujarat and Madhya Pradesh.

Work is going on for the setting up of a 1 MW capacity grid connected solar farm at BPCL's LPG bottling plant in Lalru in the state of Punjab. As the power generated from the plant is proposed to be sold to the Punjab State Electricity Board, BPCL has signed a Power Purchase Agreement with the Board. The farm which will be spread across an area of 4 acres (1.62 hectares) has been conceived to avail of carbon emission credits under the Kyoto protocol.

A 5 KVA solar cum wind power generator has been commissioned at one of BPCL's Company Owned Company Operated (COCO) Retail Outlets near Kolkata. A 5 KVA solar power generator has also been installed at a COCO Outlet at Bangalore.

### **INDUSTRIAL RELATIONS**

The overall Industrial Relations climate remained peaceful throughout the year. All organizational and employee related issues were handled with a collaborative approach and regular communication was ensured to all employees on all important issues affecting them and the Organisation. Discussions have been initiated with the Unions for signing a fresh wage settlement with them.

### **FULFILLMENT OF SOCIAL OBLIGATIONS**

BPCL views Corporate Social Responsibility (CSR) as one of its core commitments to society at large. With BPCL committing 2% of the net profit of the previous financial year towards CSR, focus was placed on building a robust internal system for not only undertaking CSR projects, but also on effective management of the projects and evaluation of the outcome.

'Education' and 'Water Conservation' were the two core thrust areas although health, community development and environment conservation also remain important. For the first time, targets were set in the area of CSR in the Memorandum of Understanding that BPCL signs every year with the Ministry of Petroleum & Natural Gas. A target of making 4 villages 'drought free' through rainwater harvesting and also undertaking Computer Assisted Learning Programmes for 2500 children in 11 Zilla Parishad schools near Uran in Raigad Dist, Maharashtra has been agreed upon. These targets have been achieved and BPCL is now in constant communication with officials of the education department on sustaining the project, which can help in undertaking similar projects in the coming days. BPCL has also partnered with the NGO Pratham in rolling out a districtwide Education Enhance Programme in the districts of Nandurbar in Maharashtra and Sagar in Madhya Pradesh. Through this programme, BPCL plans to reach out to more than 1200 schools in both the districts, with an aim to ensure that every child in the district from class I to IV is able to read and write. BPCL is also supporting a programme to provide vocational guidance for the unemployed youth in these districts.

Apart from ensuring the successful implementation of the CSR projects, staff members were encouraged to join in the CSR efforts. The CSR projects received enthusiastic support

from employee volunteers, who in their personal time, contributed towards water conservation projects, and also in teaching children from the lower socio-economic strata. The employees put in around 1921 volunteering hours. One of BPCL's employees has also accepted a two year assignment with an organization "Teach For India", in which he is teaching the children from the lower socio-economic strata, in a municipal school.

Several projects, which were being supported in remote rural and tribal areas, were socially audited on their impact for the first time, and the recommendations, which mostly dwelled on making beneficiaries self-reliant and empowering communities, have been acted upon.

### **PROMOTION OF SPORTS**

BPCL sportspersons continued to excel in the national as well as international sports arena in several disciplines. Saina Nehwal reached a career high ranking of World no. 2 among ladies after winning the India Open GP Gold and the Singapore Super Series events. Saina went on to retain her title at the Indonesia Super Series event, which she had won in 2009 also. She was awarded the Padma Shri and Arjuna awards by the Government of India. Recently, she was named as the recipient of the Rajiv Gandhi Khel Ratna award which is the highest recognition accorded to an Indian sportsperson. Jwala Gutta won the Yonex Chinese Taipei Grand Prix Badminton tournament in the mixed doubles event. In Table Tennis, Poulomi Ghatak, who received the Arjuna Award, won a record 4 titles in the National Championships. In Chess, S. Kidambi became the fourth player from BPCL to earn the Grand Master norm. Joby Mathew won the Gold Medal in the World Arm Wrestling championships. BPCL continues to contribute significantly to the Indian contingents in various sporting disciplines.

BPCL was awarded the newly instituted "Excellence in Sports" trophy for its contribution in the field of sports. BPCL also bagged the II Runners-up "Presidents Trophy" based on the points obtained in various Petroleum Sports Promotion Board (PSPB) tournaments conducted during the year.

### **RESERVATION AND OTHER WELFARE MEASURES FOR SCHEDULED CASTES/SCHEDULED TRIBES/ OTHER BACKWARD CLASSES AND PERSONS WITH DISABILITIES**

BPCL has been following in letter and spirit, the Presidential Directives and other Guidelines issued from time to time by the Ministry of Petroleum & Natural Gas, Ministry of Social Justice & Empowerment and the Department of Public Enterprises relating to reservations / concessions for Scheduled Castes / Scheduled Tribes / Other Backward Classes. Adequate monitoring mechanisms have been put in place for sustained and effective compliance uniformly across the Corporation. Rosters are maintained as per the Directives and are regularly inspected by the Liaison Officer of the Corporation as well as the Liaison Officer of the Ministry of Petroleum & Natural Gas, to ensure proper compliance of the Directives.

Students belonging to Scheduled Castes / Scheduled Tribes and those who are economically backward are encouraged by being awarded scholarships for pursuing courses at Industrial Training Institutes (ITI) & secondary school education up to graduation level.

BPCL also complies with provisions under "The Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation), Act 1995" relating to providing employment opportunities and concessions for persons with disabilities. Special recruitment drives were conducted to fulfill the obligations in line with the provisions of employment opportunities.

Details relating to representation/appointment of Scheduled Castes / Scheduled Tribes / Other Backward Classes and Persons with Disabilities are enclosed as Annexure D.

### **IMPLEMENTATION OF OFFICIAL LANGUAGE POLICY**

The Official Language Implementation Committees (OLIC) continue to function at the Corporate and Regional offices, Refineries and major locations in order to implement various provisions of the Official Language Act and Rules across the company. Keeping in view the Annual Programme issued by the Government of India, these Committees meet on a quarterly basis and take decisions with regard to implementation of Hindi and review the progress made. Several Hindi workshops were conducted. The Parliamentary Committee on Official Languages visited three locations while Corporate Hindi Cell inspected Kochi and Mumbai Refineries and three marketing locations. Rajyabhasha Vibhag of the Ministry of Home Affairs carried out inspections at two locations. All these Committees expressed their appreciation of the efforts taken by the Corporation.

The Hindi software "ISM V5 Office" was procured and installed in all offices of BPCL. "Hindi Software Training" programmes are also conducted in the Regional Offices and Refineries. An attractive Incentive Scheme is in vogue to further enhance Official Language implementation. Initiative has been taken to implement an e-library for Hindi books on the Corporate Intranet.

### **CITIZENS' CHARTER**

Citizens' Charter – a tool for ensuring transparency in educating and communicating with the customers about their rights, apart from various infrastructure / services being available for the customers, is always in the forefront of all activities of the Company. Efforts are made to enhance customer service levels. The Grievance Redressal Mechanism was taken care of with well established systems at various consumer contact points. Besides, BPCL has sought to leverage technology by making available a feedback module in its website which the customer can have access to. An Internet based online Grievance Redressal Mechanism (Centralised Public Grievance Redress and Monitoring System) is helping in speedy redressal of grievances. BPCL has

disposed off 231 grievances online during the year. BPCL has started toll free numbers so that customers can call from anywhere in the country for registration of complaints.

The Right to Information Act 2005 has been implemented in BPCL. People across the organization are familiar with the Act and BPCL has a unique single window concept for all replies under the Act. During the period ending 31<sup>st</sup> March, 2010, BPCL has received 1753 requests for information and only 67 cases were referred to the Chief Information Commissioner, New Delhi for review. No strictures have been passed against BPCL since the inception of the Act in 2005.

### **VIGILANCE**

Corporate Vigilance in the Company has played a proactive role and initiated implementation of several system improvements and brought about simplification of procedures for achieving the best possible use of resources and for facilitating effective and speedy decision making in a transparent manner.

Vigilance Awareness Week was inaugurated by Justice B. Srikrishna and was observed from 3<sup>rd</sup> to 7<sup>th</sup> November, 2009 at all locations throughout the country. A Vendor Interaction Programme was organized at Kochi Refinery covering 90 vendors during Vigilance Awareness Week and issues raised were deliberated by the senior management. Such vendor meets have highlighted the company's commitment to transparency and enabled the company to get feedback on the issues faced by vendors, improving interaction levels as well as contributing to confidence building and generation of greater levels of trust among all stakeholders. Under the aegis of Vigilance, an Integrity Club was started in Kochi Refinery School, which has received an excellent response.

More than 114 training workshops/seminars involving 1800 participants were held with the objective of enhancing Vigilance Awareness among the employees/vendors. Workshops on Dealerships / Distributorships were conducted at all regions covering 139 participants. As part of preventive vigilance activities, inspections including surprise inspections were done at 467 Retail Outlets, 161 LPG Distributorships and 167 locations including depots and installations. Based on the outcome of such inspections, preventive/administrative actions and system improvements were initiated.

To increase transparency in interface with vendors, contractors, suppliers and service providers, the coverage of tenders hosted on the corporate website has been increased to include tenders of Original Equipment Manufacturers and Proprietary items also. The Integrity Pact has been implemented for all tenders with value in excess of Rupees one crore.

### **SUBSIDIARY COMPANIES**

#### **Numaligarh Refinery Limited (NRL)**

NRL was incorporated in 1993 with an authorized capital of Rs. 1,000 crores. It is a Mini Ratna company (Category I) and has a 3 MMTPA refinery at Numaligarh in Assam. BPCL holds 61.65% of the paid up equity in NRL as on 31<sup>st</sup> March, 2010. The refinery processed 2.62 MMT of crude oil during the year 2009-10 as compared to 2.25 MMT processed in the previous year. As on 31<sup>st</sup> March, 2010, the Refinery completed 8 years and 1 month of Lost Time Accident (LTA) free operations (equivalent to 1.40 crores man-hours) since the date of the last LTA. NRL achieved a turnover of Rs.7,874.09 crores for the financial year ending 31<sup>st</sup> March, 2010 which is lower than the turnover of Rs. 8,853.35 crores in 2008-09. The company's profit after tax for the year stood at Rs.232.08 crores, as against profit after tax of Rs.235.64 crores in the previous year. The earnings per share (EPS) for the year 2009-10 amounted to Rs. 3.15 as against Rs. 3.20 in 2008-09. The Board of Directors of NRL have maintained the dividend by recommending a payout of Rs. 1.50 per share of Rs. 10 each. NRL had a net worth of Rs.2,450.04 crores and a book value of Rs.33.30 per share as at 31<sup>st</sup> March, 2010.

#### **Bharat PetroResources Limited (BPRL)**

BPRL was incorporated on 17th October, 2006 as a wholly owned subsidiary company of BPCL, with the objective of implementing BPCL's plans in the upstream exploration and production sector. The company has an authorized capital of Rs.1,000 crores. As on 31<sup>st</sup> March, 2010, the subscribed share capital of BPRL was Rs. 702.55 crores. The exploration and production activities of BPRL and its subsidiary companies extend to 26 exploration blocks where they hold participating interests (PI). Of this, 9 blocks are in India and 17 are abroad. Besides India, BPRL has blocks in Australia, Brazil, East Timor, Indonesia, Mozambique and the United Kingdom. BPRL's total acreage in all these blocks is around 81,000 sq.km, of which approx. 91% is offshore acreage. These blocks are in various stages of exploration.

During the year 2009-10, significant level of exploration activities were undertaken, particularly in Brazil and Mozambique. M/s. Anadarko Petroleum Corporation (Anadarko), the Operator of the offshore block in Brazil, has announced that the 'Wahoo-1' well in block BM-C-30 in the Campos Basin flowed at a test rate of approx. 7500 barrels per day of crude oil and approx. 4 million ft<sup>3</sup> (0.11 million m<sup>3</sup>) per day of associated natural gas. The 'Windjammer' well drilled during the first quarter of 2010 in Rovuma Basin, in the deep water offshore Mozambique, encountered huge quantities of gas in the wildcat well. The drilling of the balance wells in Mozambique is continuing.

BPRL had formed a wholly owned subsidiary company, Bharat PetroResources JPDA Limited (BPR-JPDA LTD) through which it holds a participating interest of 20% in

Block-JPDA 06-103-East Timor in the Joint Petroleum Development Area between Australia and East Timor. Further, BPRL has incorporated a wholly owned subsidiary company, BPRL International BV, Netherlands which in turn, has incorporated three wholly owned subsidiary companies viz. BPRL Ventures BV, BPRL Ventures Mozambique BV and BPRL Ventures Indonesia BV, for undertaking exploration activities in various countries. BPRL Ventures BV has 50% stake in IBV (Brazil) Petroleo Limitada, which has participating interests ranging from 20% to 40% in 10 blocks in Brazil. BPRL Ventures Mozambique BV has participating interest of 10% in a block in Mozambique, and BPRL Ventures Indonesia BV holds participating interest of 12.50% in a block in Indonesia.

BPRL earned income of Rs.0.42 crores for the financial year ending 31<sup>st</sup> March, 2010 and had a loss of Rs.35.72 crores as compared to an income of Rs.4.87 crores and loss of Rs.13.93 crores for the financial year ending 31<sup>st</sup> March, 2009.

#### **Annual Accounts of the Subsidiary Companies**

In view of the dispensation granted by the Central Government under Section 212 (8) of the Companies Act, 1956, copies of the Balance Sheet, Profit and Loss Account, Directors' Report and the Auditors' Report of the Subsidiary Companies are not attached to the Balance Sheet of the Company. In compliance with the conditions of the dispensation, the Consolidated Financial Statements have been presented in the Annual Report and financial information of the Company's subsidiaries, as required, is disclosed in the Annual Report as Annexure F to the Directors' Report for information. The Audited Annual Accounts of the Subsidiary Companies and related detailed information are open for inspection by any Member at BPCL's Registered Office. Further, BPCL would make available / furnish these documents, on request, to any of its Members and the said documents would also be posted on BPCL's website.

#### **JOINT VENTURE COMPANIES**

##### **Petronet LNG Limited (PLL)**

PLL was formed in April, 1998 for importing LNG and setting up LNG terminals with facilities like jetty, storage, regasification etc. to supply natural gas to various industries in the country. The company was incorporated with an authorized share capital of Rs 1,200.00 crores. PLL was promoted by four public sector companies viz. BPCL, Indian Oil Corporation Limited (IOC), Oil & Natural Gas Corporation Limited (ONGC) & GAIL (India) Limited (GAIL). Each of the promoters holds 12.50% of the equity capital of PLL. The balance equity was raised over a period of time with Gaz de France having a 10% equity stake and Asian Development Bank holding 5.20% of the equity. The balance 34.80% is held by the public after the company had made an initial public offering in March, 2004. BPCL's equity investment in PLL currently stands at Rs.98.75 crores. As at 31<sup>st</sup> March, 2010, PLL had a net worth of Rs.2,234.86 crores with a book value of Rs. 29.80 per share.

The expansion of the regasification capacity at Dahej from 5 MMPTA to 10 MMPTA was commissioned in July 2009. The capacity is being further expanded to 12.50 MMPTA. The work on the green field terminal at Kochi has already commenced and the terminal is likely to be commissioned by December 2011.

PLL recorded a sales turnover of Rs. 10,602.94 crores in the financial year ending as on 31<sup>st</sup> March, 2010 as compared to Rs.8,428.70 crores recorded in 2008-09. The net profit for the year stood at Rs. 404.50 crores as compared to Rs.518.44 crores achieved in the previous year. Consequently, the EPS has declined from Rs. 6.91 in 2008-09 to Rs. 5.39 in 2009-10. PLL has maintained the dividend of 17.50% for the financial year 2009-10.

##### **Indraprastha Gas Limited (IGL)**

IGL, a Joint Venture Company with GAIL, was set up in December, 1998 with an authorized share capital of Rs. 220 crores for implementing the project for supply of Compressed Natural Gas (CNG) to the household and automobile sectors in Delhi. BPCL invested Rs.31.50 crores in IGL for a 22.50% stake in its equity. IGL has commissioned over 241 CNG Stations which supply the environment friendly fuel to more than 3,50,000 vehicles. IGL has more than 1,70,000 domestic PNG Customers and over 373 commercial customers in Delhi. The company is also extending its business to the towns of Greater Noida and Ghaziabad.

IGL registered a turnover of Rs. 1,213.13 crores and a profit after tax of Rs. 215.49 crores for the financial year ending as on 31<sup>st</sup> March, 2010 as compared to a turnover of Rs.962.14 crores and a profit after tax of Rs.172.47 crores during the previous year. IGL has declared a dividend of Rs. 4.50 per share against a dividend of Rs. 4.00 per share in the previous year. IGL's net worth was Rs. 825.48 crores with a book value of Rs.58.93 per share as at 31<sup>st</sup> March, 2010. The shares of the company are listed on the Stock Exchange, Mumbai and National Stock Exchange of India limited.

##### **Sabarmati Gas Limited (SGL)**

SGL, a Joint Venture Company promoted by BPCL and Gujarat State Petroleum Corporation (GSPC) was incorporated on 6<sup>th</sup> June 2006 with an authorized capital of Rs.100 crores for implementing the City Gas distribution project for supply of CNG to the household and automobile sectors in the city of Gandhinagar, Mehsana and Sabarkantha Districts of Gujarat.

Both the promoters have a stake of 25% each in the equity capital of SGL and the balance has been subscribed to by financial institutions. SGL has set up 13 CNG stations. SGL has achieved a turnover of Rs.297.91 crores and profit after tax of Rs. 27.72 crores for the financial year ending 31<sup>st</sup> March, 2010 against a turnover of Rs.260.45 crores and a Profit after tax of Rs.18.12 crores in the previous year. The company has proposed to maintain dividend on equity shares at the rate of 15% for the financial year ending 31<sup>st</sup> March, 2010.

### **Central UP Gas Limited (CUGL)**

CUGL is a Joint Venture Company set up in March, 2005 with GAIL as the other partner, for implementing the project for supply of CNG to the household, industrial and automobile sectors in Kanpur and Bareilly in Uttar Pradesh. The company was incorporated with an authorized share capital of Rs. 60 crores. The joint venture partners have each invested Rs.15 crores in the joint venture, with each partner having an equity stake of 25% in the company. The balance equity share capital has been subscribed to by financial institutions including Asian Development Bank (ADB), Infrastructure Development Finance Company Limited (IDFC) and Infrastructure Leasing & Financial Services Limited (IL&FS). CUGL has set up 9 CNG stations. The company has commenced its PNG operations.

CUGL has achieved a turnover of Rs. 42.42 crores and profit of Rs. 7.19 crores for the financial year ending 31<sup>st</sup> March, 2010 as compared to turnover of Rs.35.64 crores and a profit of Rs.7.88 crores in the previous year. The EPS for the year stood at Rs. 1.26 as against Rs. 1.39 in 2008-09. The Board of Directors has recommended the payment of dividend at 3.50%, the same as last year.

### **Maharashtra Natural Gas Limited (MNGL)**

MNGL was set up on 13<sup>th</sup> January, 2006 as a Joint Venture Company with GAIL for implementing the project for supply of CNG to the household and automobile sectors in Pune and its nearby areas. The company was incorporated with an authorized share capital of Rs. 100 crores. BPCL and GAIL have invested Rs. 22.50 crores each in MNGL's equity capital. The Maharashtra Government will hold a 5% stake in the company. MNGL has completed its financial closure by inducting IDFC, ILFS and Axis Bank as shareholders. The Company has set up 13 CNG stations till 31<sup>st</sup> March, 2010.

MNGL has achieved a turnover of Rs. 10.92 crores for the financial year ending 31<sup>st</sup> March, 2010 and loss of Rs. 1.56 crores for the year as against a turnover of Rs.1.48 crores and a loss of Rs.3.68 crores for the period 7<sup>th</sup> October, 2008 to 31<sup>st</sup> March, 2009.

### **Bharat Stars Services Private Limited (BSSPL)**

BSSPL, a Joint Venture Company promoted by BPCL and ST Airport Pte Limited, Singapore was incorporated on 13<sup>th</sup> September, 2007 with an authorized capital of Rs.10 crores for providing into plane fuelling services at the new Bengaluru International Airport. The authorized share capital of BSSPL was subsequently enhanced to Rs. 20 crores.

The two promoters have each subscribed to 50% of the equity capital of BSSPL and BPCL's present investment stands at Rs.10 crores. The company, which commenced its operations at the new international airport in Bengaluru from May, 2008, has recently been issued the Letter of Award for implementing into plane fuelling services at the new T3 Terminal at Delhi International Airport. A new company Bharat Stars Services (Delhi) Private Limited is

being formed for undertaking operations in Delhi. The company is also planning to enter Calicut Airport and other nearby airports and intends to set up Fixed Base Operations to augment its revenues.

BSSPL has achieved a turnover of Rs.2.90 crores for the financial year ending 31<sup>st</sup> March, 2010 and profit of Rs.0.64 crores as against a turnover of Rs.1.19 crores and a loss of Rs.0.33 crores in the previous year

### **Bharat Renewable Energy Limited (BREL)**

BREL was incorporated on 17<sup>th</sup> June, 2008 for undertaking the production, procurement, cultivation and plantation of horticulture crops such as Karanj, Jatropha and Pongamia, trading, research and development and management of all crops and plantation including Biofuels in the state of Uttar Pradesh, with an authorized capital of Rs.30 crores. The company has been promoted by BPCL with Nandan Biomatrix Limited, Hyderabad and Shapoorji Pallonji Company Limited through their affiliate. Each of the partners will have an equal stake in the equity capital of the joint venture. The project envisages plantation of Jatropha in 1 million acres (404686.3 hectares) of marginal land which has the potential of generating employment / self employment for 1 million people and producing 1 million tonnes of Bio-diesel with an investment of Rs. 2,200 crores over the next 10-15 years.

The Government of Uttar Pradesh has approved the project under 'Jeevan Jyoti,' a scheme of the Government which has the benefit of release of funds under the Mahatma Gandhi National Rural Employment Guarantee (MGNREG) scheme. BREL has identified 60,438 acres (24,459 hectares) of wasteland for plantation. Efforts are also being made to source saplings of Jatropha under the aegis of Bio Tech Park, Lucknow through approved nurseries and franchisees. Work is on for getting necessary approvals for the identified land and in preparing the land for plantation. BREL has earned miscellaneous income of Rs.0.08 crores for the financial year ending 31<sup>st</sup> March, 2010 and incurred loss of Rs.1.44 crores as against a miscellaneous income of Rs.0.05 crores and a loss of Rs.0.24 crores in the previous year.

### **Matrix Bharat Marine Services Pte Limited (MBMS)**

MBMS is a Joint Venture Company incorporated in Singapore on 20<sup>th</sup> May, 2008 for carrying on the bunkering business and supply of marine lubricants in the Singapore market as well as international bunkering including expanding into Asian and Middle East markets. The company has been promoted by BPCL and Matrix Marine Fuels L.P USA, an affiliate of the Mabanft group of companies, Hamburg, Germany. The authorised capital of the company is USD 4 million, which is equivalent to about Rs.20 crores. Both the partners have contributed equally to the share capital. Matrix Marine Fuels L.P USA has subsequently transferred their share and interest in the joint venture in favour of Matrix Marine Fuels Pte Limited, Singapore, another affiliate of the Mabanft group.

The company has begun the ex-pipe bunkering operations in August, 2008. The company will also undertake development of international bunkering facilities at Indian ports, risk management including hedging activities, inventory management, and quality blending and freight optimization by utilizing the back haulage of time charter vessels for importing petroleum products in India. MBMS has achieved a turnover of USD 229.84 million and loss of USD 0.65 million for the financial year ending on 31<sup>st</sup> December, 2009 as compared to a turnover of USD 67.99 million and loss of USD 0.13 million for the year ending on 31<sup>st</sup> December, 2008.

#### **Petronet India Limited (PIL)**

BPCL has 16% equity participation with an investment of Rs.16 crores in PIL which was formed as a non-government financial holding company to give impetus to the development of pipeline networks throughout the country. PIL had facilitated pipeline access on a common carrier principle, through joint ventures for the pipelines put up by them viz Vadinar-Kandla, Kochi-Coimbatore-Karur and Mangalore-Hassan-Bangalore. PIL registered income of Rs. 0.41 crores and a net loss of Rs. 0.94 crores for the financial year ending 31<sup>st</sup> March, 2010 as against income of Rs. 0.52 crores and a net loss of Rs.27.06 crores (including provision for diminution of long term investment) in the previous year.

The new pipeline policy announced by the Government of India some time back has affected the future of the company as interested companies are permitted to undertake pipeline projects and PIL does not have any new projects in hand. As such, promoters and other investors in PIL have reached a conclusion that continuation of PIL would not be viable. Accordingly, the winding up process has been initiated and the process of divesting PIL's 26% equity in the 3 Joint Venture Companies promoted by it is in progress. The Board of Directors of BPCL, in its meeting held in December 2006, accepted PIL's offer to buy its 26% stake in the equity of Petronet CCK Limited where BPCL already holds 49% of the paid up share capital. This is awaiting receipt of approval of the Government of India.

#### **Petronet CCK Limited (PCCKL)**

BPCL has invested a sum of Rs. 49 crores for a 49% stake in the equity capital of PCCKL, a Joint Venture promoted with PIL with an authorized share capital of Rs.135 crores. The company owns the 292 km long multi-product Kochi-Karur pipeline from BPCL's installation at Irimpanam to Karur for transportation of MS, HSD and SKO. The pipeline commenced commercial operations from September 2002.

The pumping volume during the year 2009-10 amounted to 1.72 MMT as against 1.57 MMT in the previous year. PCCKL registered a turnover of Rs.45.82 crores and net profit of Rs.4.40 crores for the financial year ending 31<sup>st</sup> March, 2010 as compared to a turnover of

Rs.45.70 crores and loss of Rs.3.25 crores in the previous year. BPCL has initiated steps subject to completion of all formalities to purchase the 26% equity share of PIL in PCCKL.

#### **Delhi Aviation Fuel Facility Pvt.Ltd**

A new Joint Venture Company, Delhi Aviation Fuel Facility Private Limited, has been promoted by BPCL, IOCL and Delhi International Airport Limited (DIAL) for implementing Aviation Fuel Facility for the new T3 Terminal at Delhi International Airport, New Delhi. BPCL and IOCL will subscribe to 37% of the share capital of the joint venture while the balance will be held by DIAL. BPCL's onsite assets at the Delhi Airport will be transferred to the joint venture. Valuation of the assets is being done to determine the consideration for the transfer. The company has commenced operations from July 2010.

#### **CONSERVATION OF ENERGY, TECHNOLOGICAL ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The details regarding energy conservation, technology absorption and foreign exchange used and earned as required by Section 217(1)(e) of the Companies Act, 1956, are given in Annexure A.

#### **MEMORANDUM OF UNDERSTANDING WITH MINISTRY OF PETROLEUM & NATURAL GAS**

BPCL for the twenty-first successive year has entered into a Memorandum of Understanding (MOU) for the year 2010-11 with the Ministry of Petroleum & Natural Gas. BPCL has been achieving an "Excellent" performance rating since 1990-91. BPCL also has the distinction of winning the Prime Minister's MOU Award for 'Excellence in Performance' for 1998-99, 2000-01, 2002-03 and 2006-07. BPCL was bestowed with the Prime Minister's MOU Award for 'Excellence in Performance' for 2006-07 in October 2009.

#### **PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A)**

Information required under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, is enclosed as Annexure C.

#### **CORPORATE GOVERNANCE**

As required under Clause 49 of the Listing Agreement and Department of Public Enterprises (DPE) Guidelines, the Report on Corporate Governance, together with the Auditors' Certificate on compliance of Corporate Governance, is annexed as Annexure B. The Report also indicates the extent of BPCL's compliance of the Corporate Governance Voluntary Guidelines, 2009.

The forward looking statements made in the 'Management Discussion and Analysis' are based on certain assumptions and expectations of future events. The Directors cannot guarantee that these assumptions are accurate or these expectations will materialize.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors of BPCL confirm that:

1. In the preparation of the Annual Accounts, all the applicable Accounting Standards have been followed along with proper explanation relating to material departures.
2. The Company has selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company as on 31<sup>st</sup> March 2010 and of the Profit and Loss Account of the Company for the year ended on that date.
3. The Company has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. These Accounts have been prepared on a going concern basis.

## **DIRECTORS**

Prof. A.H. Kalro resigned from the Board with effect from 28<sup>th</sup> January, 2010. The Directors have placed on record their appreciation of the valuable contributions made and guidance given by him for the development and progress of the Company's business. Shri I.P.S. Anand and Shri Haresh M. Jagtiani were appointed as Additional Directors with effect from 28<sup>th</sup> January, 2010. Being Additional Directors, they hold office up to the date of the Annual General Meeting. The Company has received notices under Section 257 of the Companies Act, 1956 from Members proposing their name for appointment as Directors at the ensuing Annual General Meeting.

Shri T. Balakrishnan, Additional Chief Secretary, (I&C), Government of Kerala resigned from the Board w.e.f 29.6.2010 and the Directors have placed on record their appreciation of the valuable contributions made and guidance given by him for the development and progress of the Company's business. Shri Alkesh Kumar Sharma, Secretary (IP), Government of Kerala was appointed as Additional Director on the Board w.e.f 30.6.2010. Being Additional Director, he holds office up to the date of the Annual General Meeting. The Company has received notice under Section 257 of the Companies Act, 1956 from a Member proposing his name for appointment as Director at the ensuing Annual General Meeting.

Smt. Rama Bijapurkar has tendered her resignation from the Board on 30.6.2010. The Directors have placed on record their appreciation of the valuable contributions made and guidance given by her for the development and progress of the Company's business.

Prof. N. Venkiteswaran was reappointed on the Board w.e.f 16.7.2010. The Company has received notice under Section 257 of the Companies Act, 1956 from a Member proposing his name for appointment as Director at the ensuing Annual General Meeting.

Shri Ashok Sinha, Chairman & Managing Director has communicated to the Ministry of Petroleum & Natural Gas that he would be demitting office on the completion of his term of 5 years on 18<sup>th</sup> August, 2010.

Shri S.K. Joshi and Shri R.K. Singh, Directors, will retire by rotation at the ensuing Annual General Meeting as per the provisions of Section 256 of the Companies Act, 1956, and being eligible, offer themselves for re-appointment as Directors at the said Meeting. As required under the Corporate Governance Code, brief bio-data of the above Directors who are appointed / reappointed at the Annual General Meeting are provided in the Corporate Governance Report.

## **STATUTORY AUDITORS**

M/s.B.K. Khare & Co., Chartered Accountants, Mumbai and K. Varghese & Co., Chartered Accountants, Kochi, were appointed as Statutory Auditors for the year 2009-10, by the Comptroller & Auditor General of India (C&AG), under the provisions of Section 619 (2) of the Companies Act, 1956. They will hold office till the ensuing Annual General Meeting. The said firms have also been appointed as the Statutory Auditors for the financial year 2010-11 by the C&AG.

## **ACKNOWLEDGEMENTS**

The Directors wish to place on record their warm appreciation of the dedication and untiring efforts put in by BPCL's employees, without which the company would not have been able to achieve its goals and targets.

The Directors appreciate the support and patronage of BPCL's valued customers and are confident that the bond will strengthen further in the coming days.

The Directors acknowledge the assistance, guidance and support received from the various Ministries of the Government of India, particularly from the Ministry of Petroleum & Natural Gas, which has been of immense help in enabling BPCL to function efficiently.

The Directors thank BPCL's dealers, distributors, contractors and suppliers for their unstinting support and cooperation. The Directors also convey their sincere thanks to each and every shareowner of BPCL for their continued support.

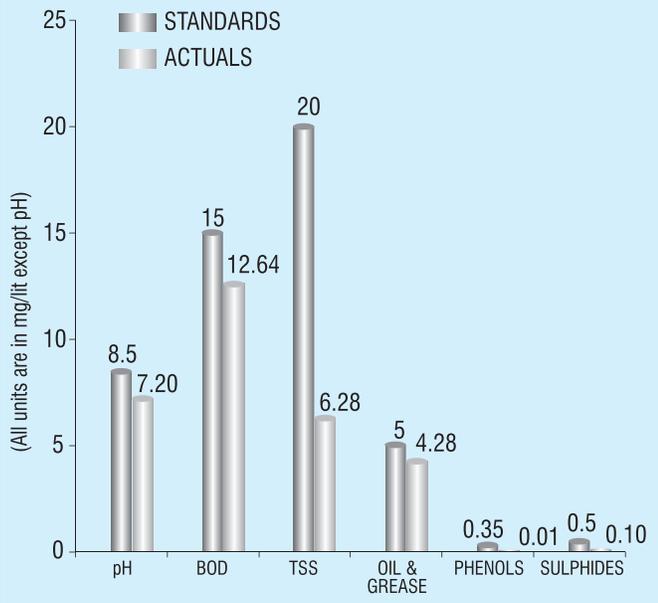
For and on behalf of the Board of Directors

Sd/-

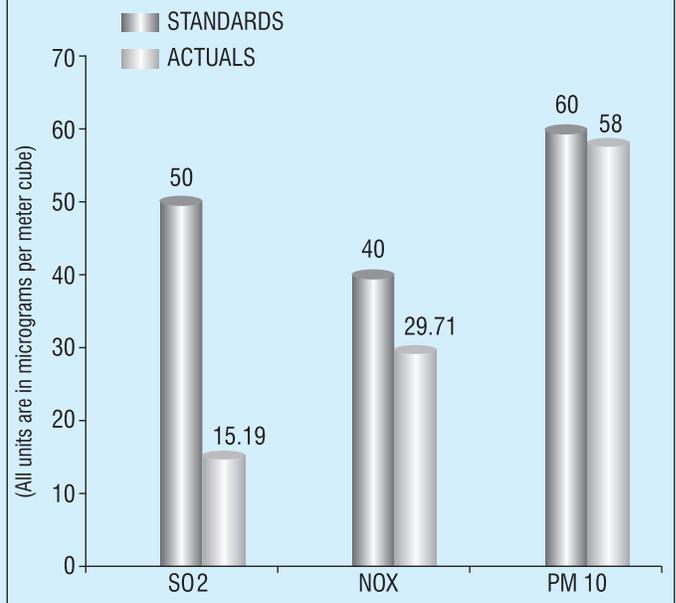
Mumbai  
Date: 10<sup>th</sup> August, 2010

**Ashok Sinha**  
Chairman & Managing Director

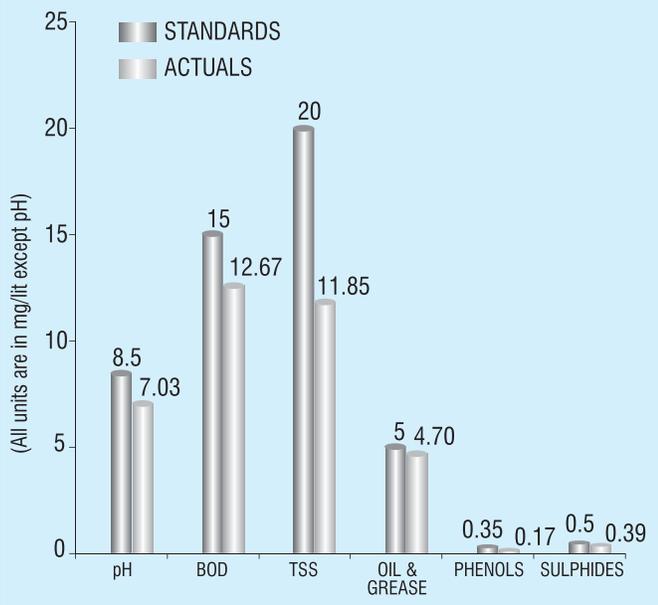
**TREATED EFFLUENT WATER QUALITY VIS-A-VIS STATUTORY STANDARDS AT MUMBAI REFINERY**



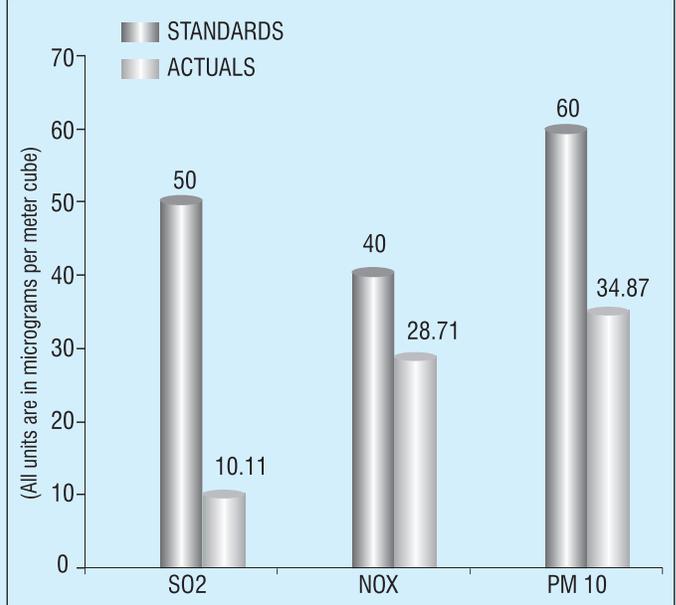
**TYPICAL AMBIENT AIR QUALITY VIS-A-VIS STATUTORY STANDARDS AT MUMBAI REFINERY**



**TREATED EFFLUENT WATER QUALITY VIS-A-VIS STATUTORY STANDARDS AT KOCHI REFINERY**



**TYPICAL AMBIENT AIR QUALITY VIS-A-VIS STATUTORY STANDARDS AT KOCHI REFINERY**



## **ECONOMIC DEVELOPMENTS**

After the global economic meltdown, the year 2009-10 saw signs of recovery, especially in countries like India and China. During the year, nations and corporations across the world were focused on trying to adjust and come to terms with the new business paradigm. There is a growing realisation that with economies being so interdependent, potential shocks are truly global, although the degree of impact may vary depending on the local conditions. The economic disruptions of the previous year continued to impact countries for a major part of the financial year. As economies were shrinking consequent to the slowdown, there was a sharp decline in the global demand for oil. The Indian economy was one of the few bright spots with Gross Domestic Product (GDP) estimated to have grown at 7.4% during the year with the fourth quarter of the year seeing a growth of 8.6%. As industrial production across the biggest economies declined, the volume of global trade saw a substantial reduction. Towards the end of the financial year, there were signs of new crisis cropping up in the European Union, with countries like Greece, Portugal and Spain facing problems caused by the high levels of borrowings. Even as rating agencies were downgrading bonds of several countries, Governments initiated measures to contain the ensuing damage.

The year was witness to a sharp fall in the global refining margins. At the same time, the crude oil prices recovered considerably as compared to the previous year. While the initial months of the year saw oil prices rise to around USD 70 per barrel, the subsequent period saw prices being range bound before closing at around USD 80 per barrel in March 2010. Given the concerns around growth in demand for oil and the comfortable supply position, there was no sharp rise in crude oil prices. The economic crisis in Europe has had some impact on the international oil prices, which declined to some extent in May 2010 before starting to creep up once again.

The Indian economy continued to show resilience and grow notwithstanding the general adverse conditions. At the same time, it could not achieve growth rates in excess of 9% which had been achieved consistently before the slowdown set in. Although the stock markets recovered, risk aversion amongst investors was evident, which was reflected in the

tepid response, particularly from the retail segment to the Initial Public Offerings (IPO) and Follow up Offerings of Indian companies. Even the offerings by the public sector undertakings, as part of the divestment plans of the Government, did not generate the enthusiasm levels seen before the economic crisis. However, the Foreign Institutional Investors continued to be optimistic of the India growth story. The Indian rupee appreciated during the year which had an impact on the export sector as well as on major imports like crude oil.

Agriculture, which remains a major segment of the Indian economy, was affected by the lack of sufficient rains in many parts of the country. Despite this, the sector recorded a marginal growth in 2009-10. Inflationary pressures started impacting the economy. The rise in the price indices remains a cause for concern and there are expectations of the Reserve Bank of India (RBI) hiking key interest rates as it tries to rein in inflation. The RBI has also commenced the process of gradually withdrawing measures that it had introduced in its efforts to help industry tackle the economic downturn.

## **TRENDS IN THE OIL & GAS SECTOR**

During 2008-09, oil prices had reached record levels before retreating sharply. The fall in global demand consequent to the economic downturn contributed to the fall in the prices. The International Energy Agency had in April 2010 estimated the global demand for oil in calendar year 2009 to be of the order of 84.9 Million Barrels per day (MBPD) representing a decline of 1.3 MBPD over the previous year. This decline could be attributed to the fall in demand in Organisation for Economic Co-operation & Development (OECD) countries. The Organisation of Petroleum Exporting Countries (OPEC) had in response to these developments, put in place production cuts and had tried to ensure high levels of compliance. As a result, oil prices started recovering although they did not go back to the record levels reached in 2008-09. The benchmark Brent crude touched a high of USD 80.5 per barrel and a low of USD 46.5 per barrel during 2009-10. Demand for crude oil and prices thereof were helped by strong demand from countries like China. Oil prices continued to remain above USD 80 per barrel before declining to some extent on account of the crisis in Europe. Oil prices are expected to be influenced by the pace of the economic recovery in the developed countries.

Even though there was a sharp fall in the demand for oil as compared to the previous year on account of the decline in demand in Europe and North America, strong demand in countries like China and India ensured that the overall fall was contained. As per the Oil Market Report issued by the International Energy Agency in July 2010, the world oil demand in 2010 is expected to be around 86.50 MBPD,

which could increase to 87.8 MBPD in 2011. This increase in demand is expected to be driven by the sustained growth in demand from non-OECD countries.

The year 2008-09 had seen a compression in the light-heavy crude and product differentials with the Brent-Dubai differential down to USD 1.6 per barrel. The trend continued in 2009-10 and the average differential for the year was negligible. The decline in the differentials can be attributed to reduction in the production of heavy crude oil. Although the differential between Brent and Dubai crude reappeared in April 2010, the position has changed significantly in May 2010 when the differential became negative. At present, there is modest differential between light and heavy crude and this is expected to continue during the remaining period of 2010-11.

Even as demand for crude oil shows signs of improving, OPEC countries which had cut back production to arrest the slide of prices can be expected to increase output gradually to meet the rising demand. At the same time, prices are not expected to move downwards significantly. However, the uncertainties plaguing the global economy could have an impact on the crude oil prices, as was seen recently when crude oil prices declined in response to the Greek debt crisis.

As in the case of crude oil, the average prices of key petroleum products in 2009-10 were lower than the prices in 2008-09. This has brought some respite to countries which are dependent on imports for meeting their requirements of petroleum products. Demand for gasoline in key markets like United States of America has remained flat on account of high unemployment rate and changes in consumer spending habits. Demand is expected to grow once the global economy recovers fully. Demand for diesel also fell significantly in 2009 on account of the economic slowdown. This was offset to some extent by higher demand for heating during the winter. As the global economies recover, demand for diesel should increase significantly. The aviation sector was one of the worst hit in the economic downturn and consequently, demand for ATF has suffered. Demand for ATF is also expected to increase in line with the overall economic recovery.

### **INDIAN PETROLEUM SECTOR**

The year 2008-09 saw the GDP grow at around 6.7% over the previous year. This was in contrast to the previous few years when the growth was sustained at above 9% levels. Although the Indian economy was amongst the few in the world to remain on the growth path, the GDP grew only at 7.4% in 2009-10. With the monsoon being deficient in large parts of the country, agriculture was impacted and lack of growth in this sector affected the overall growth rate. However, the Industry has shown strong signs of rebound while the services sector is slowly recovering. As

per the provisional figures released by the Petroleum Planning & Analysis Cell in the Ministry of Petroleum & Natural Gas, consumption of petroleum products in the country in 2009-10 was of the order of 138.2 MMT, which represented an increase of 3.44% over the previous year when the demand stood at 133.60 MMT. The growth rate was in line with the rate of increase in consumption in 2008-09.

Even as demand for transportation fuels like MS and HSD has grown over the previous year, the two products reflect different growth trends. While demand for MS has grown by 14% as compared to 9% in 2008-09, the growth in Diesel demand at 9% is around the same level as in the previous year. The demand for LPG has increased by around 6.3%. The previous year had seen demand for ATF fall on account of the slowdown in the Aviation sector. This trend was reversed in the current year with demand for ATF increasing by 4.6%. However, the consumption of Naphtha has declined significantly during the year. The growth in Bitumen consumption has been sustained and there has been an increase in demand for Lubricants reflecting the improvement in industrial activity.

During the year under review, the cost of the Indian basket of crude oil averaged around USD 70 per barrel as compared to an average cost of USD 85.3 in the previous year. The reduction in the cost of the Indian basket of crude oil was a welcome relief to the oil marketing companies who have had to bear the burden of under-recoveries on account of selling MS, HSD, SKO and domestic LPG at prices which were below the cost. Although the average price of the Indian basket of crude oil was lower, there was a sharp rise in the quantum of crude oil imports.

As compared to the imports of 128.16 MMT of crude oil in 2008-09, the quantum of crude oil imported in 2009-10 stood at 159.26 MMT. However, the foreign exchange outgo on crude oil imports in 2009-10 at USD 80 billion did not differ significantly from the level of USD 77 billion in 2008-09. This can be attributed to the lower level of crude oil prices as compared to the earlier year and also on account of the appreciation of the rupee against the dollar. The international prices had shown signs of firming with average prices during the period April 2010 to July 2010 being higher than the average price in 2009-10. However, with concerns centred on the economies in Europe, a sustained rise in prices is not expected in the near future.

While the increase in the country's refining capacity has meant rising volumes of crude oil imports, it has also led to a reduction in the import of petroleum products. The quantum of product imports declined to 14.66 MMT in 2009-10 from a level of 18.29 MMT in the previous year. Consequently, there has been a significant reduction in the

foreign exchange outgo on product imports from USD 13.5 billion to around USD 7 billion in the current year. At the same time, India's exports of finished products have increased from 37 MMT in 2008-09 to touch a level of 51 MMT in the current year. However, the total exports realisation in foreign exchange of USD 31 billion was not significantly higher than the amount of USD 27 billion realised in 2008-09, mainly on account of the lower prices in the international market.

The volatile crude oil prices in 2008-09 had imposed an enormous strain on the finances of the public sector oil marketing companies. Although the volatility reduced during the year, the marketing companies continued to suffer from significant amounts of under-recoveries, which was impacting their liquidity position and leading to increased levels of borrowings. The Government of India therefore allowed prices of petrol and diesel to be hiked by Rs. 4 per litre and Rs. 2 per litre respectively in July 2009. In the Union Budget presented to Parliament in February 2010, the central excise duty and customs duty in respect of petrol and diesel were increased and this impact was passed on to consumers. Apart from this, there were no revisions in the prices of the four sensitive petroleum products during the year. The under-recoveries on the sale of petrol and diesel were compensated by the upstream oil companies by way of discount on the crude oil purchased by the refining companies. In the previous years, the Government had issued bonds to the oil marketing companies to compensate for the losses suffered on sale of SKO and domestic LPG. During the current year, there was a change in the mechanism adopted by the Government, when it decided to provide cash instead of bonds as compensation against the under-recoveries on the sale of SKO and domestic LPG. Although this will help in improving the financial situation of the downstream oil marketing companies, the reimbursement from the Government was only partial and BPCL had to absorb an amount of around Rs. 1200 crores.

In February 2010, the Expert Group on 'A Viable and Sustainable System of Pricing of Petroleum Products,' headed by Mr. Kirit Parikh, submitted its report to the Government of India. The report recommends the permitting of free market pricing for petrol and diesel and the raising of the administered prices for domestic LPG and kerosene. The Government had constituted an Empowered Group of Ministers (EGM) headed by the Union Finance Minister to decide on the recommendations of the expert group. The EGM at its meeting held on June 25, 2010 took the decision to immediately free petrol from pricing controls. The EGM also decided that decontrol would also be extended to diesel pricing in due course of time. Consequently, retail selling price of petrol has been increased by Rs. 3.50 per litre. In the case of diesel, retail

selling price has been increased initially by Rs. 2 per litre. The EGM also decided to increase the retail selling price of a 14.2 kg domestic LPG cylinder by Rs. 35 and that of kerosene by Rs. 3 per litre. These decisions will bring significant relief to the public sector oil marketing companies by reducing the quantum of under-recoveries besides improving their cash flows. Further, the decision on decontrol of prices of petrol and diesel will impact demand and will lead to enhanced competition from private sector oil companies.

India's domestic production of finished products is considerably higher than the domestic demand. The domestic crude oil processing in 2009-10 stood at 186.6 MMT as compared to 157.1 MMT in the previous year. With additional capacities expected to come on stream in the coming days, India will continue to remain long on refining capacity.

With the expected entry of the major private players following the decontrol of pricing of petrol and diesel, public sector oil marketing companies will face serious competition. At the same time, the global economic scene continues to remain an area of concern. Any crisis that may erupt on account of past excesses would have a major impact on commodity prices and demand. The coming days therefore, are likely to be challenging while offering immense opportunities for growth.

## **OPPORTUNITIES AND THREATS**

India's GDP is expected to grow at a healthy rate in the coming years. As energy demand grows, oil and gas companies will have a major role to play in meeting the rising demand. At the same time, enormous challenges lie ahead. As the country is largely dependent on imported crude oil, the price volatility will be a major concern. The decontrol of pricing of auto fuels will significantly enhance the level of competition as a consequence of private oil companies resuming their marketing operations. At the same time, if the under-recoveries continue on products like SKO and LPG, the public sector marketing companies could face constraints on the liquidity front.

The product specifications for MS and HSD have become more stringent with effect from April 1, 2010, and a road map has been laid down for these specifications to become effective across the country. Oil companies have to ensure adequate supplies of products meeting the specifications. Although refineries have geared up to meet the new requirements, there are logistic challenges involved in handling and moving products of different specifications. The refineries in Mumbai and Kochi are in a position to make available the products and the commissioning of the refinery at Bina will further strengthen BPCL's position in this regard.

The capacity of the Kochi refinery has been expanded and the new grass roots refinery at Bina is slated for

commissioning during the year 2010-11. The BPCL group including Numaligarh Refinery Limited will have a combined refining capacity of 30.5 MMTPA. The geographical distribution of the refineries will enable BPCL to have access to its own source of supply in markets across the country.

The new grass roots refinery at Bina in Madhya Pradesh, which is being set up by Bharat Oman Refineries Limited (BORL), a joint venture company promoted by BPCL, will be commissioned in 2010-11. Although the company has not been able to go ahead with its proposed Initial Public Offering of shares, the joint venture partner, Oman Oil Company (OOC) made fresh investments by subscribing to further shares of BORL at a premium. With BPCL having already made available sufficient funds, the progress of the project was maintained.

Unlike the previous year, refining margins during the year were under pressure. However, things are expected to improve in the coming days. The narrowing of the spread between heavy and light crude has to an extent negated the benefit arising out of the ability to process heavier crude oils and achieve better margins.

The retail fuels market continues to offer immense potential for growth and profitability. With the economy doing well, the higher levels of disposable incomes and enhanced aspirations of people have led to automobile companies recording significant sales growth. This in turn, offers opportunities for oil marketing companies to grow in terms of volume. With the Government having decided to decontrol prices of these fuels, public sector oil marketing companies would no longer have to bear the burden of the under-recoveries which had been impacting their operations in the last few years. At the same time, the degree of competition is expected to go up with the major private players coming back into the market. The overall demand is also likely to be affected based on the movements in the prices. There will also be challenges in terms of ensuring site security of the outlets. BPCL remains confident of facing these challenges and growing in the market.

The LPG business continues to be impacted by the burden of under-recoveries on the sale of domestic LPG. Although the decision of the Government of India to provide cash in lieu of the under-recoveries in 2009-10 was welcome, the fact remains that a part of the burden had to be borne by BPCL, as the entire quantum of under-recoveries was not reimbursed. Further, there is no clarity on the mechanism that will be adopted during the year 2010-11 and at current levels, the marketing companies continue to sell domestic LPG at prices which are lower than the costs. With the recent increase in the price of a domestic LPG cylinder, the burden of under-recoveries will be mitigated to some

extent. The Government of India has ambitious plans of giving a big push for making available LPG in rural areas. This will offer significant potential to the oil companies for enhancing their sales volumes. BPCL also continues to strive for maximising value through increased sales of commercial LPG where prices are decontrolled.

The Industrial & Commercial business continues to operate in a highly competitive environment. With the increased availability of gas in the country, the sales of products like Furnace Oil, Naphtha and LSHS have been impacted. The business has focused on increasing the sale of Bitumen, particularly in markets with good potential and high margin special products like MTO, SBP and Hexane. The business has also carried forward its plans of entering the international bunkering market with the commencement of bunkering sales at Mumbai Port. The first exclusive International Bunkering Terminal of BPCL was inaugurated in JNPT Port in May 2010. The launch of similar facilities in Cochin Port in July 2010 will further boost this initiative. This will remain an extremely challenging business in the days to come and the overall economic and industrial growth will hold the key for the growth of the business.

BPCL was one of the first entrants in the emerging gas business. With the increased domestic availability, the gas business was hived off from Industrial and Commercial and a separate SBU was created. This will help bring the required focus and enable BPCL to move forward with its plans. Having access to the distribution infrastructure is critical in the gas business. BPCL is looking at joining hands with other companies for submitting bids for new pipelines to be put up in different parts of the country.

The Lubricants sector has seen an uptrend in line with the overall economic recovery. Although there are a large number of players in the market, the business expects to hold its own in the days to come by leveraging its strengths in terms of availability of base oil, tie-ups with some of the leading automotive companies and focusing on Research & Development to offer better products to customers.

The Indian aviation scene is characterised by domestic airlines having serious cash flow problems which are posing major challenges to the oil marketing companies. Consequently, the oil companies are grappling with the issue of high levels of outstanding dues from their airline customers. At the same time there is intense competition for retaining and acquiring customers. BPCL was successful in sustaining its sales volumes by retaining most of its existing customers and acquiring new customers, especially foreign airlines from other companies.

BPCL's wholly owned subsidiary company, Bharat PetroResources Limited has taken rapid strides in the field of exploration & production. As on date, it has got

participating interests in 26 blocks spread across different countries including India. Discoveries have already been announced in two blocks in Brazil and Mozambique. These hold immense promise. At the same time, the business will involve considerable investments during the exploration and development phases. BPCL remains confident that its efforts will bear fruit in the coming years.

The business environment remains very challenging. At the same time, the growing economy offers immense potential for oil companies. The Government's move to decontrol prices of MS and HSD will benefit oil companies by helping them to implement their capital expenditure plans and rein in their interest costs. Although competition will increase, companies like BPCL, with their traditional strengths in the market are expected to keep growing. Also, the mechanisms put in place during the period of economic slowdown will stand the company in good stead. BPCL is therefore confident of not only facing the competition, but also remaining on the fast track for growth.

## PERFORMANCE

The performance of the various Strategic Business Units (SBUs) and Entities is discussed in detail in the following paras.

## REFINERIES

BPCL achieved a combined refining throughput of 20.41 MMT in 2009-10 as compared to 19.95 MMT in the previous year. During the year, the refining capacity at Kochi refinery was increased from 7.5 MMTPA to 9.5 MMTPA. At Mumbai Refinery, facilities for upgrading the quality of MS and HSD were put up and the refinery commenced production of the Euro IV grades well in time to meet the requirements under the Government's auto fuel policy.

Despite the major shutdown of key units for revamp and turnaround activities, both refineries managed to achieve capacity utilisation in excess of 100%. The Mumbai refinery recorded its highest ever production of C3, LPG, ATF, Lube Oil Base Stock and 380 cst Fuel Oil. Kochi refinery achieved its highest ever production of ATF and packed Bitumen during the year. The gross refining margin (GRM) during the year for Mumbai refinery was USD 1.78 per barrel as compared to USD 4.48 per barrel in 2008-09 while for Kochi refinery, the GRM for the year was USD 4.87 per barrel as against USD 6.27 per barrel in 2008-09. The reduction in GRM in the two refineries can be attributed to the unfavourable crack spreads during the year, as reflected in the fall of the Singapore Dubai cracking margin from USD 5.8 per barrel in 2008-09 to USD 3.5 per barrel in 2009-10.

During the year, several measures were taken to achieve better refining margins. Substitution of Naphtha as feed

and fuel by Regasified LNG (RLNG), recovery of hydrogen from CRU offgas and production of light lube fractions were some of the improvement measures undertaken in the Mumbai refinery. Similarly, the implementation of Integrated Refinery Business Improvement Program (IRBIP) proposals at Kochi refinery was completed during the year, with a net benefit from implementation of 17 proposals of approximately USD 17.95 million which translated to a benefit of 32.05 cents per barrel. Kochi refinery has also implemented a state-of-the-art integrated Manufacturing Execution System consisting of software solutions for Planning, Scheduling, Blending, Production management and Laboratory Information management which is helping to streamline the processes and improve decision making.

The refineries have brought about significant improvements in their day-to-day operations through quality circles and six sigma clubs. The quality circles which span almost all major functional areas were exposed to industry best practices through training programmes, industry visits and competitions. Mumbai Refinery's Quality Control Team won the "Par Excellence Award" – the highest category award – in the National Convention of Quality Circle Forum of India (QCFI) held at Bangalore in December 2009. Three Circles (Power & Utility / Manufacturing / Maintenance) won the Excellence Award at the same convention.

The refinery quality assurance systems strived to achieve highest quality standards through meeting the requirements/standards of reputed external certifying agencies and accreditation bodies like National Accreditation Board for Testing and Calibration (NABL), Directorate General of Civil Aviation (DGCA), Directorate General of Aeronautical Quality Assurance (DGAQA), Centre for Military Airworthiness and Certification (CEMILAC), International Organisation for Standardization (ISO) etc. The refinery laboratories continued to perform very well in the international laboratory proficiency testing scheme run by Shell Global with more than 90% rating.

BPCL Mumbai Refinery won the Indian Merchants Chamber – Ramakrishna Bajaj National Quality Award (RBNQA) – 2009, the highest recognition in the manufacturing category, for the third consecutive year. RBNQA is one of the most prestigious quality and business excellence awards modelled on the world famous Malcolm Baldrige National Quality Award in the United States of America.

High safety standards were maintained during the year at the refineries leading to good all round safety performance. The Occupational Health and Safety System at both the refineries are certified to OHSAS 18001:2007 standards. Kochi refinery continued its stellar performance in safety management this year too and reached the milestone of

17 million man-hours without any lost time accident. Mumbai refinery reached the 4 million man-hours mark and achieved a 32% reduction in total number of first aid and minor injuries as compared to the previous year.

In order to enhance the mechanical integrity and reliability of static equipment, both refineries have completed implementation of Phase I of the Asset Integrity Management System (AIMS) involving systematic scheduling & monitoring of inspection activities, improved analysis of inspection data, generation of equipment health records etc. through a state-of-the-art software solution. The refineries have now embarked on Phase II of the project consisting of Risk Based Inspection (RBI), an initiative to prioritise plant inspection based on the associated risks (probability and consequence of failure) and schedule maintenance activities accordingly.

On the environmental conservation front, the replacement of liquid fuels with RLNG in Mumbai refinery has contributed to the reduction of CO<sub>2</sub> and SO<sub>2</sub> emission from the refinery. The refinery also achieved recycling of around 1200 MT/day of effluent water to the Cooling Water System, thus saving equivalent quantity of precious fresh water. More than 7000 M<sup>3</sup> of sludge, generated mostly from crude oil tank bottom cleaning, was treated successfully at the refineries using efficient techniques including BLABO technology recovering valuable oil before residual treatment. New rainwater harvesting facilities were commissioned at Mumbai refinery with catchment potential of 15000 M<sup>3</sup> of water. A Biogas plant based on technology developed by Bhabha Atomic Research Centre, with a capacity to treat 1000 Kg/day canteen waste was installed at Kochi Refinery.

In tune with BPCL's philosophy of harnessing the human resource potential, various learning and development initiatives were organized at the refineries. These included functional programmes, strategy workshops, people management skills and on-the-job training. More than 4000 employees benefited through such training programmes during the year. A series of leadership skill development workshops were also conducted for the officers. In addition to in-house programmes, staff were also sent for training programmes organized by premier institutions in India to keep them abreast of the global trends as well as to provide them with the opportunity of collaborative learning with senior executives of other organizations.

Social welfare and development has been at the core of BPCL's corporate social responsibility philosophy. The company's efforts have been to bring about qualitative changes in the lives of the surrounding community through well planned & coordinated social welfare initiatives. During the year, BPCL initiated a number of major community programmes such as rejuvenation of

Thannerchal fresh water lake at Irimpanam, housing scheme for the poor in the neighbouring Panchayats at Kochi, vocational guidance courses and medical services at Mahul and Karjat villages near Mumbai.

In its continuous endeavour to ensure quality education, programmes such as donation of scholarships and utilities for poor students, extending capability exploration and enhancement programmes for talented poor children and setting up of one-teacher schools in remote tribal settlements of Kerala were undertaken. Child guidance clinics providing counselling on scholastic problems, behavioural patterns and coping with stress for students on a one-to-one basis and in groups were arranged regularly at schools near Mumbai Refinery.

For enhancing community safety and security, traffic signal systems at the busy junction of Vyttila, Kochi were renovated, a training scheme for State Fire & Rescue Service in handling hazardous chemicals was started and a quick reaction armed vehicle to counter terrorism was donated. BPCL has also joined hands with Cochin Heritage Zone Conservation Society under the District Administration in its effort to conserving the heritage sites at Kochi.

## RETAIL

The Retail segment of the oil market in India saw sales volume grow by 9.3% in 2009-10. The sales volume of only the public sector marketing companies grew by 7.8% over the year 2008-09. The year 2009-10 saw the resumption of retail operations by the private oil marketing companies, who had scaled down operations in the previous year, owing to their inability to absorb the high level of under-recoveries on the sale of MS and HSD. BPCL ended the year with a retail sales volume of 17.21 MMT as compared to 16.16 MMT in the year 2008-09.

BPCL's sales volume of MS in 2009-10 stood at 3.56 MMT as compared to 3.22 MMT in the previous year reflecting a growth of 10.69%. Although the total volume of MS has increased, the trend of decline in the sales of branded fuel continued with sales of 'Speed' going down by 42% over the previous year. The sale of 'Speed' in 2009-10 was 355.7 TMT as against 610.5 TMT in the previous year. The continuing decline in the sales volumes of branded fuel can be attributed to the difference in the basis of taxation as compared to unbranded petrol, leading to very high price differentials.

BPCL ended the year 2009-10 with a sales volume of 11.92 MMT of HSD reflecting a growth of 6% over the volume of 11.24 MMT recorded in 2008-09. As in the case of MS, there was a sharp decline in the sales of branded HSD 'Hi Speed Diesel' with sales declining from 782.37 TMT in 2008-09 to 274.07 TMT in the current year.

BPCL commissioned 304 new retail outlets during the year. The public sector oil companies together commissioned 1557 outlets as compared to 116 outlets commissioned by the private players. The emphasis on site quality in the urban markets and strategic expansion on highways paid off handsomely. In the Highway sector, the throughput per outlet for One Stop Truck Stop (OSTS) outlets has reached 811 KL per month showing a growth of 14.7% and that of Highway Star outlets has reached 400 KL per month. The qualitative aspect of the retail network continued to make it stand apart from other industry members with overall throughput per RO for BPCL at 214 KL, which is 21% higher than other industry members. Throughput of OSTs was less during 2009-10 as compared to 2008-09, due to commissioning of new OSTs and supply related issues during the first half of the year. BPCL has ambitious plans of commissioning over 800 new outlets in 2010-11.

The sales volumes of CNG and Auto LPG increased as compared to the previous year. During the year 2009-10, CNG sales volume stood at 177.02 TMT, representing a growth of 16.63% over the volume of 151.78 TMT achieved in the previous year. Similarly, the sales of Auto LPG showed a marginal increase from 53.72 TMT in 2008-09 to 57.78 TMT in the current year. During the year, 21 CNG stations and 6 Auto LPG stations were added to BPCL's network.

The emphasis during the year was on enhancing customer enablement through a Customer Acquisition Programme using business models for MS and HSD. It aimed at acquiring customers outside the outlet, revival of dormant customers and enrolling more customers to SmartFleet and Petro Cards. Sales campaigns were organized to build relationships with the dealers and customers. Special attention was paid to outlets which had been lagging behind and registering negative sales growth. These measures have contributed significantly to increasing sales volumes.

The throughput handled by Logistics during 2009-10 was 44.17 Million KL, an increase of 15.6% over the throughput of 38.2 Million KL during 2008-09. The thrust during the year was on achieving better Inventory control and this led to a reduction in the working capital to the tune of over Rs. 900 crores. The Vehicle Tracking System now covers the entire fleet of 6000 tank lorries used for delivering MS and HSD to the retail outlets. The volume of rail movements crossed 39.5 MMT during 2009-10 which is the highest achieved in a single year. Efficient operations resulted in the reduction in operating costs and operating losses.

The "Pure for Sure" (PFS) network was further expanded and a total of 7091 retail outlets are now certified under the PFS banner. Over 84% of the retail outlet network now consistently delivers superior value to the customers.

On the Retail Automation front, the total number of outlets covered under automation has reached 2266, which is the highest in the oil industry.

BPCL has launched the Financial Inclusion program for the Small Distance Commercial Vehicle (SDCV) customers on 13<sup>th</sup> July, 2010 in the presence of the Honourable Finance Minister, Mr. Pranab Mukherjee. BPCL has joined hands with Corporation Bank and UTI Asset Management Company in this initiative. The programme seeks to help BPCL's dealers to build a strong relationship with the customers, many of whom have a great need for financial inclusion. BPCL's select Retail Outlet dealers will work as Business Correspondents of Corporation Bank to facilitate branchless banking to the trucking customers through biometric smart card based technology. The customers will be offered a basic savings account involving small cash deposits and withdrawals, recurring deposit, micro credit, micro pension, micro insurance and health insurance. Micro credit to eligible customers will be given at normal banking rates. BPCL is the first and the only oil company in India so far to offer Financial Inclusion services through its Retail Outlets in Mangalore and Patna territories, where pilots were launched.

The PetroBonus Program was the first of its kind to be introduced in India with the launch of Petro Card. The 10<sup>th</sup> anniversary of the launch was celebrated on 29<sup>th</sup> September, 2009. During the year, the "Petro Card" base grew by 62,575 customers to reach 1.02 million and the SmartFleet base grew to 1.14 million with the enrolment of 98,640 vehicles during the year. Keeping pace with the increasing penetration of credit and debit cards in various consumer segments, the business entered into strategic payment facilitating alliances with HDFC Bank for increased customer convenience and to drive their respective customer bases to BPCL outlets. This has grown into a 2.16 million strong membership base clocking about 1 lakh transactions every day at BPCL outlets across the country. BPCL's customer loyalty programmes continued to scale new heights by achieving sales of over Rs.10,000 crores reflecting a growth of 19.5% in volume terms. The customer acquisition strategy adopted and the focus on getting new telecom customers has contributed significantly in achieving these numbers.

During the year, the Allied Retail Business grew by 18% with a turnover of Rs. 359 crores making it not only the largest non-fuel revenue generator in the oil industry, but also one of the leading retail networks in the country offering a basket of services ranging from C-stores and Quick Service Restaurants, to financial and travel related services. The network of 235 In & Out stores is by far the largest organized convenience retailing proposition in the country and recorded a sales turnover of Rs.146 crores. As part of the alliance management strategy, 332 ATMs

from multiple banks are currently operating at BPCL outlets. The alliance initiative with Western Union Money Transfer continues to do well. A pilot project for selling Motor Vehicle Insurance policies through the retail network has been initiated. The In & Out e-Traveller - the e-ticketing/e-booking facility for rail, air and hotel accommodation is presently available at 190 outlets.

## **INDUSTRIAL AND COMMERCIAL**

Even as the economic revival commenced, the year 2009-10 saw the Industrial & Commercial (I&C) business face numerous challenges like increasing trend of crude oil and product prices, large scale import of products by traders and end users, aggressive selling of products by private marketing companies and improved availability of gas. After the creation of a new business unit to handle Gas, I&C business achieved a volume of 5.6 MMT in 2009-10. The increased availability of gas in the country and priority allocation to the power and fertilizer sectors has affected the sale of liquid fuels like Naphtha and LSHS, which has seen a marked reduction of around 21% and 24% respectively in volume terms during 2009-10. The business continued its focus on Bitumen marketing in deficit markets, which resulted in BPCL achieving the highest growth in packed Bitumen sales of 4.76% even as the public sector oil companies saw a decline of 9.3%. BPCL also recorded the highest growth in the sale of products like SBP and MTO.

The business has entered the international bunkering segment with the commencement of the 380 cst fuel oil bunkering sales at Mumbai Port during the year. With the inauguration of bunkering facilities at the JNPT port in May 2010 and the commissioning of similar facilities in Kochi in July 2010, the bunkering initiative is poised to grow in the coming years.

Efforts were continued to achieve speedy collection of customer dues to ensure better cash flow management. The collections from customers through channels like Real Time Gross Settlement (RTGS) and National Electronic Fund Transfer (NEFT) reached a level of Rs.12,000 crores during the year 2009-10. At present, over 60% of the total turnover of the business is being collected through these platforms.

Having been able to successfully withstand the fierce competition and challenging market conditions, BPCL is gearing up to face fresh challenges by devising appropriate strategies for re-aligning and positioning itself in high consumption centres and unrepresented markets.

## **GAS**

BPCL was one of the first movers in the emerging gas market in India by becoming one of the promoters of Petronet LNG Limited (PLL). BPCL is one of the marketers

of LNG which is made available from the PLL terminal at Dahej. BPCL also has a share of 40% in the upcoming LNG terminal of PLL at Kochi. BPCL is also a pioneer in setting up City Gas Distribution (CGD) networks in India and has promoted four Joint Venture Companies in this area. With a view to have greater focus, gas marketing, which was earlier a part of the I&C Business, has been made as a separate business from 2009.

During the year 2009-10, the total gas volume handled was 820 TMT as against 866 TMT in the previous year. The decrease in volume is on account of the completion of the contract for supply of RLNG to Ratnagiri Gas Power Private Limited in September 2009 after the allocation of the indigenously produced gas to them. Apart from the 710 TMT of sales to consumers, 110 TMT of gas was supplied to Mumbai refinery. BPCL was the first public sector refinery to start drawing from the KG D6 gas allocation from February 2010. BPCL presently has a firm allocation of 0.26 mmscmd and fall back allocation of 0.31 mmscmd of RIL D6 gas for use at Mumbai refinery.

A Gas Sale Agreement has also been signed by BPCL along with other offtakers, with National Thermal Power Corporation Limited for supply of RLNG for a period of 20 years to their Kayamkulam plant, with BPCL having a share of 0.4 MMTPA.

## **LUBRICANTS**

The Lubricants business, which was the first to be decontrolled in the oil sector, is also one of the most competitive. Given that the Indian economy is expected to deliver healthy GDP growth rates, the Lubricants business offers immense potential for growth. BPCL has inherent strengths including a strong geographical presence across the country, Research & Development competency enabling continuous product upgrading, own source of Group II+ base oil at Mumbai, pan India presence in terms of distributor network and young and energetic workforce committed to achieving excellent performance. At the same time, there are inherent threats like increased competition from re-refiners offering local brands of lubricants and the continuous phasing out of two stroke engines. Given this background, the Lubricants business delivered a sales volume of 231.12 TMT in 2009-10 as compared to 203.22 TMT in the previous year representing a growth of 13.73% over the previous year. The finished lubricants volume grew by 23% during the year. Both the Reseller channel (Retail & Bazaar) and Direct channels grew by over 20%.

In the retail channel, focus remained on generating secondary sales at the outlet. Initiatives like MAK QUIK and One Day Wonder improved visibility of the brand and offered a value proposition to customers. A value added service was created by offering authorized Hero Honda

service stations under the brand 'City Works'. As at 31<sup>st</sup> March, 2010 there are 160 City Works operating at various locations across the country. The Bazaar channel has assumed great importance and BPCL has identified high potential markets and remained aggressive in those markets to achieve deeper penetration. BPCL's MAK Lubricants are now available across the country at more than 23,000 retail counters apart from small mechanic shops and authorized service stations. New products like MAK Boat XP, MAK Chakda were launched during the year.

BPCL has expanded its customer base in the Direct market across segments with specific focus on key growth sectors in India. The full range of products are on offer from normal applications like Engine oils to Hydraulic, Cutting, Marine and very specialized products for applications in Defence and Railways. During the year, products were launched for specific applications like MAK Steel for steel plant applications, MAK Amocam Plus and superior Industrial Gear Oils. On the exports front, BPCL entered the Bangladesh and Sharjah markets during the year.

Considering the importance of the Original Equipment Manufacturers' (OEM) segment, there was a special focus on OEM business and BPCL entered into two new alliances which saw the introduction of Escorts 4 stroke Bike Engine oil and TATA Passenger Car Motor oils.

Given that the per capita consumption of lubes in Asia is 1/6<sup>th</sup> of some of the western countries, this category has a promising future in the Indian market. Barring the recent economic slowdown, the projections for the automotive sector remain strong and this will help the lubes sector to remain on the growth path. However, the future volume growth would be impacted by the use of better quality, long drain lubes thus increasing the replacement cycle for lubes. In the short term, intense competition can be expected and success of a product would largely depend on how well it is positioned, branded and distributed.

## LPG

The year 2009-10 was an eventful year for the LPG Business. While the international price of LPG has been vacillating, the domestic LPG consumers were by and large insulated from those fluctuations. Although BPCL's profitability and liquidity have been adversely impacted, the demand of genuine customers was fully met while ensuring increased efforts to avoid leakage of subsidized LPG to the non-domestic segment.

BPCL's total LPG sales for 2009-10 stood at 3235.82 TMT giving it a market share of 25.8%. LPG sales volume grew by 6.68% as compared to the previous year when the sales volume was 3032.9 TMT. With the addition of 1.9 million new customers during the year, 'Bharatgas' is present in approximately 28 million households as on

31<sup>st</sup> March, 2010. The customers are serviced through a network of 2187 LPG distributorships. In terms of LPG bottling infrastructure, BPCL has 49 LPG Bottling Plants with a rated capacity of 2472 TMT. The total LPG bottling during the year 2009-10 was 2936 TMT, representing a capacity utilization of 107%. BPCL has also connected 48,533 households as on 1.4.2010 through the LPG Reticulated System or 'Piped LP Gas system' including 10,332 households who were enrolled in 2009-10. In the commercial packed segment, where the product is sold at market determined prices, BPCL's volumes registered a growth of 26.44%.

BPCL has commenced refill booking through SMS and IVRS system. The refill booking through SMS has been introduced at all state capital markets and metros. Refill booking only through SMS/IVRS has been taken up as a pilot for the Delhi market.

During 2009-10, the 'Beyond LPG' initiative registered a turnover of Rs.700 crores representing a 59% growth over the previous year. BPCL's efforts are directed at enrolling more distributors into the programme so that a larger section of the consumers could benefit from the value proposition. Bharat Metal Cutting Gas (BMCG), which was developed by BPCL to replace the conventional Acetylene, has come to be accepted as an ideal product for the metal cutting and brazing applications in the industrial sector. The product has gained tremendous popularity and confidence amongst the industrial users, primarily because of its performance efficiency and low cost vis-à-vis Acetylene. Continued refinement of this product is on and IIT, Roorkee has developed new nozzles which could further improve the cutting performance of BMCG. During the year 2009-10, 6323 MT of BMCG has been sold to the industrial sector, registering a growth of 33% over the volumes achieved in 2008-09. As part of the initiative to market BMCG overseas, BPCL has formed strategic alliances in the Middle East. With over 189 customers in Saudi Arabia and more than 50 customers in Oman, the product has been well received. Technical demonstrations were held in the United Arab Emirates and the product was launched in the Emirates of Fujairah, Sharjah, Dubai and Ras Al Khaimah.

BPCL continues to accord the highest priority to HSSE initiatives. A number of initiatives are being pursued in this area with particular focus on leading a healthy life and injury free workplace. Several measures have been taken to ensure real time safety assessment of LPG plants with a view to identify and take corrective measures without delay.

To meet market challenges and ever rising customer expectations, effective steps were undertaken to upgrade the skills and capabilities of field staff through focused Training and Development plans. During the year, e-learning

modules on BMCG, benchmarking and safety in LPG plants have been developed and launched through the LPG knowledge portal - "Bharatgas University".

## AVIATION

The Indian aviation sector has been passing through some tough times in the last two years, on account of the high prices of aviation turbine fuel and the effects of the economic slowdown. However, there were signs of passenger traffic increasing in the later part of the financial year and consequently, the industry sales volume of ATF which had declined in 2008-09, reflected a growth of 3% in 2009-10. During the year, BPCL had initially lost market share, mostly in the domestic segment, which was made up by acquiring new business from international airlines. Consequently, BPCL ended the year 2009-10 with a sales volume of 925 TMT, which represented a nominal growth of 0.91% over the previous year.

During the year, BPCL commissioned ATF fuelling facilities in seven new airports. BPCL currently has a presence in 30 airports across India. The focus was on reducing the level of inventory holding, which has come down to 9 days from 19 days as at the end of the previous year. BPCL also commissioned the Hydrant Fuelling System at Gwalior Airport, which is the first of its kind at any Defence Airport. With domestic airlines facing severe liquidity constraints, BPCL's working capital increased on account of higher outstandings from these customers.

## HUMAN RESOURCES

It is BPCL's continued endeavour to enhance its growth through the effective development of its human resources. As on 31st March 2010, BPCL had 13898 employees on its rolls. In the recent past, a combination of demographic factors, market forces and forays into new businesses has brought in a new urgency for the need to cultivate a workforce that offers true competitive advantage. Several learning processes and initiatives have been designed and delivered keeping this in view. In order to enable people at various levels to take up leadership roles in the future, a number of customised assessment processes and training programmes were introduced, keeping in mind business priorities and key skills required for critical roles. Further, to enable the resolution of the ongoing challenge of aligning business goals with individual goals, a series of workshops on "Strategic Performance Excellence" covering a large number of executives, are being conducted. Using the existing Balanced Scorecard framework, these workshops enable executives to appreciate business strategy, discover appropriate measures, take accountability and understand and respect interdependencies.

Continuing its journey as a 'Learning Organisation', BPCL is in the process of creating its second generation cadre of

Internal Coaches equipped with the knowledge, skills and tools of Organisation Learning technology. These coaches will work with teams and help them in dealing with change/crafting change for themselves and develop individual and collective capacity to reach goals.

In an effort to take learning beyond training rooms, an innovative Case Study Challenge 'Socratix' was launched for employees to develop strategic insights and organizational vision. An "E-learning portal" was recently launched to reach out to over 4500 employees at several locations across the country, to provide them opportunities to enhance their soft skills as well as technical skills.

Over the years, employees have been motivated to generate more ideas with a view to engage their creative minds to achieve excellence and enhance their learning process. The 'IDEAS' platform is one such initiative to recognize and promote creativity at the workplace. This participative tool has helped to promote employee commitment and involvement, besides improving efficiency derived from the ideas contributed by them. In 2009 a total of 272 entries were received under "Creative Stroke" for ideas that have been successfully implemented and 567 entries under Mind's Eye Category for ideas that may have huge potential in terms of business benefits, but have not found the right platform for implementation. A total of 35 entries were adjudged winners under the various categories, in recognition of the contribution made by the participants to enhancing the organization's effectiveness.

Another milestone in strengthening the human resource management systems is the migration of the Performance Management System (PMS) into the SAP platform. The migration of PMS in SAP will bring about positive changes, such as enhanced accountability across the spectrum, discipline in terms of timely completion of the PMS and transparency in the end to end appraisal process. It is also envisaged that this should bring in sharper focus on performance culture in the organisation.

Leveraging technology to further strengthen the quality of services provided to the internal customer by human resources is another core area of focus for BPCL. A module called "My Portal" is a one-stop dashboard available to every employee in the organization, wherein transactions related to leave, travels and tours, approvals, salary and offcycle payments and a host of other HR/Administration related activities are uploaded. By providing world class systems to make HR services smoother, faster, accountable and more effective, BPCL has taken another step to enhance its performance driven culture.

Apart from providing opportunities to employees within the organization, BPCL also endeavours to promote excellence in higher education of meritorious students

through the BPCL scholarships scheme for higher studies. During the year 2009-10, 29 students going abroad for pursuing higher studies were provided financial support through this scheme.

Employee Satisfaction Enhancement (ESE) Cell is a unique and innovative initiative taken by BPCL in its endeavour to make BPCL "A Great Place to Work". The objective of the ESE Cell is to lay down a framework for prompt redressal of genuine grievances of all the employees of the Corporation. One of its focus areas is to reach out to the maximum number of employees in a proactive manner to listen to them, to understand their issues and concerns and resolve them. BPCL recognizes that unless adequately and promptly resolved, these issues would result in lower productivity and a demoralized work force. The Employee Assistance Programme - ESE Roshni was carried forward during the year. Through this programme, counselling services are provided for management staff and their family members by professional counsellors. More than 1100 management staff have taken advantage of the programme, appearing for online self assessment tests, reading self developmental articles and going for counselling. The ESE cell also conducted sessions on Yoga / Pranayam, team building exercises etc. These measures and initiatives undertaken by ESE Cell have reinforced BPCL as a caring and employee friendly organization and immensely contributed in enhancement of overall satisfaction and wellbeing of its employees.

### **INTEGRATED INFORMATION SYSTEMS**

Information Technology remains one of BPCL's strengths. BPCL has continued its efforts to leverage information technology with a view to achieve greater efficiencies in all its operations. A number of strategic initiatives were launched during the year in different areas.

The product exchange arrangement with other oil companies is an important part of the sales and distribution process. With a view to leverage the technology for mutual benefit, BPCL has put in place a B2B system with IOC. The two companies have exchange transactions at over 100 locations across the country and the value of the transactions exceeds Rs. 40,000 crores annually. The settlement of these transactions involves considerable reconciliation efforts. The technology backbone in the two companies was leveraged and a seamless integration of the systems was achieved across the two companies covering logistics, operations and finance functions. The time and effort taken for reconciliation has reduced significantly in both the companies. It is planned to extend the solution to cover exchange transactions with other oil companies.

The implementation of the "Access Control" module of the Governance Risk & Compliance (GRC) solution of SAP

R/3 was completed in all businesses. This is an important part of the overall risk mitigation mechanism. The solution will enable ease of user access provisioning, transparency and the availability of audit trail. This will also facilitate the synchronization of the Manual of Authorities with the SAP system to define access privileges and ensure segregation of duties.

As part of the Business Intelligence (BI) system, information dashboards have been made available to the role holders in all businesses and for the senior management team. The system has many user friendly features and being role based, provides all the information needed for taking effective business decisions.

The travel management module of SAP R/3 was made operational from 1<sup>st</sup> September 2009. A robust platform is now in place for managing the travel processes efficiently with budgetary controls and integration of the vendor settlement process. By extending part of the process to travel agents, the back end HR processes have been streamlined and simplified.

The Indian GAAP (Generally Accepted Accounting Principles) is proposed to be converged with IFRS (International Financial Reporting Standards) from the financial year starting 1<sup>st</sup> April 2011. The "New General Ledger" solution in SAP R/3 addresses the requirements for the above transition and BPCL has migrated to this solution with effect from 1<sup>st</sup> April 2010.

During the year, a major effort was undertaken to standardize the service procurement process in the system. This was initiated with a view to ensure correct accounting, better compliance with tax laws and to secure proper adherence to provisions relating to deduction of tax at source. The new process has since been rolled out across all businesses and entities.

The security systems, both at the external and internal peripheries, have been upgraded with new tools and solutions to secure the environment from external threats. The Symantec endpoint security solution implementation has been completed and rolled out across the organization. Another major initiative undertaken was the implementation of the RSA Two Factor Authentication system for ensuring safe and secure access of the systems by end users.

During the year, BPCL's network was upgraded to Multi Protocol Label Switching (MPLS) involving close to 180 locations. This has helped the implementation of new applications systems besides improving the network uptime and bandwidths. Improved connectivity was also established through alternate routes to the existing 16 MBPS link connecting the Corporate Data Centre at Mumbai to the Integrated Data Centre at Noida near Delhi through a 45 MBPS link. A state-of-the-art e-mail archival system has been implemented to safeguard important

business information and to comply with the requirements relating to retention of data.

For the fourth time in succession, the ERP Competency Centre has been awarded the CCOE (Customer Centre of Excellence) certification from SAP. This certification is valid for 2 years.

### **HEALTH, SAFETY, SECURITY & ENVIRONMENT**

BPCL continued to adopt a holistic approach on Workplace Health, Safety, Security and Environment as prime areas with a view to achieve sustainable performance. The Regional Health, Safety, Security & Environment (HSSE) Councils played leading roles in terms of employee engagements through active participation and sharing best practices across businesses and entities. Special emphasis was given to training programmes with a thrust on reinforcing safety culture across BPCL. In this direction, several training programmes and workshops covering workplace health, workplace security & surveillance, water harvesting at locations, safety & safe driving training to transporters' crew were arranged regularly at locations. During the safety audits at the locations, the importance of using the Personal Protective Equipments (PPEs) by all at the workplace was highlighted to ensure safe operations.

Workplace Security remained a key concern for the entire sales network in general and oil & gas storage locations in particular. Locations were operating under the frequent security alerts raised from time to time even as they kept the supply and distribution chain uninterrupted. Security preparedness and response was ensured at all locations across the country. A unique workshop on 'Workplace Security & Surveillance' was designed in close co-ordination with the State Police / CISF experts and rolled out to cover vital locations.

BPCL published the 3<sup>rd</sup> Corporate Sustainability Report for the year 2008-09 with the theme 'Responsible Development'. This report was as per GRI-G3 norms and it is a matter of pride that the report was rated A+ by the third party assurance provider, M/s. DNV. This is the first Corporate Sustainability Report to be assured in India as per Standard: AA1000 AS 2008 version.

### **INTERNATIONAL TRADE AND RISK MANAGEMENT**

Crude oil prices moved from their lows of USD 45 per barrel at the beginning of the financial year to around USD 80 per barrel at the end of the financial year 2009-10. This was mainly on account of optimism in the market following the global financial recovery. Unlike the earlier years, the general trend of sweet crude oil grades (Brent) commanding premium over sour (Dubai) grades, the year 2009-10 saw Dubai prices commanding premium over the Brent price. This was mainly due to regional variation like reduced demand in the United States, strong demand

in India and China, production cut by OPEC countries and stability in countries like Nigeria resulting in increased production of low sulphur crude oil. In order to take advantage of the prevailing low Brent-Dubai differential, BPCL carried out suitable changes in its procurement strategy by changing the crude oil mix of its refineries.

During the year, the average price of Brent Crude Oil reduced by about 18% from USD 84.45 per barrel in 2008-09 to USD 69.62 per barrel in 2009-10. Further, the sweet / sour (Dated Brent / Dubai) difference reduced substantially from USD 1.6 per barrel in 2008-09 to USD 0.05 per barrel in 2009-10.

During the year, BPCL imported 14.40 MMT of crude oil as compared to 12.70 MMT in 2008-09. In value terms, the cost of imported crude oil on Free on Board (FOB) basis amounted to USD 7560 million (Rs.35,419 crores) as compared to USD 7961 million (Rs.36,114 crores) in 2008-09. The average price stood at USD 70.4 per barrel as compared to USD 85.3 per barrel in the previous year. The ratio of "Term to Spot" purchase of imported crude oil was 62:38 which was lower than the 85:15 ratio in 2008-09, mainly due to the cut in production by OPEC. For procurement of spot cargo, BPCL sought better terms and conditions with the suppliers, expanded the vendor base, added new grades of crude oil and opened up new avenues for procurement of crude oil from floating storage.

On the products front, BPCL imported 1588 TMT of HSD, 33 TMT of SKO, 211 TMT of MS, 228 TMT of LPG to meet the shortfall in supply from domestic sources. BPCL also imported 48 TMT of Reformate as blendstock during the year 2009-10.

During the year, BPCL exported 2698.91 TMT of refined products. This was higher than the level of 1381.88 TMT exported during the previous year. Export of Fuel Oil increased from 664.29 TMT in 2008-09 to 982.58 TMT during 2009-10. Export of naphtha increased from 703.45 TMT in 2008-09 to 1341.45 TMT during 2009-10. During the year, BPCL also exported 352.39 TMT of High Sulphur Gas oil. In recognition of its export performance, Director General of Foreign Trade recognised BPCL as a "Premier Trading House". This was an improvement over the earlier recognition status as a "Three Star Export House".

In order to ensure regular transportation from the foreign ports to its refineries, BPCL entered into a Contract of Affreightment (COA) with Shipping Corporation of India (SCI) for upliftment of 6 MMT per annum of imported crude oil for a period of three years. On the same lines, a COA is signed with SCI for upliftment of 2.35 MMT per annum of Mumbai High Crude for Kochi Refinery. Further, to ensure fixed cost of freight and take advantage of a depressed freight market, BPCL has taken two Afframax size vessels (80000 tonnage) on time charter. Strategies

on optimal parcel size were worked out in order to bring down freight cost and inventory holding cost. A thorough examination of the existing terms and conditions of COA was carried out. These steps have contributed in reducing freight cost.

Considering the high volatility in the prices of crude oil and petroleum products, hedging of refinery margins continued to remain an important focus area. Besides hedging the refinery margin, BPCL has undertaken hedging the price of platinum required for Kochi Refinery's modernisation plan. With this hedging, BPCL achieved the distinction of being the first company in the Indian Oil Industry to cover exposure on the precious metal. BPCL added yet another feather in its cap by becoming the first company to undertake hedging of freight rate exposures.

BPCL continues to be a front runner in the Industry with its expertise in Risk Management and is now a widely respected name by a number of players in the international oil market. The Trading and Risk Management (TRM) Board articulated the risk appetite of the Corporation. The Audit Committee of the Board also reviewed the hedging activities. The Risk Management Committee (RMC) continued to provide direction and guidance besides carrying out regular review of hedging positions. Regular review of credit exposure of counterparties was undertaken. Credit ratings of the counterparties were analysed and internal credit limits adjusted to incorporate any change in their credit ratings. New counterparties were enrolled with a view to diversify the credit risk and obtain competitive quotes.

## RESEARCH & DEVELOPMENT

BPCL continued its focus on Research & Development activities at the Corporate R&D centre at Greater Noida in Uttar Pradesh, Product & Application Centre, Sewree, Mumbai and the R&D Centre at Kochi Refinery. R&D forms the backbone for Lubricants Business, to achieve a higher growth and better profitability through development of new formulations and alternate formulations for the existing Lube & Grease products.

During the year, new products developed include Passenger Car Engine Oil for a major Original Equipment Manufacturer, Fully Synthetic Gear Oil, customer specific Metal Working Fluid, High Performance Grease etc. These would bring a number of business benefits in terms of improving BPCL's market share, making available better quality products, reduce input costs etc.

The Corporate R&D Centre filed five Indian and five foreign patent applications to protect the intellectual property that resulted from innovative research. As part of its new initiatives, BPCL continued its research collaborations with a number of leading research institutes. These include

collaborations with Indian Institute of Science, Bangalore, Osmania University, Hyderabad, Tamil Nadu Agricultural University, Coimbatore, IIT, Roorkee, IIT, Madras and Institute of Plasma Research, Gandhinagar.

BPCL had taken up three projects with the Indian Institute of Science, Bangalore on cutting oils, adsorption of natural gas using nano technology and photo voltaic cells using new materials like copper, indium, gallium, sulphur, zinc. While the first two were started in May 2008, the third project was started in May 2009.

The project on cutting oils was undertaken after it was found that the stability of soluble cutting oils was poor leading to complaints from customers. During the course of research, BPCL and the Institute have developed a machine that can measure friction at the point of contact. BPCL is in the process of obtaining a patent for the same and putting it into commercial use. There are challenges to be overcome before the product can be commercialized. Work is currently on with regard to the other two projects on improved methods of storage of gas and the next generation of solar cells.

BPCL is planning to undertake further research projects with the Indian Institute of Sciences in areas like residue upgradation for producing value added products, alternate fuels, treatment of effluents, hydrogen production using solar energy etc.

## EXPLORATION AND PRODUCTION OF CRUDE OIL AND GAS

Bharat PetroResources Limited (BPRL) was incorporated on 17th October, 2006 as a wholly owned subsidiary of BPCL to focus on exploration and production activities. Till date, BPRL has participating interests (PI) in 26 exploration blocks, in India and abroad (of which 9 blocks are in India and 17 are abroad - in 6 countries), with PI levels varying from 10% to 40%. The countries (besides India), where BPRL has blocks are Australia, Brazil, East Timor, Indonesia, Mozambique and the United Kingdom. All these blocks are in various stages of exploration, and BPRL's acreage in all these blocks is about 81,000 sq km, of which approx 91% is offshore acreage. All the above interests are held either directly by BPRL, or through its Joint Ventures / wholly owned subsidiaries.

BPRL, through its wholly owned subsidiary company, Bharat PetroResources JPDA Limited (BPR-JPDA LTD), has a PI of 20% in Block-JPDA 06-103-East Timor in the Joint Petroleum Development Area between Australia and East Timor.

IBV Brazil Petroleo Limitada, a joint venture company where BPCL and Videocon Industries Limited each have a 50% share of the capital, has PI in 10 blocks in Brazil. Further, BPRL has incorporated a wholly owned subsidiary

company, BPRL International BV, which in turn, has incorporated BPRL Ventures BV, BPRL Ventures Mozambique BV and BPRL Ventures Indonesia BV as wholly owned subsidiary companies for undertaking exploration activities in various countries. BPRL Ventures Mozambique BV has PI in a block in Mozambique, and BPRL Ventures Indonesia BV holds PI in a block in Indonesia.

While the previous year was focussed on acquisition of exploration acreages, the current year predominantly was the year of consolidation with streamlining of operations in Brazil, moving ahead decisively on the Indian and overseas work programme, and venturing into the unexplored virgin basin of Mozambique. Also, PI in a block in the Nunukan basin in Indonesia was acquired during the year 2009-10, through the farming in process. The year also saw the announcement of 2 world class discoveries, one each in Mozambique and Brazil. The award of Joint Operatorship with Hindustan Oil Exploration Corporation Ltd. (HOEC) in the Rajasthan block during the NELP VII bid round was another milestone for BPRL.

Looking ahead, BPRL is focused upon consolidation of its portfolio, while at the same time, keeping an eye open for potentially good opportunities. Constant updation and augmentation of the technical data base and in-house capabilities are also being actively undertaken.

### **AWARDS AND RECOGNITION**

BPCL was conferred with the prestigious FE EVI (Financial Express & Emergent Ventures India) Green Business Leaders Award for the year 2009-10. The award recognizes the excellent green initiatives towards climate change. Team FE EVI, along with knowledge partner Indian School of Business, Hyderabad had conceptualised a unique model to award deserving companies in India from the 'FE 500' list. The selection criterion for the awards involved a study of 80 Indian businesses and evaluation of their performance over an extended period of time. Selection was also based on a company's initiatives towards becoming a 'Green Company'. BPCL has been awarded for understanding Climate Change to cut down the greenhouse gas (GHG) emissions and taking necessary steps to find cost effective mitigation solutions.

BPCL received the Best Cash Management Deal for Electronic Receipt Solution instituted by the Asset Magazine, Hong Kong, a well respected finance magazine. The Asset Triple A transaction banking award is the industry's most prestigious award for banking, finance, treasury and the capital markets. This award was in recognition of BPCL having introduced RTGS/NEFT collection with full integration with SAP through BNP Paribas Bank for the realization of money from the

customers, which has led to reduction of interest cost, bank charges, credit exposure, saving of man-hours relating to dealing with physical instruments and hassle free operations for the customers.

BPCL was awarded the "Fleet Enabler of the Year" in The Apollo-CV Awards 2010. Apollo Tyres Limited, in association with CV magazine, announced the first set of dedicated awards for the commercial vehicle segment in India. A unique feature of these awards was that, apart from recognizing commercial vehicle and ancillary manufacturers, fleet operators too were acknowledged for their contribution to the industry.

The BPCL brand has climbed up three notches to the sixth place, bettering its valuation to US \$ 2.62 billion, according to the valuation of India's Top 50 Most Valuable Brands by M/s. Brand Finance.

BPCL has reinforced its standing in the energy industry by ranking 97<sup>th</sup> globally, 15<sup>th</sup> in Asia and 5<sup>th</sup> in Refining and Marketing among the Asian companies, as per Platt's Top 250 Global Energy Companies 2009 list.

The Bharatgas brand has been recognized as Business Superbrand 2009, the ranking given to exceptional brands on the criteria of market dominance, longevity, goodwill, customer loyalty and market acceptance.

BPCL won the Readers Digest Most Trusted Brand Award in the Gold category for the third year in succession.

The Association of Business Communicators of India (ABCI) recognized the company by selecting the 'MAK online viral' for the Gold Award. The external magazine – Journeys - lifted the Silver Award and the CSR campaign & Corporate Website won the Bronze Awards.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

BPCL has a system of internal controls to ensure optimum utilization and protection of resources, IT security, speedy and accurate reporting of financial transactions and compliance with applicable laws and regulations, as also internal policies and procedures. For this purpose, the company has formulated a clearly defined organization structure, authority limits and internal guidelines, rules for all operating units and service entities. ERP Solution and Business Information Warehouse systems have further enhanced the internal control mechanism.

BPCL has an Internal Audit department consisting of experts from various functions, which supplements the review of key business processes and controls through regular audits. Audit reports, significant risk area assessment and adequacy of internal controls are also periodically reviewed by the Audit Committee through meetings held with Management, Internal Audit and the Statutory Auditors.

## ANNEXURE A

Efforts made by BPCL in regard to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo, which are required to be given under Section 217 (1)(e) of the Companies Act, 1956, are as under :

**A. CONSERVATION OF ENERGY**

- (i) Energy conservation measures taken and additional investment/proposals for conservation of energy:

Energy conservation efforts received continuous focus, both in terms of improvement in operations/maintenance as well as development of new projects. Continuous monitoring of fuel consumption and hydrocarbon loss is undertaken using sophisticated instruments and data acquisition system. An elaborate energy accounting system and Management Information System is an important feature of BPCL Mumbai and Kochi Refineries operation.

As a part of Oil & Gas Conservation Fortnight 2010, M/s. CHT had organised a detailed "Furnace Efficiency & Insulation Effectiveness" survey for BPCL Refineries along with external experts. In addition, various awareness programs on the Oil Conservation theme were conducted, both inside & outside the refineries, including free PUC check up for vehicles.

- (ii) Additional investments & proposals, if any, being implemented for & impact of the measures for reduction of consumption of energy & consequential impact on the cost of production of goods.

**Mumbai Refinery**

The following energy conservation and loss control measures were adopted during the year 2009-10 which have resulted in significant fuel savings :

- High emissivity ceramic coating was applied to process heater tubes and refractory walls of the new Crude Unit and Vacuum Unit furnaces (F 101 & 102) during March 2009 shutdown, to achieve better heat absorption in the radiant section and fuel saving.
- Special type insulation was installed on bare hot tubes of the NHGU furnace.
- Foam / chemical cleaning of air fin coolers in the new Crude Unit complex and C3C4 Unit to improve performance.
- "Chemical decontamination" technique was adopted for the first time in the refinery during turnaround. This helps in improved heat exchanger cleaning and better decontamination for carrying out plant jobs.
- During turnaround, services of the combustion technology expert from M/s Hamworthy Combustion Global Solutions was obtained, to get suggestions for adopting the best practices leading to improved efficiency of the furnaces.
- Replacement of air pre-heater in CDU 2 furnace for improved heat recovery.
- Installation of Step-less control in the Make-up-Gas Compressor (MUG) of the Hydrocracker Unit to reduce power consumption.
- Modification in LOBS plant to warm up feed pump – fuel saving by reducing furnace load.
- Processing of the hydrogen rich Catalytic Reformer Unit (CRU) off gas in the Hydrocracker Unit PSA system and new Hydrogen Unit to reduce overall Naphtha consumption for hydrogen generation.
- "Dry ice blast" cleaning of the convection section of heaters to improve efficiency.
- Stopping of Naphtha fuel pumps in CPP – LNG replacing Naphtha fuel in Gas turbines.
- Chemical cleaning of HVU heater process tubes during shutdown to improve heat absorption.
- Impellor trimming of VDU pump for power saving.
- Use of energy saving CFL lamps.
- Energy saving device/toroidal core transformers for energy saving in lighting circuits.
- Installation of Capacitor banks to maximize power factor
- A comprehensive survey on the "Instrument Air Supply System" was carried out to identify and rectify instrument air leaks.
- A survey of "Fuel oil line insulation effectiveness" was carried out to improve the fuel oil temperature for better viscosity at burners.
- Maximisation of crude throughput in modern highly energy efficient Integrated Crude & Vacuum Unit.

- Antifoulant chemical injection in all Crude & Vacuum units.
- Injection of fire side chemical additive in HVU / CRU Heater.
- Regular cleaning of preheat exchangers of process units.
- Reduction of slops by tighter operational control.
- Continuous monitoring & control of all parameters of Furnaces & Boilers.
- Continuous monitoring & control of flare.
- Regular steam Insulation & steam leak surveys.
- Replacement of Insulation for various Steam Headers.
- Replacement of leaky steam traps & regular attending to steam leaks

Energy conservation and loss control measures planned for implementation in future years:

BPCL Mumbai Refinery is implementing / planning to implement various energy conservation and loss control projects as given below:

- Processing of CDU 2 LR in energy efficient VDU which will result in energy saving as well as yield improvement.
- Provision of Variable Speed Drives for CDU NB2A Heater FD fan & CDU B1 Heater ID Fan.
- Extension of "Chemical Decontamination" technology for other units during turnaround.
- Air fuel ratio controller in DHDS charge heater.
- APH replacement in CMU F01/F02, CDU B1 & NB2A furnaces.
- Trial run of on line chemical injection in select furnaces for improving heat absorption.
- On line chemical cleaning of radiation tubes of select furnaces.
- Stopping of Naphtha feed pump in Old Hydrogen unit – 100% LNG feed replacing Naphtha.
- Antifoulant chemical injection treatment to prevent crude side fouling in exchangers.
- Phase wise replacement of steam headers insulation.

During the year, Mumbai refinery was awarded the first prize for having achieved the best "Specific Energy Consumption" for FY 2007-08 among refineries under the category of Composite Energy index  $\leq 5$  by Center For high Technology (MoP&NG).

### **Kochi Refinery**

The following energy conservation and loss control measures were adopted during the year 2009-10, resulting in significant fuel savings:

- Commissioning of HP to MP steam turbine for cooling water pump in DHDS.
- LP steam extraction from recycle gas compressor in DHDS.
- DEA flow optimization in fuel gas Amine Absorption Unit.
- Cascade control for reboilers in Aromatic Recovery Unit.
- Automatic Combustion Control for DHDS charge heater.
- LP steam air pre-heater for crude charge heaters.
- FRP blades for air-fin fans in crude unit.
- Stopping of one feed water pump of boiler UB8/9.
- Variable Speed Drives on-site trial runs conducted for 16 pumps in Kochi Refinery.
- Energy Audit on Air conditioning systems conducted.
- Functioning of ENCON Clubs in Schools & Colleges revitalized with the number of ENCON Clubs increasing from 25 to 50.

BPCL Kochi Refinery is implementing / planning to implement various energy conservation and loss control projects as given below:

- Optimization of pump drives through VFD installation in 15 drives
- Implementation of automatic air fuel ratio based combustion control for heaters EH1 and CH223
- Installation of LP steam air pre-heaters in DDH1 and CH 223

- Condensate recovery from LP steam APH in heaters CH1A/B, CH 21/22 and CH 223
- Replacement of sour water pump (SWP-5) with lower capacity pump CP-102.
- Recovering condensate from YE 101 (Biturox feed pre-heater)
- Step less control system in DHDS make up gas compressor
- Use of anti-foulant in crude pre-heat circuit to maintain pre-heat at SOR conditions
- Modification of pre-heat circuit for enabling locating one of the CE 6 exchangers downstream of Pre fractionator in case of crudes with high residue
- Pre-heat train optimization in CDU-1 along with vacuum column modification
- Change stripping steam in CDU-II from MP to LP by installing MP to LP turbo drive for compressor/pumps (15 TPH steam)
- Routing of leak-off steam from seals of boilers UB8 / 9 auxiliary turbines to de-aerator
- Optimization of air conditioning systems in the refinery
- Replacement of low efficiency crude charge heaters CH-1 A/B and kerosene charge heater KH-1B with high efficiency heaters

The following Energy & Environment awards were received by Kochi Refinery during the year 2009-10.

Sl. No	Year	Award	Authority	Category
1	2009	State Pollution Control Award – 2009, Excellence Award	Kerala State Pollution Control Board	For outstanding achievement in pollution control
2	2009	Kerala State Energy Conservation Award, Commendation Certificate	Energy Management Centre, Kerala	For commendable achievements in Energy Conservation and Management

**Impact of the measures for reduction of consumption of energy & consequential impact on the cost of production of goods :**

Fuel savings as a result of the energy conservation measures implemented in the refineries during the year 2009-10 correspond to the total savings potential of more than 10700 tonnes of fuel oil equivalent (provisional).

- (iii) Details regarding total energy consumption and energy consumption per unit of production etc. are given in the prescribed Form A annexed hereto.

**B. TECHNOLOGY ABSORPTION**

The Refineries implemented the following projects to obtain the benefits of the latest technological developments and advances:

**Mumbai Refinery**

- In line with the action plan for meeting the auto fuel quality upgrade of part production of Euro IV quality Diesel by April 2010, the DHDS unit was revamped from 1.4 MMTPA to 2.0 MMTPA based on the catalyst and technology supplied by M/s Haldor Topsoe.
- A new 2350 MT/D CC Gasoline Splitter Unit, designed by M/s EIL, was installed to separate the high sulphur heavy component from the Catalytic Cracked Gasoline to make it suitable for producing Euro-IV MS.

**Kochi Refinery**

- Propylene unit with a capacity of 50000TPA for producing chemical grade propylene with a purity of 95% by weight was commissioned in August 2009.
- UP203 D Cooling Water pump in DHDS was converted from motor driven into turbine (HP to MP) driven..
- Crude distillation unit II capacity was increased to 9.5 MMTPA from 7.5 MMTPA.
- A new Naphtha splitter unit (NSU II) was added to CDU II as a feed preparation unit for CCR.

Details regarding the efforts made in technology absorption as per the prescribed Form B are annexed hereto.

### C. FOREIGN EXCHANGE EARNINGS / OUTGO

- (i) Activities related to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans :

#### Crude Oil Imports

Crude oil prices moved from their low of USD 45 per barrel at the beginning of the financial year to around USD 80/bbl at the end of the financial year 2009-10. This was mainly on account of optimism in the market following global financial recovery. Unlike the earlier years and the general trend of sweet crude oil grades (Brent) commanding premium over sour (Dubai) grades, the year 2009-10 saw Dubai prices commanding premium over Brent price. This was mainly due to regional variation like reduced demand in the United States, strong demand in India and China, production cut by OPEC countries and stability in Nigeria resulting in increased production of low sulphur crude oil. In order to take advantage of the prevailing low Brent-Dubai differential, BPCL carried out suitable changes in strategy in procurement of crude oil by changing the crude oil mix of its refineries.

The average price of Dated Brent Crude Oil reduced by about 18% during the year from \$ 84.45/bbl in 2008-09 to \$ 69.62/bbl in 2009-10. Further, the sweet / sour (Dated Brent / Dubai) difference reduced substantially from \$ 1.6/bbl in 2008-09 to \$ 0.05/bbl in 2009-10.

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Further, BPCL also facilitated procurement of 0.5 MMT Arab Mix crude oil for its joint venture refinery, Bharat Oman Refineries Ltd. (BORL) for initial start-up and commissioning activities.

#### Product Import and Export

On the products front, BPCL imported 1588 TMT of HSD, 33 TMT of SKO, 211 TMT of MS, 228 TMT of LPG to meet the shortfall in supply from domestic sources and 48 TMT of Reformate as blendstock during the year 2009-10.

During the year, BPCL exported 2698.91 TMT of refined products. This was higher than the level of 1381.88 TMT exported during the previous year. Export of Fuel Oil increased from 664.29 TMT in 2008-09 to 982.58 TMT during 2009-10. Export of naphtha increased from 703.45 TMT in 2008-09 to 1341.45 TMT during 2009-10. During the year, BPCL also exported 352.39 TMT of High Sulphur Gas oil.

The foreign exchange earnings from these exports amounted to USD 1442 million (Rs.6,733 crores) as against USD 757 million (Rs.3,362 crores) during the previous year. In recognition of its export performance, Director General of Foreign Trade awarded a recognition certificate to BPCL as a "Premier Trading House". This was an improvement over the earlier recognition status as a "Three Star Export House".

- ii) The details of foreign exchange earnings & outgo are given below :-

	Rs. Crores	
	<b>2009-10</b>	2008-09
Earnings in Foreign Exchange	<b>10,301.35</b>	6,567.42
- includes receipt of Rs. 1,636.56 crores (previous year Rs. 1,732.59 crores) in Indian currency out of the repatriable funds of foreign airline customers and Rs.12.18 crores (previous year Rs. 8.44 crores) of INR exports to Nepal and Bhutan.		
- Includes Rs. Nil (previous year Rs. 353.78 crores) on CFR basis.		
Foreign Exchange Outgo	<b>43,505.35</b>	45,261.07
- on account of purchase of Raw Materials, Capital Goods, Chemicals, Catalysts, Spare Parts, International Trading Activities.		

## FORM A

### FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

#### 1. MUMBAI REFINERY

A. Power & Fuel Consumption	2009 - 10	2008-09
1. Electricity		
a) Purchased		
Units (Million KWH)	33.43	43.28
Total Amount (Rs.Crores)	20.12	29.00
Rate/Unit (Rs./KWH)	6.02	6.70
b) Own Generation		
Through Steam Turbine/ Generator		
Units (Million KWH)	511.37	503.78
Units (KWH) per Ton of Fuel	3,229.49	3,037.73
Cost/Unit (Rs./KWH)	4.50	6.25
2. Coal	Nil	Nil
3. Furnace Oil/Liquid Fuel		
LSHS Qty - MT	255,596	260,416
Total amount (Rs. Crores)	536.43	575.49
Avg. Rate (Rs./Unit)	20,987.37	22,098.86
IBP-60 Qty - MT	24,322	42,822
Total amount (Rs. Crores)	77.60	137.59
Avg. Rate (Rs./Unit)	31,905.09	32,131.41
4. Others / Internal Generation		
Bombay High Associated Gas (BHAG)		
Qty - (MT)	13026	229
Total amount (Rs. Crores)	14.66	0.26
Avg. Rate (Rs./Unit)	11,256.74	11,225.16
Regassified Liquid Natural Gas (RLNG)		
Qty - (MT)	19,527	
Total amount (Rs. Crores)	32.61	
Avg. Rate (Rs./Unit)	16,699.68	
Internal Fuel :		
Refinery Gas Qty - (MT)	104,918	125,691
Total amount (Rs. Crores)	220.19	277.76
Avg. Rate (Rs./Unit)	20,987.37	22,098.86
PSA Off Gas Qty - (MT)	102,662	100,375
Total amount (Rs. Crores)	38.01	39.13
Avg. Rate (Rs./Unit)	3,702.40	3,898.48
FCC Units Coke Qty - MT	79,043	87,405
Total amount (Rs. Crores)	165.89	193.16
Avg. Rate (Rs./Unit)	20,987.37	22,098.86

#### Notes:

1. Decrease in power purchased cost is mainly due to higher power generation in GTs & lower power import.
2. Cost per unit of Power Purchased has decreased due to lower purchase of power from M/s TATA Power.
3. Cost per unit of power generated in CPP has decreased due to decrease in fuel cost (LNG consumption) & depreciation.

#### B. Energy consumption per unit of production

	Unit	Stds. if any *	2009 - 10	2008 - 09
Production of Petroleum products	MT		11,809,624	11,436,521
Electricity	KWH/MT		46.13	47.84
LSHS / IBP-60	Kg/MT		23.70	26.51
Gas (Excluding CPP)	Kg/MT		20.33	19.79
FCC Units Coke	Kg/MT		6.69	7.64

\* No fixed consumption parameter can be attributed to a particular product as the product pattern of the Refinery is governed by supply / demand scenario of products and Govt. directives. It is also a function of quantity / type of crude processed, planned shutdown of processing units for maintenance / inspection and severity of operations of processing units which varies widely.

## 2. KOCHI REFINERY

	2009-10	2008-09
<b>A) Power and Fuel Consumption :</b>		
1) Electricity		
a) Purchased :		
Units (Million KWH)	<b>70.81</b>	39.56
Total amount (Rs.Crores)	<b>28.41</b>	21.19
Rate/Unit (Rs./KWH)	<b>4.01</b>	5.36
b) Own Generation		
i) Through Gas Turbine generation in CPP (Million KWH)	<b>130.18</b>	145.83
Units (KWH) per kg of fuel oil/gas	<b>2.87</b>	2.88
Cost/Unit (Rs./KWH)	<b>5.42</b>	5.56
ii) Through steam Turbine Generation (Million KWH)	<b>68.34</b>	73.76
Cost/Unit (Rs./KWH)	<b>7.12</b>	6.60
2) FCC coke for steam generation :		
Quantity (tonnes)	<b>72,020</b>	67,030
Total Cost (Rs.Crores)	<b>160.67</b>	134.54
Average rate (Rs./MT)	<b>22,309</b>	20,071
3) LSHS :		
Quantity (tonnes)	<b>248,153</b>	243,866
Total Cost (Rs.Crores)	<b>553.61</b>	489.46
Average rate (Rs./MT)	<b>22,309</b>	20,071
4) DHDS Naphtha :		
Quantity (tonnes)	<b>41,481</b>	38,173
Total Cost (Rs.Crores)	<b>106.04</b>	97.53
Average rate (Rs./MT)	<b>25,563</b>	25,549
5) Others (Refinery Fuel Gas) :		
(Excluding fuel used for Power Generation)		
Quantity (tonnes)	<b>79,924</b>	83,221
Total Cost (Rs.Crores)	<b>178.31</b>	167.03
Average rate (Rs./MT)	<b>22,309</b>	20,071

### Notes :

1. Fuel for CPP consisted of Intermediates and Refinery Fuel Gas.
2. The purchased power is net of export to KSEB.
3. Cost of FCC coke, LSHS, Intermediates, Refinery Fuel Gas etc. are at average cost.

## B. Energy consumption per unit of production

	Unit	Stds. if any *	2009 - 10	2008 - 09
Production of Petroleum products	MT		<b>7,388,894</b>	7,192,203
Electricity	KWH/MT		<b>35.29</b>	34.81
FCC Coke	Kg/MT		<b>9.75</b>	9.32
LSHS	Kg/MT		<b>33.58</b>	33.91
DHDS Naphtha and Refinery fuel gas	Kg/MT		<b>16.43</b>	16.88

\* No fixed consumption parameter can be attributed to a particular product as the product pattern of the Refinery is governed by supply/demand scenario of products and Government directives. It is also a function of quantity/type of crude processed, planned shutdown of processing units for maintenance/inspection and severity of operations of processing units, which varies widely.

## FORM B

### FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

#### RESEARCH & DEVELOPMENT (R&D)

##### 1. Specific areas in which R&D has been carried out by the Company :

- i) Catalytic Processes
- ii) Development of Catalysts and Catalyst additives
- iii) Development of fuel additives/blending schemes
- iv) Detailed Crude Evaluations and Crude compatibility studies
- v) Development of nanomaterials for on-board gas storage and other applications
- vi) Development of Process scheme for synthetic lubricants
- vii) Modeling and Simulation of refinery processes
- viii) Corrosion and fouling
- ix) Advanced Tech support to Refinery & Marketing Operations
- x) Alternate fuels – Bio-ethanol, bio-diesel, hydrogen
- xi) Alternate energy devices – new generation solar PV cells
- xii) Long life Diesel Engine Oil for heavy commercial vehicles.
- xiii) Passenger Car Engine Oil for latest models.
- xiv) Bio-degradable Cutting Oil
- xv) High Performance Greases
- xvi) Defence specific grade lubricants
- xvii) Alternate lube formulations for existing grades

##### 2. Benefits derived as a result of the above R&D :

- i) Optimum catalysts and additives were selected / recommended for KR and MR FCC plants, resulting in improved yields/ product quality.
- ii) LPG Sweetening Catalyst jointly developed by BPCL and IIP, Dehradun being used at Mumbai Refinery in the FCC units has resulted in cost saving and better performance.
- iii) Cost effective CO promoter catalyst developed in-house has been in use at FCC unit of KR. An Indian Patent has been filed for protecting IPR for this innovation.
- iv) In-house developed BMCG product being commercially produced and marketed in India & overseas has resulted in substantial benefit to the Corporation.
- v) A cost effective route for producing MS-97 has been developed and commercialized at BPCL installations resulting in substantial savings.
- vi) Commercial trials were conducted successfully for the in-house developed corrosion inhibitor for ethanol-MS blend, which is expected to save costs.
- vii) Detailed crude evaluations aided in enhancing value realization and enlarging the crude basket. Crude blend compatibility studies helped in processing opportunity crudes.
- viii) Developed a model based on the physical properties using Aspen Plus to minimize quality giveaways in Fuel Oil (FO) production resulting in substantial benefits to the Corporation.
- ix) Energy Optimization Studies conducted for enhanced crude pre-heat heat recovery through pinch analysis resulted in reduced fuel consumption in MR.
- x)
  - (a) Implementation of selected antifoulant with optimal dosage in MR crude-pre-heat trains resulted in improved heat recovery.
  - (b) Implementation of selected demulsifier in MR CDU Units resulted in improved desalting and reduced overhead corrosion.
  - (c) Studies on Mumbai-Manmad-Bijwasan (MMB) pipeline corrosion resulted in developing an in-house monitoring system for reducing the corrosion.

- xi) Long life Diesel Engine Oil for heavy commercial vehicles - extends the drain period of engine oil for the latest high performance vehicles, besides increasing our share in this segment.
- xii) Passenger Car Engine Oil for the latest models –provides an opportunity to increase our market share in this segment.
- xiii) Bio-degradable Cutting Oil –protects the environment, besides providing viable option to customers
- xiv) High Performance Grease –helps us to increase our market share in the Steel manufacturing segment, besides providing a viable alternative to customer.
- xv) Defence specific grades –provide an indigenous alternative to Defence
- xvi) Alternate formulation for existing grades –helps in reducing the input cost, besides providing flexibility in operation.

### 3. Future Plans

- i) Development of process scheme for the production of bio-fuels such as ethanol & bio-butanol and bio-lubricants.
- ii) Intensifying and enlargement of activities in the area of Refinery processes and resid upgradation.
- iii) Development of catalyst/additive for refining processes
- iv) Development of new process technologies using the additive approach for improving the product quality
- v) Enlargement of crude basket and identification of opportunity crudes and crude blends
- vi) Controlling Corrosion and fouling in Refinery units
- vii) Value added products/ solvents from the Refinery streams
- viii) Modelling and simulation of Refinery processes
- ix) Coal to Resid Technologies
- x) Alternate Fuels & Energy Devices such as bio-diesel, algal biofuels, hydrogen and solar PV cells.

#### Developing the following grades / products :

- i) Diesel Engine Oil meeting the latest international specifications
- ii) Transmission Oil OEM specific
- iii) Metal Working Fluid
- iv) Synthetic Gear Oil
- v) Synthetic Refrigeration Compressor Oil
- vi) Defence specific grades

### 4. Expenditure on R&D during 2009-10

(Rs. in Crores)

	Value
Capital Expenditure	9.31
Revenue / Recurring Expenditure	16.33
Total	25.64
Total R&D Expenditure as a % of total turnover	Negligible

## TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

### A) MUMBAI REFINERY

#### 1. Efforts, in brief, made towards technology absorption, adaptation and innovation

The Refinery has undertaken the following projects to obtain the benefits of the latest technological developments and advances:

- A. In line with an action plan for meeting the auto fuel quality upgrade of part production of Euro IV quality Diesel by April 2010, the DHDS unit was revamped from a capacity of 1.4 MMTPA to 2.0 MMTPA as per the revamp design supplied by M/s Haldor Topsoe.
- B. A new 2350 MT/D CC Gasoline Splitter Unit, designed by M/s EIL, was installed to split the combined gasoline streams produced by the two Catalytic Cracking Units in the refinery into light and heavy components. The unit splits the feed stream into low sulphur Olefin rich lighter components (top & middle cuts) suitable for producing Euro III/IV MS and a bottom high sulphur heavy stream which is blended into HSD.

#### 2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc.

- A. With the increase in the diesel desulphurization capacity, the HSD product mix was upgraded from BS-II/Euro-III to Euro-III/IV as per the requirements of the auto fuel policy of the Government of India.
- B. This has enabled production of Euro-IV MS from the refinery.

#### 3. In case of imported technology (imported during last five years reckoned from the beginning of the financial year), following information may be furnished:

##### (a) Technology imported:

Technology	Year of import
▪ DHDS Reactor catalyst change to new generation HDS catalyst TK 576 BRIM supplied by M/s Haldor Topsoe, Denmark in December 2007.	2007
▪ Naphtha HDS catalyst was the latest Catalyst from M/s. Haldor Topsoe	2007
▪ DHDS unit revamp from 1.4 to 2.0 MMTPA on technology and catalyst TK 576 BRIM supplied by M/s Haldor Topsoe, Denmark in January 2010.	2010

##### (b) Has Technology been fully absorbed?

Yes.

##### (c) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action:

Not applicable.

### B) KOCHI REFINERY

#### 1. Efforts, in brief, made towards technology absorption, adaptation and innovation

The Refinery has implemented the following projects to obtain the benefits of the latest technological developments and advances during 2009-10 :

##### a. Propylene Recovery Unit

Propylene unit with a capacity of 50000TPA for producing chemical grade propylene with a purity of 95% by weight was commissioned in August 2009.

##### b. Commissioning of high pressure (HP) to medium pressure (MP) steam turbine for UP203 D Cooling Water pump in DHDS.

Cooling Water pump in DHDS (UP203 D) was converted from motor driven into turbine (HP to MP) driven thus utilizing available HP steam.

##### c. CDU II Revamp

Crude Distillation Unit II capacity was increased from 3 MMTPA to 5 MMTPA as a part of the Capacity Expansion & Modernisation Project Phase II (CEMP-II). A new heater was installed as Vac column feed heater and the existing Vac heater was utilized as balancing heater for crude distillation column. A prefractionator tower was added for debottlenecking the crude distillation column at increased capacity.

The desalter in CDU II was modified for increased capacity during CDU II revamp based on technology supplied by M/s Natco, UK.

**d. Naphtha Splitter Unit.**

A new Naphtha Splitter Unit (NSU II) was added to CDU II as feed preparation unit for CCR. The technology was provided by M/s UOP, USA and engineering and construction was by M/s EIL. NSU II will be taking Naphtha feed from the Crude Distillation Unit II.

**2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc.**

**a. Propylene Recovery Unit**

A new product viz., Chemical Grade Propylene (95% purity) was added to the product slate. This is expected to improve refinery profitability.

**b. Commissioning of high pressure (HP) to medium pressure (MP) steam turbine for UP203 D Cooling Water pump in DHDS.**

HP to MP steam makeup through pressure reducing station (PRDS) was reduced from 25 TPH to 10 TPH. Conversion of the pump from motor driven to turbine driven resulted in a power saving of 255KW (approximate annual benefit of Rs 0.9 Crores).

**c. CDU II Revamp**

The revamp increased the crude unit capacity of the refinery from 7.5 MMTPA to 9.5 MMTPA. Along with other units being installed under CEMP-II project, this unit will enable production of required quantities of Euro III and Euro IV specification fuels apart from improving availability of all other products.

**d. Naphtha Splitter Unit**

This unit will prepare feed stream for the CCR Unit from CDU II Naphtha and is an essential requirement.

**3. In case of imported technology (imported during last five years reckoned from the beginning of the financial year), following information may be furnished:**

**(a) Technology Imported:**

<b>Technology</b>	<b>Year of import</b>
▪ DHDS Reactor catalyst change to new generation HDS catalyst supplied by M/s. Axens, France in December 2006 to produce Low Sulfur Diesel for meeting the Euro III Diesel demand.	2006
▪ SPM system capable of receiving VLCCs by M/s. Blue Water Energy Services, Netherlands.	2007
▪ BITUROX Unit technology supplied by M/s. Porner, Austria, capable of producing four different grades (VG-10/VG-20/VG-30 and VG-40) of Bitumen was commissioned during June 2008. Along with the Biturox Unit an incinerator, a scrubber and a wet air oxidation system were installed to convert Sulphides to Sulphates.	2008
▪ NSU II – Naphtha splitter Unit as part of CDU II by M/s. UOP, USA.	2009
▪ Desalter – CDU-II Unit Desalter revamp by M/s. Natco, UK.	2009

**(b) Has Technology been fully absorbed?**

Yes.

**(c) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action:**

Not applicable.

## ANNEXURE B

### Report on Corporate Governance

#### 1) Company's philosophy on Code of Governance

Bharat Petroleum Corporation Limited's corporate philosophy on Corporate Governance has been to ensure fairness to the Stakeholders through transparency, full disclosures, empowerment of employees and collective decision making.

#### 2) Board of Directors

As per the Articles of Association of the Company, the number of Directors shall not be less than three and more than sixteen.

As on 31<sup>st</sup> March 2010, the BPCL Board comprised 5 Whole-time (Executive) Directors including Chairman & Managing Director, 2 Part-time (Ex-Officio) Directors and 5 Part-time (Independent) Directors. For nomination of additional 2 Part-time (Independent) Directors as required under revised Clause 49 of the Listing Agreement, the Company has taken up the matter with the Government of India.

During the year, all meetings of the Board and the Annual General Meeting were chaired by the Chairman & Managing Director.

None of the Non-Executive Directors of BPCL had any pecuniary relationship / transaction with the Company during the year.

The Directors neither held membership of more than 10 Board Committees nor Chairmanships of more than 5 Committees (as specified in Clause 49 of the Listing Agreement and Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises) across all the companies in which they were Directors.

The required information as indicated in Annexure IA to Clause 49 of the Listing Agreement and Annex IV to Guidelines on Corporate Governance for Central Public Sector Enterprises were made available to the Board of Directors.

Details regarding the Board Meetings; Annual General Meeting; Directors' attendance thereat, Directorships and Committee positions held by the Directors are as under :

#### Board Meetings

Five Board Meetings were held during the financial year on the following dates:

29 <sup>th</sup> May 2009	28 <sup>th</sup> July 2009	8 <sup>th</sup> Sep 2009	29 <sup>th</sup> Oct 2009	28 <sup>th</sup> Jan 2010
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The Board has reviewed the compliance of all laws applicable to the Company.

The Board has adopted a Code of Conduct for the Directors and also for the Senior Management of the Company and the same has been posted on the website of the Company. There is a system in the organization of affirming compliance with Corporate Governance by the Board Members and Senior Management Personnel of the Company.

**Particulars of Directors including their attendance at the Board /Shareholders' Meetings during the financial year 2009-10**

Names of the Directors <b>Whole-time Directors</b>	Academic Qualifications	Attendance out of 5 Board Meetings held during the year and percentage thereof		Attendance at the last Annual General Meeting	Details of Directorships held in other Companies	Memberships held in Committees as specified under Clause 49 of the Listing Agreement
		No. of Meetings Attended	%			
Shri A. Sinha Chairman & Managing Director	B.Tech. (Elect.) M.B.A.	5	100	Attended	Chairman • Numaligarh Refinery Ltd.. • Bharat Oman Refineries Ltd. • Bharat Renewable Energy Ltd. • Matrix Bharat Marine Services Pte Ltd. Director • Petronet LNG Ltd. • Bharat PetroResources Ltd.	Audit Committee Member • Petronet LNG Ltd. • Bharat PetroResources Ltd.
Shri S. Radhakrishnan Director (Marketing)	B.Tech. (Mech). M.B.A.	5	100	Attended	Chairman • Indraprastha Gas Ltd. Director • Numaligarh Refinery Ltd. • Sabarmati Gas Ltd. • Bharat Stars Services Pvt. Ltd. • Matrix Bharat Marine Services Pte Ltd. • Oil Industry Board Draught Relief Trust (Trustee)	
Shri S. K. Joshi Director (Finance)	A.C.A. M.B.A.	5	100	Attended	Director • Numaligarh Refinery Ltd. • Bharat PetroResources Ltd. • Bharat PetroResources JPDA Ltd. • Bharat Oman Refineries Ltd. • Bharat Stars Services Pvt. Ltd.	Audit Committee Member • Bharat PetroResources Ltd. • Numaligarh Refinery Ltd. Investors Grievance Committee Member • Bharat Petroleum Corpn. Ltd. • Bharat Oman Refineries Ltd.
Shri R. K. Singh Director (Refineries)	B.Tech. (Mech)	5	100	Attended	Director • Numaligarh Refinery Ltd. • Bharat Oman Refineries Ltd. • Bharat PetroResources Ltd. • Premier Oil Cachar BV,	Audit Committee Member • Numaligarh Refinery Ltd. • Bharat PetroResources Ltd.
Shri S. Mohan Director (Human Resources)	B.E.(Hons)Mech. M.B.A	5	100	Attended	Chairman • Petronet India Ltd. • Petronet CCK Ltd.	

Names of the Directors	Academic Qualifications	Attendance out of 5 Board Meetings held during the year and percentage thereof		Attendance at the last Annual General Meeting	Details of Directorships held in other Companies	Memberships held in Committees as specified under Clause 49 of the Listing Agreement
		No of Meetings Attended	%			
<b>Non-Executive Directors (a) Part-time (Ex-officio)</b>						
Shri P.K.Sinha Addl. Secretary & Financial Advisor, Ministry of Petroleum & Natural Gas	I.A.S. Postgraduate in Economics M Phil., M.P.A.	2	40	Did not Attend	Director • Indian Oil Corporation Ltd. • Hindustan Petroleum Corporation Ltd.	
Shri P.H. Kurian ** Secretary. (Investment Promotion), Govt. of Kerala	I.A.S. Postgraduate in Chemistry	1*	100	Did not Attend	Director • Kinfrim Firm Videopark Ltd.	
Shri T. Balakrishnan # Additional Chief Secretary, Industries & Commerce, Govt. of Kerala	I.A.S Postgraduate in Political Science & International Relations	2*	50	Did not Attend	Chairman • Transformers and Electricals Kerala Ltd. • Kerala Minerals & Metals Ltd. • Steel Industrial Forgings Ltd. • Malabar Cements Ltd. • Kerala State Elect. Devp Corpn. Ltd. Director • Apollo Tyres Ltd. • Hindustan Newsprint Ltd. • Kinesco Power & Utility Pvt. Ltd. • Premier Tyres Ltd. • Kerala State Industrial Dev.Corpn. • Infrastructure Kerala Ltd. • Indian Rare Earths Ltd. • AI Barakha Financial Services Ltd.	
<b>(b) Part-time (Independent)</b>						
Prof. A.H.Kalro +	B.Tech (Hons), (Elect), M.S., Ph.D (Industrial Engg),	5	100	Attended	Director • Bharat Oman Refineries Ltd.	Audit Committee Chairman • Bharat Petroleum Corpn. Ltd. • Bharat Oman Refineries Ltd. Investors Grievance Committee Chairman • Bharat Petroleum Corpn. Ltd.

\* percentage computed by considering the meetings attended with the total meetings held during his tenure

(\*\* Ceased to be a Director w.e.f 15.06.2009) (# Ceased to be a Director w.e.f 29.06.2010) (+ Ceased to be a Director w.e.f 28.1.2010)

Names of the Directors	Academic Qualifications	Attendance out of 5 Board Meetings held during the year and percentage thereof		Attendance at the last Annual General Meeting	Details of Directorships held in other Companies	Memberships held in Committees as specified under Clause 49 of the Listing Agreement
		No of Meetings Attended	%			
<b>Non Executive Directors (b) Part-time (Independent)</b>						
Prof. N. Venkiteswaran	B.A.Economics, A.C.A.	5	100	Attended	Director • Dalton Capital Advisors India Pvt. Ltd. • Asit C Mehta Investment Intermediates Ltd. • Virgo Engineers Ltd.	Audit Committee Chairman • Bharat Petroleum Corpon. Ltd.
Ms. Rama Bijapurkar #	B.Sc (Hons.) M.B.A.	2	40	Did not Attend	Chairperson • CRISIL Risk & Infrastructure Solutions Ltd. Director • Godrej Consumer Products Ltd. • CRISIL Ltd. • AXIS Bank Ltd. • Mahindra Holidays & Resorts India Ltd. • Mahindra & Mahindra Financial Services Ltd. • ICICI Prudential Life Insurance Co. Ltd. • Ambit Holdings Pvt Ltd.	Audit Committee Member • Mahindra Holidays & Resorts India Ltd. • Mahindra & Mahindra Financial Services Ltd.
Prof. S. K. Barua	M. Tech. Doctorate in Management	4	80	Attended	Director • Coal India Ltd. • Paras Pharmaceuticals Ltd. • Securities Trading Corporation of India Ltd. • Torrent Power Ltd.	Audit Committee Member • Coal India Ltd. • Paras Pharmaceuticals Ltd. • Sec. Trading Corpn of India Ltd. • Torrent Power Ltd. • Bharat Petroleum Corpon. Ltd.
Shri I. P. S. Anand	B.A.(Hons) (Econ) M.A. (Econ)	1*	100	NA	-	Audit Committee Member • Bharat Petroleum Corpon. Ltd.
Shri Haresh M. Jagtiani	B.A., LLM	1*	100	NA	Director • Legalpundits International Services Ltd.	Audit Committee Member • Bharat Petroleum Corpon. Ltd.

\* percentage computed by considering the meetings attended with the total meetings held during his tenure (# resigned w.e.f 30.06.2010)

### 3) Audit Committee

BPCL took the initiative to introduce Corporate Governance in the organisation during the year 1996 itself, by constituting an Audit Compliance Committee. The said Committee was reconstituted and renamed as Audit Committee in the year 2000 and the role, powers and functions of the Audit Committee were specified and approved by the Board.

As on 31<sup>st</sup> March 2010, the Audit Committee comprises four Part-time (Independent) Directors. The quorum for the meetings of the Committee is two members. Prof. N Venkiteswaran is the Chairman of the Committee and Prof. S.K.Barua, Shri I P S Anand and Shri Haresh M Jagtiani are the present Members of the Committee. The members possess the requisite knowledge of Finance & Accounting for effective functioning of the Audit Committee. Prof A H Kalro ceased to be a member of the Audit Committee on resignation from the Board w.e.f 28<sup>th</sup> Jan 2010. Shri I P S Anand and Shri Haresh M Jagtiani, who were appointed as Directors w.e.f 28<sup>th</sup> Jan 2010 were inducted as Members of the Audit Committee. The Company Secretary acts as the Secretary to the Audit Committee.

Director (Finance) is a permanent invitee at the meetings of the Committee and Executive Director (Audit) is actively involved with the meetings of the Audit Committee. They attend and participate at the said meetings. In addition, the other Whole-time Directors also attend the meetings. The Statutory Auditors and Cost Auditors also attend and participate at the meetings, on invitation.

The terms of reference of the Audit Committee cover all matters specified in Clause 49 of the Listing Agreement with the Stock Exchanges read with Section 292A of the Companies Act, 1956 and Guidelines on Corporate Governance for Central Public Sector Enterprises.

The role and responsibilities of the Committee include the following:

- 1) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- 2) Recommending to the Board the fixation of audit fees.
- 3) Approval of payment to Statutory Auditors for any other services rendered by them.
- 4) Reviewing, with the Management, the financial statements before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (2AA) of Section 217 of the Companies Act, 1956
  - b) Changes, if any, in accounting policies and practices and reasons for the same
  - c) Major accounting entries involving estimates based on the exercise of judgement by Management
  - d) Significant adjustments made in the financial statements arising out of audit findings
  - e) Compliance with listing and other legal requirements relating to financial statements
  - f) Disclosure of any related party transactions
  - g) Qualifications in the draft audit report.
- 5) Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval.
- 6) Reviewing, with the Management, performance of the Statutory and Internal Auditors, adequacy of the internal control systems.
- 7) Reviewing the adequacy of the Internal Audit function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- 8) Discussing with the Internal Auditors any significant findings and follow up thereon.
- 9) Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

- 10) Discussing with the Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- 11) Looking into the reasons for substantial defaults in the payment to the Depositors, Debenture Holders, Shareholders (in case of non-payment of declared dividends) and Creditors.
- 12) Defining the significant related party transactions
- 13) Carrying out any other function as mentioned in the DPE Guidelines and 'Terms of reference' of the Audit Committee

Nine meetings of the Audit Committee were held during the financial year on the following dates:

5 <sup>th</sup> May 2009	29 <sup>th</sup> May 2009	28 <sup>th</sup> Jul 2009	25 <sup>th</sup> Aug 2009	24 <sup>th</sup> Sep 2009
29 <sup>th</sup> Oct 2009	5 <sup>th</sup> Jan 2010	27 <sup>th</sup> Jan 2010	18 <sup>th</sup> Mar 2010	

#### Attendance at the Audit Committee Meetings :

Names of the members	No of meetings attended	%	Attendance at the Last Annual General Meeting
Prof. A.H.Kalro, Chairman (upto 27.1.2010)	8*	100	Attended
Prof.N. Venkiteswaran, Chairman (w.e.f 28.1.2010)	9	100	Attended
Prof. S.K.Barua, Member	8	90	Attended
Shri I. P. S. Anand, Member	1*	100	N.A
Shri H. M. Jagtiani, Member	1*	100	N.A

\* percentage computed by considering the meetings attended with the total meetings held during his tenure

The Committee, at its meetings held on 28<sup>th</sup> Jul 2009, 29<sup>th</sup> Oct 2009 and 27<sup>th</sup> Jan 2010 reviewed the Quarterly / Half Yearly / Year to date Financial Statements as on 30<sup>th</sup> June 2009, 30<sup>th</sup> September 2009 and 31<sup>st</sup> December 2009 respectively. Further, Annual Financial Statements as on 31<sup>st</sup> March 2010 were reviewed by the Committee at its meeting held on 27<sup>th</sup> May 2010, before the same were submitted to the Board for approval.

BPCL has presently three unlisted Indian subsidiary companies i.e. Numaligarh Refinery Ltd (NRL), Bharat PetroResources Ltd (BPRL) and Bharat PetroResources JPDA Ltd (Wholly owned subsidiary of BPRL) and four Foreign Subsidiaries i.e. BPRL International BV (subsidiary of BPRL), BPRL Venture BV, BPRL Ventures Mozambique BV and BPRL Ventures Indonesia B.V (subsidiaries of BPRL International BV).

These Subsidiary Companies do not fall under the category of 'material non listed Indian subsidiary' as indicated in Clause 49 III of the Listing Agreement and DPE Guidelines on Corporate Governance. The Financial Statements of the Subsidiary Companies including investments made, if any, are reviewed by the Audit Committee / Board. The performance of the Subsidiary Companies and the minutes of their Board meetings are discussed at the Board meetings of the Company. Any significant transactions or arrangement entered into by the Subsidiary Companies are also reported to the Board of Directors of the Company. BPRL International B.V. and BPRL Ventures B.V were formed in March 2008 and BPRL Ventures Mozambique B.V. in July 2008 and BPRL Ventures Indonesia B.V, in August 2009 in the Netherlands.

#### 4) Remuneration Committee

BPCL has a Remuneration Committee to formulate and review policies related to remuneration / perquisites / incentives within the parameters of Guidelines issued by the Government of India. Presently the Remuneration Committee comprises three Independent Directors, Prof. S. K. Barua, Chairman and Prof.Venkiteswaran, Smt. Rama Bijapurkar (since ceased to be a Director) and one Part-time (Official) Director, Shri P. K. Sinha as Members with Director (HR) and Director (Finance) being Invitees. During the financial year 2009-10 one meeting was held on 18.9.2009.

#### 4A) Remuneration to Directors

BPCL being a Government Company, appointment and remuneration of Whole-time Directors are determined by the Government through the Ministry of Petroleum & Natural Gas. The Part-time (Ex officio) Directors do not receive any remuneration from the Company. The Part-time (Independent) Directors received sitting fees of Rs.20,000 for each Board/Audit Committee meeting attended by them and Rs. 10,000 for each of the other Committee meetings during the year 2009-10.

a) Details of remuneration paid / payable to the Whole-time Directors during the financial year 2009-10 are as follows :-

Names of Directors	All elements of remuneration packages of the Directors. i.e. salary, benefits, bonus, pension etc.	Details of fixed component and performance linked incentives	Other Benefits
Shri Ashok Sinha	Rs. 3,278,168	Fixed Compensation Rs. 2,292,214 /- PI / PLIS Rs. 958,325/- Recoverable Advance (Rs. 270,000)	Rs. 297,629
Shri S. Radhakrishnan Director (Marketing)	Rs. 2,828,796	Fixed Compensation Rs.1,906,676/- PI / PLIS Rs.641,153/- Recoverable Advance (Rs. 270,000)	Rs.550,967
Shri S.K.Joshi Director (Finance)	Rs. 2,928,335	Fixed Compensation Rs.2,050,393/- PI / PLIS Rs.660,973/- Recoverable Advance (Rs. 270,000)	Rs.486,969
Shri R.K.Singh Director (Refineries)	Rs. 3,391,095	Fixed Compensation Rs.2,087,105/- PI / PLIS Rs.660,973/- Recoverable Advance (Rs. 270,000)	Rs.913,017
Shri S Mohan Director (Human Resources)	Rs. 2,460,090	Fixed Compensation Rs.2,137,789/- PI / PLIS Rs. 4,08,843/- Recoverable Advance (Rs. 270,000)	Rs.183,458

PI : Productivity Incentive

PLIS : Performance Linked Incentive Scheme

Service Contracts : Five years which is renewable for further similar periods.

Notice period : Three months

BPCL has not introduced any Stock Options Scheme. None of the Non-Executive Directors hold any share in BPCL.

During the year, the Part-time (Independent) Directors received sitting fees for attending the meetings of the Board / Committees as follows:

Name of Director	Amount (Rs.)
Prof. A.H.Kalro (up to 28.01.2010)	3,10,000
Prof. N.Venkiteswaran	3,00,000
Prof. S.K.Barua	2,80,000
Smt R. Bijapurkar	50,000
Shri I P S Anand (w.e.f. 28.01.2010)	40,000
Shri H M Jagtiani (w.e.f. 28.01.2010)	40,000

## 5) Investors' Grievance Committee

The Committee comprising Prof. N.Venkiteswaran as Chairman, and Shri S. K. Joshi, Director (Finance) as member, monitors the Shareholders' / Investors' complaints and redressal of their grievances. Prof. A.H.Kalro ceased to be Chairman of the Committee on resignation from the Board with effect from 28.1.2010 and Prof. N.Venkiteswaran, was inducted as Chairman of the Investors' Grievance Committee. The Committee, at its meeting held on 5th Jan 2010, reviewed the services rendered to the Shareholders / Investors including response to complaints / communications and expressed its satisfaction on the performance of the Investor Relations Department of the Company.

The Company Secretary acts as the Compliance Officer for matters related to investor relations.

During the year, 10 complaints were received from investors through SEBI, NSE which were attended to and resolved on priority basis.

All valid share transfer requests received during the year were duly processed and approved within the stipulated period of 30 days. There was no share transfer request in physical form pending as on 31<sup>st</sup> March 2010.

## 6) Annual General Meetings during the last three years

The details of these meetings are given below.

	Date and Time of the Meeting	Venue
54th Annual General Meeting	19th September 2007 at 10.30 a.m.	Y.B. Chavan Auditorium Yeshwantrao Chavan Pratishthan, General Jagannath Bhosale Marg, Mumbai 400 021
55th Annual General Meeting	22nd September 2008 at 10.30 a.m.	Y.B. Chavan Auditorium Yeshwantrao Chavan Pratishthan, General Jagannath Bhosale Marg, Mumbai 400 021
56th Annual General Meeting	8th September 2009 at 10.30 a.m.	Rama Watumull Auditorium Kishinchand Chellaram (K.C.) College, 124, Dinshaw Wacha Road, Churchgate, Mumbai-400 020

During the year 2008-09, in accordance with Section 192A of the Companies Act, 1956, read with Companies (Passing of Resolution by Postal Ballot) Rules, 2001, Postal Ballot Notice dated 7th July, 2008 containing Special Resolution for amendment of Object Clause of the Company's Memorandum of Association by inclusion of certain new Objects under Section 17(1) of the Act and for commencement of new business under Section 149(2A) of the Act, was circulated to the Shareholders of the Company. The Company appointed Shri B.V.Dholakia, a Practising Company Secretary, M/s Dholakia & Associates, Mumbai, as Scrutinizer for conducting the Postal Ballot process. Out of a total of 4042 ballots received for 250947095 number of equity shares, 539 ballots for 83173 equity shares representing 0.03 % were invalid, 3446 ballots for 250856139 equity shares representing 99.97 % of votes received, voted in favour of the resolution, 57 ballots for 7783 shares representing 0.00 % dissented to the resolution. The Special Resolution was accordingly passed by the requisite majority. The result of the Postal Ballot was announced on 22nd August 2008. The procedure prescribed under Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 has been followed for the Postal Ballot conducted during the year for the resolution mentioned above.

The Special Resolution for fixation of the remuneration of the Statutory Auditors was approved by the Shareholders at the Annual General Meeting held on 18<sup>th</sup> December 2006.

No special resolution requiring a postal ballot was proposed last year. No special resolution requiring a postal ballot is being proposed for the ensuing AGM.

## 7) Brief Resumes of Directors seeking appointment / re-appointment

### a) Shri S. K. Joshi

Shri S. K. Joshi, Director (Finance), is a member of the Institute of Chartered Accountants of India and M.B.A. from the University of Hull, United Kingdom. Prior to his appointment as Director (F), he was responsible for the overall fund management, risk management, corporate accounts and budgeting. He was also closely associated with key initiatives undertaken by the Company including implementation of SAP and drawing up of the Corporate Credit Policy and Commodity Risk Management Policy. Besides, Shri Joshi was closely associated with key initiatives impacting the Oil Industry in India.

He was a member of the Study Group formed for the purpose of preparing a Long Term Perspective Plan for the Oil Industry in India which had come out with the report titled 'Hydrocarbon Perspective:2010 – Meeting the Challenges'. He was awarded the 'Business Today Best CFO' under the category "Best CFO in a PSU". for the year 2008-09.

In addition to BPCL, he also holds the position of Director in Numaligarh Refinery Ltd., Bharat Oman Refineries Ltd, Bharat PetroResources Ltd., Bharat PetroResources JPDA Ltd. and Bharat Stars Services Pvt. Ltd.

Shri S.K.Joshi was appointed as Director (Finance) on 8th March 2006. He is liable to retire by rotation at the ensuing AGM and being eligible, offers himself for re-appointment.

### b) Shri R.K.Singh

Shri R.K.Singh, Director (Refineries) is a Mechanical Engineer and has held various assignments, both in the Refinery and Marketing divisions. He has attended a Management Development Programme at IIM, Ahmedabad, Materials Management Programme at ASCI, Hyderabad and Logistics Management Course at University of Tennessee in U.S.A. He has also headed a group constituted for transfer of technology of LPG equipment from Denmark / Italy and he was closely associated with the World LPG Association as an active member of their subcommittees.

In addition to BPCL, he also holds the position of Director in Numaligarh Refinery Ltd., Bharat Oman Refineries Ltd. and Bharat PetroResources Ltd.

Shri R. K. Singh was appointed as Director (Refineries) on 8th March 2006. He is liable to retire by rotation at the ensuing AGM and being eligible, offers himself for re-appointment.

### c) Shri I. P. S. Anand

Shri I.P.S. Anand has had nearly four decades of professional experience in various key positions in the Government of India, including as Development Commissioner, Special Economic Zone (SEZ), Noida (Ministry of Commerce) and General Manager on the Indian Railways (Ministry of Railways).

Shri Anand holds Graduate and Masters degrees in Economics from St. Stephen's College, Delhi University. His educational qualifications also include visiting H.H. Humphrey Fellow, Massachusetts Institute of Technology (USA) and Strategic Management Programme, Manchester Business School (UK).

He has also been involved in the Arbitration process as Sole Arbitrator and is a Fellow of the Indian Council of Arbitration. Besides, he is also a Fellow of Chartered Institute of Logistics & Transport and Founding Member, Centre for Transport Research and Management (CTRAM).

Shri I. P. S. Anand was appointed as Additional Director w.e.f. 28.1.2010 by the Board of Directors. Being an Additional Director, he holds office up to the date of the Annual General Meeting. The Company has received a notice under section 257 of the Companies Act, 1956 from a Member proposing his name as Director of the Company.

### d) Shri Haresh M. Jagtiani

Shri Haresh M. Jagtiani is a Master of Law and founder of the firm, M/s. Haresh Jagtiani & Associates. He has been practising as a lawyer and was designated as a Senior Advocate. He is primarily a litigator who appears regularly before the Supreme Court of India and the High Court of Bombay. He has appeared in various international arbitrations.

He holds directorship in Legalpundits International Services Pvt. Ltd and is also a member of the Board of Trustees of the ING Savings Trust.

Shri Haresh M Jagtiani was appointed as Additional Director w.e.f. 28.1.2010 by the Board of Directors. Being an Additional Director, he holds office up to the date of the Annual General Meeting. The Company has received a notice under Section 257 of the Companies Act, 1956 from a Member proposing his name as Director of the Company.

**e) Shri Alkesh Kumar Sharma**

Shri Alkesh Kumar Sharma, Secretary (Investment Promotion), Government of Kerala, is a senior IAS officer. In addition to being on the Board of BPCL, he also holds Directorship in other companies including Kerala State Industrial Development Corporation Ltd, Geojit BNP Paribas Financial Services Ltd, Brahmos Aerospace Thiruvananthapuram Ltd, Infrastructures Kerala Ltd, Indian Rare Earths Ltd Kerala Minerals & Metals Ltd, etc.,

Shri Alkesh Kumar Sharma was appointed as Additional Director w.e.f. 30.6.2010 by the Board of Directors. Being an Additional Director, he holds office up to the date of the Annual General Meeting. The Company has received a notice under Section 257 of the Companies Act, 1956, from a Member proposing his name as Director of the Company.

**f) Prof. N. Venkiteswaran**

Prof. N. Venkiteswaran is a Chartered Accountant, Gold medallist in the postgraduate management accountancy examination conducted by ICAI and Graduate in Economics from the Madurai (Kamarja) University. Presently, he is a Professor in Indian Institute of Management, Ahmedabad. He has extensive experience of about 18 years in the finance, accounting and business planning functions in well known companies. He is also a Director on the Boards of Dalton Capital Advisors India Pvt Ltd., Asit C. Mehta Investment Intermediates Ltd. and Virgo Engineers Ltd.

Prof. N. Venkiteswaran was reappointed on the Board w.e.f. 16.7.2010 by the Board of Directors. The Company has received a notice under Section 257 of the Companies Act, 1956 from a Member proposing his name as Director of the Company.

**8) Disclosures and Compliance**

Except where the Company has incurred expenses on behalf of joint ventures as co-promoter and the same are recoverable from the joint venture companies, there were no transactions of material nature that may have potential conflict with the interests of the Company at large. The details of 'Related Party Disclosures' are shown in Notes forming part of Accounts.

BPCL has been adhering to the provisions of the laws and guidelines of regulatory authorities including SEBI, and covenants in the agreements with the Stock Exchanges and Depositories. There was no instance of non-compliance of any provisions of law, guidelines from regulatory authorities and matters related to capital markets during the last three years except as stated in the following paragraph:

The Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement and DPE Guidelines on Corporate Governance except provisions relating to the composition of the Board of Directors with respect to the number of Independent Directors, for which the Government of India is taking necessary action, as BPCL is a Government Company.

There are no items of expenditure in the books of accounts, which are not for the purpose of Business. Further no expenses were incurred which were personal in nature and incurred for the Board of Directors and Top Management. Administrative & Office expenses and Financial expenses constitute 0.52% and 0.76% of the total expenses respectively for the financial year 2009-10.

The Company has fulfilled the following non-mandatory requirements as prescribed in Annexure I D to Clause 49 of the Listing Agreements with the Stock Exchanges :

- a) Independent Directors appointed by the Government of India have initial tenure not exceeding 3 years. No Independent Director has served in aggregate a period of nine years, on the Board of a Company.

- b) The Company has adopted requirements with regard to sending of quarterly / half yearly financial results to the Shareholders of the Company.
- c) The Statutory Financial Statements of the Company are unqualified.

The Chairman & Managing Director and the Director (Finance) have certified to the Board in accordance with Clause 49 V of the Listing Agreement and DPE Guidelines on Corporate Governance pertaining to CEO / CFO Certification for the Financial Year 2009-10.

The Company has also laid down a Risk Management Policy and procedures thereof for periodically informing the Board Members about the risk assessment and procedures for minimizing risks.

BPCL nominates Directors for relevant training programmes / seminars conducted by reputed Institutions / SCOPE. Further, strategy workshops are held to deliberate strategic issues, policy decisions etc. BPCL has also framed the Whistle Blower policy.

#### **9) Code of Conduct, Procedure and Disclosures for Prevention of Insider Trading and Code of Corporate Disclosure Practices**

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended, the Company has adopted a 'Code of Conduct, Procedure and Disclosures for Prevention of Insider Trading in the Securities of Bharat Petroleum Corporation Limited' and 'Code of Corporate Disclosure Practices'. The Company Secretary has been appointed as the Compliance Officer for implementation of the said Codes.

#### **10) Means of Communication of Financial performance**

In order to give wider publicity and to reach the Shareholders and other investing public across the nation, the half-yearly and quarterly results were published in various editions of leading newspapers having wide circulation such as The Economic Times, The Times of India, etc. Reports on Limited Review of the Financial Results for the quarters ended 30<sup>th</sup> June 2009, 30<sup>th</sup> September 2009, 31<sup>st</sup> December 2009 were obtained from the Auditors of the Company and filed with the Stock Exchanges. The Financial Statements for the first quarter ended June 2009, half year ended September 2009 and third quarter ended December 2009, were sent to all Shareholders at their registered addresses.

Periodical financial performance of the Company is also displayed on the website of the Company at [www.bharatpetroleum.in](http://www.bharatpetroleum.in) and on Corporate Filing and Dissemination System [www.corpfiling.co.in](http://www.corpfiling.co.in) website as per the provisions of the Listing Agreement.

#### **11) Management Discussion & Analysis Report**

A detailed chapter on Management Discussion & Analysis is attached to the Directors' Report.

#### **12) Investors' Service Centre**

BPCL's Investors' Service Centre (ISC), by Data Software Research Co. Pvt. Ltd., our Share Transfer Agent, has been functional at the registered office of the Company at the following address:

Data Software Research Co. Pvt. Ltd. (DSRC)

C/o. Bharat Petroleum Corporation Ltd.

Bharat Bhavan No.1, Ground Floor,

Ballard Estate, Mumbai 400 001

Tel. No. 022 – 22713170

Fax. No. 022 – 2271 3688

Email : [z\\_dsrg@bharatpetroleum.in](mailto:z_dsrg@bharatpetroleum.in)

This centre has been effectively catering to the needs of the Shareholders / Investors located in western region. It coordinates with DSRC based at Chennai and facilitates our efficient investor complaint redressal mechanism.

For any assistance/information on share related matters such as transfer / transmission of shares, issue of duplicate share certificates, dividend etc., or for redressal of any grievance in this regard, Shareholders / Investors located in western region may get in touch with ISC at the above address.

Further, BPCL has designated an exclusive e-mail ID : [ssc@bharatpetroleum.in](mailto:ssc@bharatpetroleum.in) for the purpose of communication from Shareholders including investor complaints.

### 13) General Shareholders' Information

SEBI has included BPCL shares for compulsory trading in dematerialised form.

Annual General Meeting  
Date, Time and Venue Friday, the 24th September 2010, at 10.30 a.m. at Rama Watumull Auditorium at Kishinchand Chellaram College, 124, Dinshaw Wacha Road, Churchgate, Mumbai-400 020

Financial Calendar BPCL follows the financial year from April to March. The Unaudited Results/ Audited Results for the four quarters were taken on record by the Board and published on the following dates :

<b>Quarter Ended</b>	<b>Date of Board Meeting</b>	<b>Date of Publication</b>
Apr-Jun 2009	28th Jul, 2009	29th Jul, 2009
Jul -Sep 2009	29th Oct, 2009	30th Oct, 2009
Oct-Dec 2009	28th Jan, 2010	29th Jan, 2010
Audited Results for the year 2009-10	27th May, 2010	28th May, 2010

Dividend and Payment Date The Board has recommended dividend @ Rs. 14 per share of Rs. 10 each for consideration of the Shareholders at the ensuing Annual General Meeting. If approved by the Shareholders, the same will be paid on or before 4.10.2010.

Date of Book Closure Monday, 13th September 2010 to Friday, 24th September 2010, both days inclusive, for the purpose of determining the names of Shareholders / Beneficial Owners who would be entitled for dividend.

Listing on Stock Exchanges & Security Code

The Company's shares are listed on the following Stock Exchanges:

<b>Name of Stock Exchange</b>	<b>Security Code/Symbol</b>
Bombay Stock Exchange Ltd Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 002.	500547
National Stock Exchange of India Ltd Exchange Plaza, 5th Floor, Bandra Kurla Complex, Bandra (E), Mumbai 400 051.	BPCL

The Listing Fees have been paid for the year 2010-11 to both the above Exchanges.

ISIN Number For National Securities Depository Ltd (NSDL) & Central Depository Services India Ltd (CDSL) for equity shares INE029A01011

Market Price Data : High, Low during each month in the last financial year Please see Annexure I

Performance in comparison to broad based indices i.e. BSE100 Please see Annexure II

Registrar and Transfer Agents Shri H.Krishnamoorthy,  
General Manager (Operations),  
Data Software Research Co. Pvt. Ltd.  
'Sree Sovereign Complex', 22, 4th Cross Street Trustpuram,  
Kodambakkam, Chennai, Tamil Nadu - 600 024  
Ph: +91-44-2483 3738 / 2483 4487 Fax: 91-44-2483 4636  
Email : dsr cmd@vsnl.com

## Share Transfer System

A Committee comprising two Whole-time Directors considers the requests for transfer / transmission of shares, dematerialisation of shares etc. A Committee comprising four Directors i.e. two Whole-Time Directors and two Part-time Directors considers request for issue of share certificates. Transfers in physical form are registered after ascertaining objections, if any, from the transferors; and no valid transfer applications are kept pending beyond the stipulated period of thirty days. Requests for dematerialization of shares are processed and confirmation is given to the respective depositories viz. NSDL and CDSL within 15 days.

## Distribution of shareholding as on 31st March 2010

Shareholder	No. of Shares Held	% of Holding
1) Government of India	198,600,060	54.93
2) Government of Kerala	3,111,111	0.86
3) BPCL Trust for Investments in Shares	33,728,737	9.33
4) Unit Trust of India	4,339,441	1.20
5) Life Insurance Corporation of India	38,207,372	10.57
6) Other Financial Institutions/Banks/Mutual Funds	27,986,771	7.74
7) Foreign Institutional Investors	28,828,302	7.97
8) Private Corporate Bodies	15,812,256	4.37
9) Non Resident Indians/Overseas Corporate Bodies	306,477	0.09
10) Employees	1,302,462	0.36
11) Indian Public	9,319,135	2.58
<b>TOTAL</b>	<b>361,542,124</b>	<b>100.00</b>

Distribution of shareholding on number of shares held by Shareholders and shareholding pattern are given in Annexure III.

## Dematerialization of shares and liquidity

After merger of KRL with BPCL, out of the shares held by the Shareholders other than the Government of India, Government of Kerala, BPCL Trust for Investment in Shares, 98.96% are held in dematerialised form as on 31st March, 2010.

The Company has not issued any GDRs /ADRs/ Warrants etc.

## Plant Locations

Mumbai Refinery	:	Bharat Petroleum Corporation Limited Mahul, Mumbai 400 074
Kochi Refinery	:	Bharat Petroleum Corporation Limited Ambalamugal, Kochi 682 302
Lubricant Plants	:	Bharat Petroleum Corporation Limited Wadilube Installation, Mallet Road, Mumbai – 400 009  Bharat Petroleum Corporation Limited 24, Parganas, Budge – Budge 743 319  Bharat Petroleum Corporation Limited 35, Vaidyanatha Mudali street, Tondiarpet, Chennai-600 081.

Address for Correspondence

The Secretarial Department  
 Bharat Petroleum Corporation Ltd  
 Bharat Bhavan No.I, Currimbhoy Road,  
 Ballard Estate,  
 Mumbai,  
 Maharashtra - 400 001.  
 Tel No. 022 – 2271 3170 / 2271 3435  
 Fax No. 022 – 22713688  
 Email : ssc@bharatpetroleum.in

General Manager (Operations),  
 Data Software Research Co. Pvt. Ltd.  
 'Sree Sovereign Complex', 22,  
 4th Cross Street, Trustpuram,  
 Kodambakkam, Chennai,  
 Tamil Nadu - 600024  
 Ph: +91-44-24833738 / 24834487  
 Fax: 91-44-2483 4636  
 Email : dsrcmd@vsnl.com

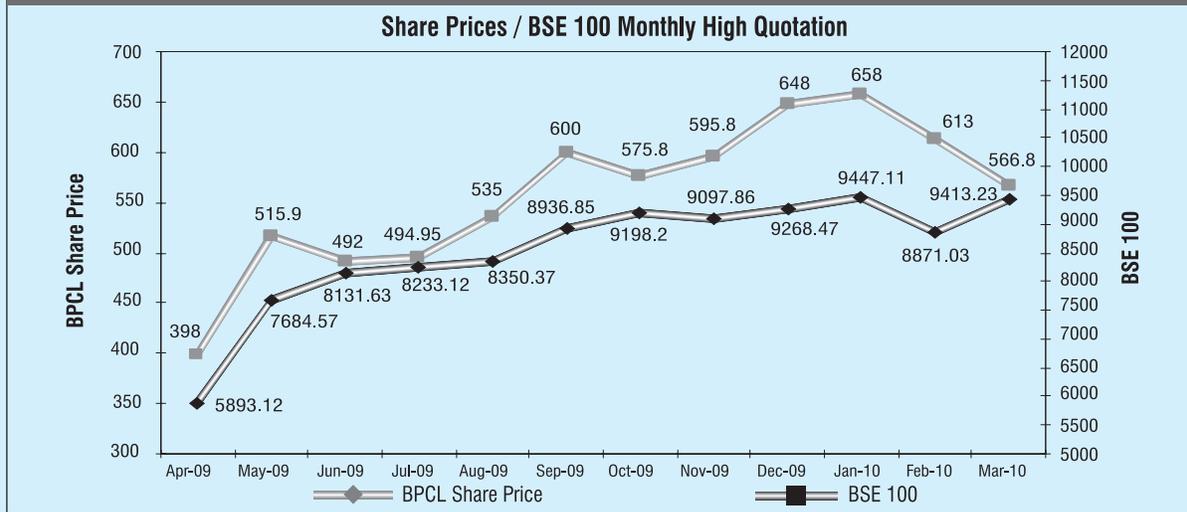
## Annexure I

BPCL MARKET PRICE DATA						
Month(s) (April 2009 - March 2010)	Bombay Stock Exchange Ltd			National Stock Exchange of India Ltd		
	High (Rs. per share)	Low (Rs. per share)	Monthly Volume (No. of Shares)	High (Rs. per share)	Low (Rs. per share)	Monthly Volume (No. of Shares)
April	398.00	361.35	1254135	399.35	361.35	11113083
May	515.90	<b>348.70</b>	4608484	516.40	<b>348.60</b>	24601213
June	492.00	407.00	4174726	492.00	408.00	23746060
July	494.95	426.55	3613848	499.00	415.90	15930224
August	535.00	460.00	2825239	544.35	455.50	15847200
September	600.00	506.55	3559235	601.20	507.00	17141050
October	575.80	488.20	1940422	576.00	481.80	11024352
November	595.80	498.25	2061042	596.20	497.50	11566465
December	648.00	582.05	1960486	645.50	581.40	11852866
January	<b>658.00</b>	527.50	1890807	<b>657.60</b>	527.05	12216050
February	613.00	545.00	3176433	613.00	544.80	15228306
March	566.80	502.00	2867102	571.00	502.25	13787841

MARKET CAPITALISATION / SHARES TRADED DURING 1 <sup>ST</sup> APRIL 2009 TO 31 <sup>ST</sup> MARCH 2010		
	BSE	NSE
No. of Shares traded	33931959	184054710
No. of Shares	361542124	361542124
Highest Share Price (Rs.)	(on 4.1.2010) 658.00	(on 4.1.2010) 657.60
Lowest Share Price (Rs.)	(on 11.5.2009) 348.70	(on 11.5.2009) 348.60
Closing Share price as on 31st March 2010	516.70	518.05
Market Capitalisation as on 31st March 2010 (Rs. in Crores)	18681	18730

## Annexure II

### PERFORMANCE IN COMPARISON TO BROAD BASED INDICES i.e. BSE 100

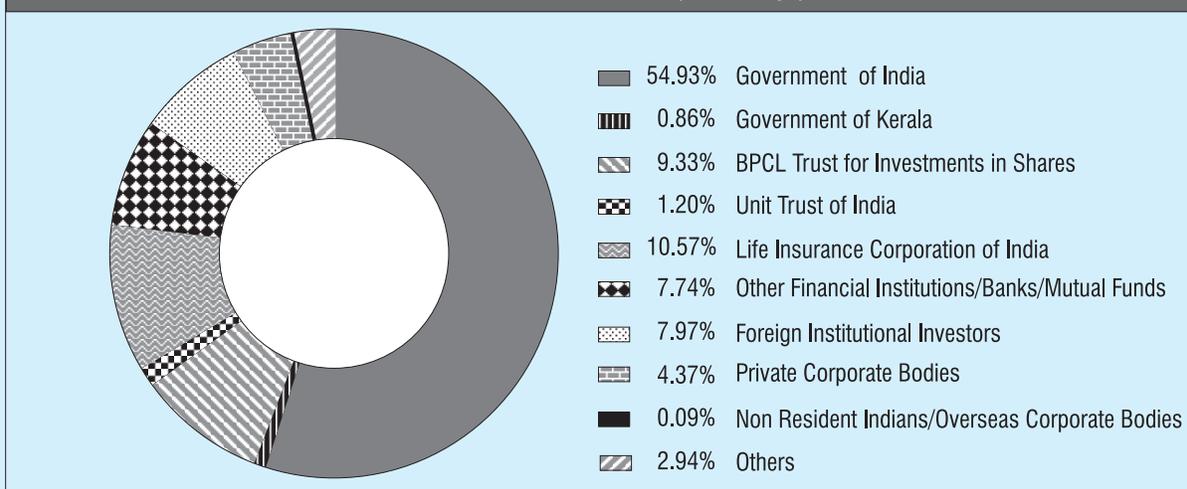


## Annexure III

### DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>st</sup> MARCH 2010

No. of Equity Shares held	No. of Shareholders	No. of Shares	% of Total
UPTO 5000	84983	10261279	2.84
5001 TO 10000	124	913515	0.25
10001 TO 50000	170	3826456	1.06
50001 TO 100000	49	3587941	0.99
100001 TO 500000	86	20478508	5.67
500001 TO 1000000	20	14139084	3.91
1000001 TO 2000000	17	22740886	6.29
2000001 TO 3000000	4	9620320	2.66
3000001 and above	7	275974135	76.33
<b>TOTAL</b>	<b>85460</b>	<b>361542124</b>	<b>100.00</b>

### SHAREHOLDING PATTERN OF BPCL AS ON 31<sup>st</sup> MARCH 2010 (Percentage)



## **VOLUNTARY GUIDELINES 2009 OF MINISTRY OF CORPORATE AFFAIRS**

BPCL being a Central Public Sector Enterprise (CPSE), some of the good practices enunciated in the Guidelines are in place while others are under consideration for implementation to help in achieving the highest standards of Corporate Governance.

### **Board of Directors**

Being a CPSE, Government of India appoints / nominates the Chairman and Managing Director, Functional Directors and other Part-Time Directors as per its Guidelines on the composition of Board of CPSEs. BPCL issues a formal letter informing induction into the Board along with the Annual Report, Insider Code, Code of Conduct, Disclosure Forms etc. Independent Directors do interact with the Management as and when required. BPCL being a CPSE, remuneration is decided by the Govt. of India and it has a clearly laid down remuneration policy and performance related packages. Part-time non-official Directors are paid only sitting fees as per the provisions of the Companies Act, 1956.

### **Responsibilities of the Board**

Suitable familiarization process, methods for skills enrichment and quality decision making are in place for Directors. The Company has laid down an Enterprise Risk Management Policy and Procedures. Systems are in place to ensure compliance with laws.

### **Audit Committee of Board**

The constitution, enabling powers and role and responsibilities of the Audit Committee are as enumerated and being followed.

### **Auditors / Secretarial Audit / Whistle Blower**

Being a CPSE, Auditors are appointed by the Comptroller and Auditor General of India and they are rotated periodically by C&AG. The Audit Committee discusses with the Statutory Auditors about the Scope of Audit. Clarity exists for a proper and accountable audit. BPCL has a well established independent Internal Audit department headed by a senior management personnel. Secretarial Audit by a Competent professional is under consideration for implementation. BPCL has already framed a Whistle Blower Policy.

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of  
Bharat Petroleum Corporation Limited

We have examined the compliance of conditions of Corporate Governance by Bharat Petroleum Corporation Limited for the year ended 31<sup>st</sup> March, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the mandatory requirements of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement except for non-compliance of Clause 49 (I) (A) (ii) relating to the number of Independent Directors on the Board of Directors of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For and on behalf of  
**B.K.KHARE & CO.**  
FR No: 105102W

Sd/-  
**Padmini Khare Kaicker**  
Partner  
Membership No: 44784  
Dated : 10th August, 2010

For and on behalf of  
**K.VARGHESE & CO.**  
FR No:004525S

Sd/-  
**K.Varghese**  
Partner  
Membership No: 20674

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## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of  
Bharat Petroleum Corporation Limited

We have examined the compliance of conditions of Corporate Governance by Bharat Petroleum Corporation Limited for the year ended 31<sup>st</sup> March, 2010, as stipulated in Guidelines on Corporate Governance for Central Public Sector Enterprises 2010 (the Guidelines) issued by Department of Public Enterprises of Ministry of Heavy Industries and Public Enterprises, Government of India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the requirements of Corporate Governance as stipulated in the Guidelines except for non-compliance of Clause 3.1.4 relating to the number of Independent Directors on the Board of Directors of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For and on behalf of  
**B.K.KHARE & CO.**  
FR No: 105102W

Sd/-  
**Padmini Khare Kaicker**  
Partner  
Membership No: 44784  
Dated : 10th August, 2010

For and on behalf of  
**K.VARGHESE & CO.**  
FR No:004525S

Sd/-  
**K.Varghese**  
Partner  
Membership No: 20674

# ANNEXURE TO THE DIRECTORS' REPORT

## ANNEXURE C

**Particulars of Employees under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 for the year ended 31st March 2010  
Employed for part of the financial year and in receipt of remuneration of more than Rs.2 lakhs per month**

Sr. No.	Name	Qualification	Age	Designation / Nature of Duties	Date of commencement of employment	Experience (No. of years)	Total Remuneration Rs.	Particulars of Last Employment
1	Agarwal D K	B.Sc. (Engg), P.G. Dip.	52	Manager, LPG Reticulated System, HQ	04-05-1981	30	2644961.92	NBC Bearing
2	Aggarwal Anoop Kumar	B.E.	49	DGM Engg-Mum Manmad Manglia Extn Proj	18.06.1984	27	2148193.77	NFL
3	Ankush B Damgude	B.Sc.	54	C/H Craftsman	28.02.1980	30	2216805.00	The Indian Standard Metal Co. Ltd.
4	Arumuganainar S	B.Sc.	60	Regional Ethanol Manager, South	21-05-1980	37	2528607.28	Indian Posts & Telegraph
5	Arun Inba Kumar E	B.Tech.	28	Senior Engineer (OM & S)	24.04.2006	4	816725.00	
6	B N Srinivasan	SSC	49	Operator I (Field)	17.10.1988	21	1031341.00	The Tuticorin Co-operative Bank Ltd.
7	Babu Mammen	SSC	60	Senior HEO/Mechanic	07.01.1985	25	561047.00	Indian Army
8	Bag Dilip Kumar	HSC	60	Technician I (Boiler)	20.03.1984	26	1045172.00	Joint Electrical Works
9	Basheer Ahmed S I	M.Sc.	60	Sr. Manager Installation, Karur	29-05-1980	37	2262634.30	Telecommunication
10	Baveja G S	B.E.	60	GM (Health, Safety & Environment)	23.12.1982	39	4163124.00	BHEL
11	Bhaskaran Pillai P	SSC	60	Leading Fireman (FAS/PHO)	24.11.1986	23	634328.00	Indian Air Force
12	Bhatkar Mangesh	B.Com.	46	Sales Assistant Lubricants	12.12.1994	15	594514.00	
13	Bhutkonwar Alois	9th Std	60	Security Guard (P)	13.08.1986	24	828208.00	
14	C D Mhatre	9th Std	60	Cook III	01.04.1993	17	388933.00	
15	Chandekar S T	B.Sc., B.E.	44	Manager (F&S)	23.04.1991	19	983734.00	
16	Chandramohan S	B.Sc.,ACA	53	GM (Finance) Refinery	11-11-1983	28	2410829.92	DCM
17	Charles Paul	Diploma, P.G. Diploma	46	Senior Manager(MES)	01.07.1992	18	1005910.00	Tata Oil Mills Company
18	Charles S M	HSC	60	Senior HEO/Mechanic	17.05.1977	33	1357564.00	Bristol Boat Ltd.
19	Charvetia T S	B.E.	60	DGM (Advisory Services)	28.05.1984	36	4452965.00	Fertilizer Corporation
20	Chhetri Lalsingh Garibdas	HSC	60	Sales Assistant (Lubricants)	03.06.1988	40	891539.00	Corps of Signal
21	Damodaran C K	SSC	60	Operator-A(S&OM)	15.02.1985	25	408031.00	Indian Army
22	Dandekar P A	B.E.	60	GM (P & AD) Lubes	03.08.1988	39	2994023.00	BM Thakkar & CO
23	Das Dilip Kumar	B.A.	60	Assistant I	12.12.1985	24	1345821.00	Damodar Valley Corporation
24	Das Manoranjan	9th Std	60	Security Naik(P)	17.05.1984	26	1021783.00	Indian Army Services
25	David C M	SSC	60	Store Keeper	07.01.1985	25	804678.00	Indian Army
26	Deshbhatar Vn	B.E.	26	Sr. Maint. Officer (Mech)-ARU	01.03.2006	4	714492.00	
27	Dhadke A N	M.Sc.	60	Manager (Marketing Corporate)	02-06-1980	37	3368873.05	SE & MT Wing
28	Dharmalingam Karuppan	B.A.	60	Sr Manager Incharge Chennai DU	11-05-1981	39	2564831.12	Indian Navy
29	Dr Dalvi	Below 7th Std.	59	GO (Services)	01.04.1993	17	813795.00	
30	G. Shenbagam	SSC	60	Security Guard I	11.07.1988	41	787764.00	Indian Army
31	Gachkal R M	B.E.	36	Dy. Manager (E&C)	11.08.1997	13	867104.00	
32	Gangadharan K K	SSC	60	Operator-A (S&OM)	01.12.1988	21	967962.00	Indian Army
33	George Varghese	SSC	60	Security Sergeant-VII	04.10.1984	26	1127974.00	Indian Air Force
34	Ghosh Debasish	B.Com.	48	Dy. Manager Railway Claims (Retail)	06.09.1983	30	2805217.00	Tega India
35	Girish Kumar	B.E.	28	Senior Engineer (OM & S)	03.04.2006	4	661539.00	
36	Gohil Trikam K	11th Std	55	Superintendent	03.01.1978	32	1648032.00	
37	Golatkar D V	HSC	54	Sr. Process Officer (CDU)	17.09.1979	31	2428613.00	
38	Gopalan Nair N K	SSC	60	General Clerk	12.01.1987	23	832504.00	Indian Army
39	Gopinathan M K	SSC	60	Driver (HV)-VI	20.07.1983	27	556282.00	Naval Armament Depot
40	Guirjal G S	Diploma in Mgt,B.Sc.	52	TM (Indl), Ahmedabad	01-09-1982	30	2759828.22	Greaves Foseco
41	Gurnani N R	B.E.	60	DGM On Deput To BORL Mumbai	02.07.1982	38	3827005.00	EIL
42	Hoshiar Singh	B.A.	44	Assistant I	15.06.1992	26	517941.00	General Reserve Engineer Force
43	Hukam Singh	SSC	60	Operator (P)(Field)	12.03.1990	20	769796.00	
44	J Anthony Dassan	SSC	60	H.F.C II	02.06.1986	40	376717.00	Air Force
45	Jagadeesh R	B.Tech, M.B.A.	39	Senior Engineer (Manufacturing)	01.10.1999	10	826866.00	Tata Chemicals Ltd.
46	Jagadeesh R	Diploma,B.E.	35	Sr. Manufacturing Engineer On Deptn	01.10.1999	10	981132.00	Enviro Care Systems
47	Jana J	B.E.	32	Sr Officer Process(FCCU)	05.08.2002	8	966526.00	
48	Johnykutty K C	HSC	60	Operator-B(S&OM)	04.11.1985	24	1409384.00	Indian Navy
49	Jose Jaya (Ms)	B.A.	56	Secretary	17.04.1984	35	1838208.00	Food & Nutrition Board
50	K P Jayaram	9th Std	60	Security Guard I	21.08.1989	41	454213.00	Army
51	Kadarn S G	B.Com.	60	Dy. Manager (Ops) I/C, Verna Depot	05-05-1981	36	1597656.25	Air India
52	Kakaria Kuldeep B	B.Sc,M.A.	60	Manager, Mathura DU	14-05-1986	37	2637094.34	Super Parts (P) Ltd.
53	Kanchwalla S F	Diploma,B.E.	60	DGM (Procurement & Contract Services)	23.04.1984	37	3842367.00	Richardson & Cruddas
54	Kanjilal S	B.E.PG Diploma	54	Chief Manager (P&Cs)	31-12-1985	31	2403486.02	Hindustan Petroleum
55	Kannan S	PG Diploma,B.E.	60	DGM (P & CS)	25.01.1990	20	2217172.00	Coramandal Fert Ltd.
56	Karunakaran M K	Diploma	60	Security Sergeant-V	14.10.1993	17	324740.00	Indian Army
57	Kaul M K	B.E,B.A.	60	GM (Engg. & Advisory Services)	29.09.1986	39	4519194.00	FCI / RCF
58	Khetale Balkrishna T	9th Std	60	H.F.C II	30.10.1984	41	843910.00	Indian Army
59	Krishna Varier P K	SSC	60	Manager (Maintenance)	17.08.1971	38	2065384.00	
60	Kurian M	SSC	60	Senior Leading Fireman	24.02.1986	24	1206867.00	Indian Navy
61	L Yadav Reddy	HSC	60	Operator (P) (Field)	02.05.1986	40	435355.00	Indian Army
62	L. D. Manjhi	SSC	60	Attendant (P)(Services)	01.07.1991	40	1036492.00	Comm. & Techni. Training Institute
63	Lad Chandrakant Gangaji	11th Std	60	Assistant II	01.12.1978	39	1185960.00	Ganesh Steel
64	Lalji Ram	SSC	60	H.V.D (P)	28.11.1980	31	339434.00	NTPC
65	M M Farooqui	HSC	60	Fire Opr. C/H	31.10.1980	29	1165871.00	Civil Defence Mobile Column
66	Majhi Jagannath	8th Std	60	Security Guard (P)	01.09.1986	24	1031989.00	Indian Army Services
67	Mallick P K	B.E.	60	Chief Manager Real Estate	28.06.1982	28	2170306.00	IFFCO
68	Mathew P D	Diploma in Engg	60	Operator-A(S&OM)	01.04.1984	26	859364.00	Indian Air Force
69	Mathur S N	ACA,ACS,B.Com.	60	General Manager	05-06-1984	39	2660613.28	AWHO
70	Misra Budhadeo	SSC	60	L.V.D. (P)	27.04.1981	29	835049.00	Indian Army Services
71	Mohamed Rizwan Ah	B.Tech.	30	Sr. Officer Aromatics	05.08.2002	8	546631.00	
72	Mohan R	B.Com,M.Com.	53	Manager In-Charge, Chennai DU	10.08.1984	35	2921093.00	Pallava Engineering Works

Sr. No.	Name	Qualification	Age	Designation / Nature of Duties	Date of commencement of employment	Experience (No. of years)	Total Remuneration Rs.	Particulars of Last Employment
73	Mohanan Chettiar V	SSC	60	Security Sergeant-VI	05.05.1987	23	669039.00	Indian Air Force
74	Mohanan M M	SSC	58	Security Sergeant-VI	06.05.1991	19	891818.00	Indian Army
75	Mohanan P K	B.Sc.	59	Senior Engineer (Manufacturing)	04.05.1981	29	1571886.00	
76	More Dnyandeve Atmaram	7th Std	60	Security Guard (P)	30.06.1987	41	641840.00	Bombay Ring Travellers Ltd.
77	Muthuselvan P	PG Diploma,B.E.	46	Territory Manager (Retail)	02.02.1987	25	780480.00	TWAD Contractor
78	Naik G R	Diploma	60	Manager (Estates)	01.03.1977	33	3026867.00	Bharat Refineries Ltd.
79	Nandakumaran K	Diploma in Engg	60	Operator-A (Utilities)	03.10.1984	26	886323.00	Indian Air Force
80	Nanthur Neena A (Ms)	11th Std	60	Assistant Manager - (Hindi)	12-09-1973	39	1073556.05	Cention Indu. Alliance Ltd.
81	Naphade Devidas Shivaram	9th Std	60	Security Guard (P)	14.07.1986	40	854871.00	Ministry of Defence
82	Narendra Prakash Singh	B.Tech.	28	Executive Aviation	08.05.2006	7	352876.00	NPTC Ltd
83	Narsale Indrasen B	8th Std	60	Technician I(Blending)	01.03.1978	40	690208.00	Reunion Engineering
84	Nirmala D	B.A,B.Com.	60	Liaison Assistant	20.11.1990	20	814181.00	
85	Pachaimuthu A	SSC	60	Operator (P) (Field)	01.12.1980	28	562607.00	
86	Pappachan P V	SSC	60	Purchase Assistant	24.05.1968	42	595381.00	CRECCS Ltd
87	Parkash Chander	B.A,M.B.A.	60	Mgr (AVN)	13-03-1978	44	2491859.66	CDA Navy
88	Patil P G	B.A.	54	Dy Manager - Operations (Retail)	25.07.1979	31	2182716.00	
89	Paul Rajat Kanti	B.Com.	60	Manager DSB-WB & NE, Kolkata	16-05-1983	27	3458284.85	Union Bank of India
90	Peter Purti	B.Sc(Engg)	60	Chief Manager(Maintenance)	28.11.1985	24	2137977.00	BEML
91	Pramanick Paresh Chandra	HSC	60	Tallyman I	08.03.1984	26	1361117.00	
92	Prasad Prabhu Lal	NCTVT Certificate,B.A.	53	Operator (P)(Field)	19.03.1982	28	607338.00	
93	Prem Kumar M	Diploma in Mgt,B.Sc.	48	Station Manager - Chennai-AFS	02.02.1987	24	2943513.83	Corporation Bank
94	Punit Gupta	B.E.	36	Dy. Manager - Engineering (Retail)	05.08.1996	14	463739.00	
95	Purnima Wadhvani	ACA,ACS	28	Assistant Manager, Finance (Lubes) NR	03.12.2004	5	1148381.00	
96	Radhakrishnan G	M.Sc,B.Com.	45	Territory Manager (Retail), Bhopal	20.04.1987	23	1456402.00	
97	Radhakrishnan K	SSC	60	Leading Fireman	24.02.1986	24	825821.00	Indian Army
98	Rajalingam M	SSC	60	Operator (P) (Field)	02.08.1982	27	1104000.00	
99	Rajappan Nair P N	SSC, NCTVT Certificate	60	Senior M/M Craftsman	27.09.1982	28	1090799.00	Madras Atomic Power Plant
100	Ram Avtar	7th Std	52	Attendant.I(Services)	09.09.1987	25	959684.00	Kadambini Editorial
101	Ram Murare Gautam	B.A.	60	Superintendent	03.10.1983	31	1439335.00	Shah Carpet co. Ltd.
102	Ramakrishnan M	Diploma in Engg.	60	Operator-A	12.01.1987	23	422312.00	Indian Air Force
103	Raman Sreedharan Nair	SSC	60	L.V.D(P)	01.07.1986	41	987470.00	Indian Army
104	Ramesh P Abnawe	Dip. in Engg,NCTVT Certi.	60	C/H Craftsman	19.06.1979	31	1686613.00	Mazagaon Dock Ltd.
105	Rao S N	B.Sc.,L.L.B.	60	Sr Ops Officer(TDU)	28.02.1980	30	1915742.00	United Carbon India Limited
106	Ratan Ajay	PG Diploma,B.E.	46	Sr. Manager Const. (Pipeline)	03.02.1987	23	2399796.00	
107	Ray Ranjan	B.Sc.	47	AM (Indl), Kolkata	02.02.1987	23	1570556.00	
108	Sadasivan Nair R	SSC	60	Leading Fireman	08.04.1985	25	342731.00	Indian Navy
109	Sadat Kamjibhai Jodaji	SSC	60	H.V.D I	12.09.1986	24	858646.00	Neeka Tube Ltd.
110	Sardar Nema Chand	7th Std	60	Operator (P)(Field)	05.10.1983	27	841262.00	
111	Sarkar A R	B.Tech.	60	GM (Materials)	03-01-1983	39	6495838.95	L & T
112	Sathrajith P R	8th Std	60	Operator (P) (Field)	02.04.1979	31	959919.00	Kerala Inland Navigation Corp.
113	S B Shelke	9th Std	60	GO (Services)	01.04.1993	17	355503.00	
114	Sebastian K P	SSC	60	Manager(OM & S)	09.05.1973	37	1619426.00	KBAI Co-Op Soc. Ltd
115	Sengupta Amitabha	PG Diploma,M.A.	60	GM ( HR ) Mumbai Refinery	20-03-1989	35	3639147.94	Calcutta Chemicals
116	Shaik Ahmed Basha	SSC	60	Operator (P) (Aviation)	01.06.1985	41	687936.00	Army (Artillery)
117	Shaiksab	7th Std	60	Operator (P)(Field)	16.10.1979	31	1054981.00	
118	Sham Singh	SSC	60	Technician I (Retail)	01.02.1989	40	831733.00	Molives of India Ltd.
119	Shankaranarayanan T N	B.Com.	50	Network Manager, Highway Retailing, RHQ	12-10-1981	30	1052570.75	H'bad Invest & Fin Consult
120	Siddiqui M A	M.Sc,Ph.D.	60	ED (R & D)	16.11.1990	19	4051920.00	GSFC Fertilizer
121	Singh Tejinder	B.Sc,B.E,PG Diploma	60	DGM (E&P),West	04-04-1983	37	2593791.47	Thapar Intrafor Co.
122	Sivaprasad P P	PG Diploma,M.B.A.	41	Manager R&D	25.04.1996	14	1268196.00	Grasim Industries
123	Sn Poojari	Below 7th Std.	58	Cook	01.04.1993	17	631612.00	
124	Sreedharan P	SSC	60	General Craftsman (HEO/Mech)	04.03.1985	25	571546.00	Indian Army
125	Srinivasa Rao N	B.E.	30	Assistant Manager Sales (Retail)	03.10.2002	8	627218.00	
126	Srivastava P L	B.E.	60	Chief Manager	05.11.1985	39	2065308.00	FCI
127	Subrajit Kumar	B.Tech.	28	Asst.Manager (Sales) - Moradabad	01.06.2005	5	369496.00	
128	Sudhir Kumar Vishnoi	NCTVT Certificate,B.A.	57	Technician I (Retail)	01.03.1983	34	1079173.00	Bharat Steel Tubes Ltd.
129	Suresh Kumar K S	Diploma,B.Sc.	45	Engineer (Manufacturing)	16.10.1986	26	1157686.00	
130	Suresh M	B.Tech.	35	Deputy Manager (Manufacturing)	15.04.1999	11	1243216.00	
131	Surve Jagdish Narayan	9th Std pass	60	Security Naik	22.08.1984	42	1322460.00	Indian Army
132	Suryaprakasa Rao M	SSC	60	H.V.D (P)	30.04.1979	30	754844.00	
133	Suyambu A	11th Std	60	Technician(P) (Retail)	12.03.1979	31	1477318.00	
134	Tejaswi B L	B.E.	60	Sr. Manager (MMPL) Project	14-05-1981	30	2091777.58	PWD Electrical
135	Thomas K J	Diploma in Engg	60	Senior Leading Fireman	24.02.1986	24	591685.00	Indian Air Force
136	Trina Majumder	ACA,B.Com (Honours)	29	Assistant Manager Accounts (Lubes)	16.10.2006	3	295538.00	
137	Udai Singh	7th Std	60	Operator I (Field)	06.10.1987	25	376678.00	Corps of Signals
138	Ujjawal Kumar	B.Tech.	26	Executive, P & AD Lubes	19.06.2006	4	482220.00	
139	Upadhyay A	Dip. in Engg,PG Diploma	60	Sr. Manager Audit-Ref	04.05.1987	23	2682380.00	
140	Vaidehi J	M.B.A,Bach of Mass Media	27	Assistant Manager, Brand & Pr	19.06.2006	4	339508.00	
141	Vasanth N	B.E.	37	Dy. Manager - Sales (Retail)	17.06.1996	15	907876.00	Indian Organic
142	Veeriah Baskaran	B.Tech.	10	Senior Engineer (OM & S)	01.10.1999	10	667765.00	TANFAC Inds
143	Velayudhan P M	Diploma in Engg	60	Operator-A (Utilities)	12.01.1987	23	1023210.00	Indian Air Force
144	Venu T	B.A,M.A.	45	Dy. Manager - Sales (Retail)	03.07.1989	24	1620189.00	Impex
145	Venugopalan K P	M.A.	60	Sr. Manager (Ben Admin)	15.01.1979	41	3021436.15	Indian Air Force
146	Vijayan P R	SSC	60	Technician I (Elec)	18.08.1986	39	823501.00	Indian Air Force
147	Viswakumar N	B.Com.,FCS,LLB,Dip (FRM)	60	Company Secretary	05.04.1982	28	3768427.00	
148	Waghela Chandrakantkrishn	B.Sc.	51	Lab.Analyst I	09.06.1988	29	1074504.00	Directorate of General Stores
149	Yogendraprasad P Pandey	9th Std	59	Uti.Opr.	14.12.1984	25	1974816.00	

**Employed throughout the financial year and in receipt of remuneration of more than Rs.24 lakhs**

Sr No.	Name	Qualification	Age	Designation / Nature of Duties	Date of commencement of employment	Experience (No. of years)	Total Remuneration Rs.	Particulars of last employment
150	Agarwal Sudhir K	B.E.M.Tech	51	Chief Manager Ops (Retail), Jnpt - Uran	01-07-1981	29	2761278.28	
151	Agrawal M D	M.Sc	56	DGM (IS Ref)	17-08-1981	32	2515653.27	BSA College
152	Agrawal S K	B.Com,M.M.S	49	Team Leader (Pricing & Commercial)	02-09-1983	27	2513519.90	
153	Agrawal S K	B.Com., L.L.B. AICWA	51	GM (Legal)	29.12.1983	29	2871214.88	Cartech Udyog
154	Agrawal Shrinivas	M.E.B.Sc(Engg)	51	Project Leader, E&P - North	04.02.1985	29	2513195.59	Sharma & Associates
155	Agrawal V K	B.E.	60	Sr. Vice President - BORL	20.02.1984	37	2930671.64	FCI
156	Ahluwalia Anil	Diploma, B.Sc.	49	Chief Manager Fleet Services (Retail),West	06.08.1984	26	2708040.61	Industrial Containers
157	Ahmed F K	B.A.	50	Chief Manager, Base Oil Marketing, HQ	10-06-1981	29	2863442.11	
158	Ahuja Naresh Kumar	B.Sc.	56	TM (LPG)	10-01-1983	36	2669968.25	Delhi Telephone
159	Ahuja R K	B.E.	50	Chief Manager (E & P)- HQ	04.02.1985	29	2810429.00	Shyam Lal & Son
160	Ajit Kumar	M.Sc.M.A.	52	Joint Director, PCRA - Delhi	29-09-1981	29	2702791.78	
161	Ajith Kumar K	B.Tech,M.B.A.	47	Senior Manager BORL	12.01.1989	21	2530193.47	
162	Akut J R	Diploma in Mgt.,M.B.A.	51	GM (IIS Technology)	05-06-1981	31	2858504.80	Telco
163	Amar Bahadur Singh	B.E	46	Senior Manager(Project)	01.03.1993	17	2576244.24	Tata Pharma Ltd
164	Amudharaj M	L.L.B.,M.A.	50	Sr Manager Ops. (Retail), Sewree Instl.	02.03.1987	23	2595309.97	
165	Anand Shakti Kumar	M.Sc.	55	Sr.Installation Manager	06-05-1981	30	2636215.38	A.S. Tatari
166	Anand V	B.Com., M.B.A.	50	DGM (Sales) Retail South	01-09-1982	28	2826015.82	
167	Anandasundaresan P	B.Sc.M.Sc.	54	General Manager (Sales) I&C, Mumbai	12-05-1980	31	2545267.85	A.M. Jain College
168	Ananthakrishnan G	Diploma,ACA, B.Com.	50	Chief Finance Manager (Refinery Project)	05-10-1987	26	2588753.34	Duphar Interfram Ltd.
169	Anil Kumar B	B.Sc.M.Sc.	53	DGM (IIS) Infrastructure, Co	10-11-1980	29	2714721.11	
170	Anish Batra	M.A.,M.A.	53	Aviation Manager - North & East	02.07.1984	31	2782833.78	Clutch Auto Ltd
171	Anjaneyulu K	Diploma in Mgt.B.Tech.	51	Sr. Manager (HRS), Corporate	17.07.1986	27	2427850.03	NTPC
172	Anurag Deepak	B.E.	56	ED (Logistics) Retail, Mumbai	11-10-1982	35	3306458.49	BHEL
173	Appa Rao K	B.Sc	52	Manager Operations (Retail)	15-12-1983	31	2459475.95	AP Travel & Tourists
174	Apte Y V	B.E,M.FM	49	On Deputation to BORL Bina	22.02.1982	29	2513280.26	Steel Tubes of India Dewas
175	Arunachalam K	B.E.	45	Senior Manager(Project)	20.06.1989	21	2864445.79	
176	Ashok Simon	B.E.	51	DGM	01.08.1985	25	2829044.87	
177	Atul Kumar	B.E.	54	Team Leader Tech Servs. & HSSE (Aviation)HQ	13-05-1981	30	3137571.38	Hindustan Aluminium
178	Babar T D	NCTVT Certi.,Old SSLC	56	Dy Manager (TDU)	20.06.1979	31	2534933.73	
179	Babu Joseph	M.B.A.B.Sc(Engg).	50	Chief Manager(Project)	04.10.1984	26	2608639.20	
180	Bahl Sunil	M.B.A,B.Sc(Engg)	52	DGM Logistics (LPG) HQ	17-11-1980	29	2801135.99	
181	Baiju P Alex	B.Tech.	47	Manager (Construction Group) Calicut	16.02.1987	24	2528494.44	KC John, Silpiarch
182	Bains Sunil K	PG Diploma,B.E.	46	Manager ( Business Development) Gas	06.04.1987	23	2488682.43	
183	Bajpai P K	B.A.,M.A.	57	Sr. Manager (Vigilance)	01-09-1982	32	2931535.22	Bhagirath Gramin Bank
184	Bakshi Rajiv	ACA	50	Deputation to PNGRB	01-09-1987	24	2760341.60	Voltas Ltd.
185	Balasubramanian P	PG Diploma,ACA	53	GM (Corporate Finance)	10.06.1985	33	3115277.76	Sri Ram Enterprises
186	Balasubramanian R	B.Com.	54	Team Member - IIS-ERP	26-11-1979	33	2518919.75	Co-optex International
187	Balraj S	HSC, NCTVT Certificate	53	Sr. Manager Business Devpt (Indl),Spl Products	17.09.1979	31	2607808.16	
188	Banerjee Siddhartha	PG Diploma,B.Sc.	55	Regional LPG Manager, North	28.04.1986	34	3085149.08	Bitumen Product
189	Bansal A K	B.Com., L.L.B.	58	ED (Gas)	01-12-1983	39	2791049.54	IBP Co Ltd
190	Barve R S	Diploma in Mgt.B.Com.	55	Chief Manager, Audit	08.06.1978	35	2552813.74	The Kohinoor Mills Co. Ltd.
191	Basant Udai	B.Sc.L.L.B.	50	Sr. Manager, ARB (Retail)- North	01-09-1982	28	2419629.27	
192	Basil Benjamin A J	B.Sc(Engg), M.B.A	52	Chief Manager (Shift)	01.02.1985	25	2753941.51	
193	Behera R	M.Sc.	52	Team Member, ERP CC	01-09-1982	30	2495660.14	Orissa University
194	Bhakta S	B.Sc.	51	Manager, CSSC (SDCV) & Qsro-North	01-06-1981	33	2430104.86	Saral Travels
195	Bharadwaj V K	Diploma in Mgt,B.Sc	55	Chief Operations Manager	05.05.1986	34	2426002.42	Hindustan Lever
196	Bhardwaj R M	L.L.B.M.A.	47	Sr:Manager - PPAC Delhi	06.04.1987	23	2752799.47	
197	Bhargava P S	B.E,B.E,M.E.	58	ED (Planning)	10-03-1978	36	3029289.58	Gen Engg Works,
198	Bhargava S	B.E.	50	DGM, Supply Chain Optimization	10.09.1984	28	2635459.83	Sriram Fertilizers
199	Bhaskaran D	B. Sc, Diploma (Engg)	56	DGM (E&As) Incharge	14.03.1984	33	2430725.35	Union Carbide (I) Ltd.
200	Bhat J K	B.Tech,MMM.	49	Sr Manager (IT)	02.03.1987	26	2640694.46	Savita Chemicals
201	Bhate S V	B.Tech.	50	Executive Assistant To Director -R	14.01.1982	28	2671959.97	
202	Bhatnagar P P	Diploma, M.C.A.	51	Sr. Manager (IIS), CO	18-01-1982	28	3208788.59	
203	Bhatt S K	M.A.	52	Senior Manager Operations I/C (Retail)	28-04-1981	29	2514913.60	
204	Bhattacharya S B	L.L.B.AICWA	55	GM (Aviation)	06-07-1981	34	2629576.11	RBI
205	Bhattacharyya A K	B.Sc(Engg)	57	Sr Manager Engg Construction (E&P)	01-09-1982	31	2428618.35	CLW, Chittaranjan
206	Bhowmick P K	B.E	46	Sr. Manager (P&Cs)	16.12.1987	22	2421850.08	
207	Bhowmik Shiba Prasad	B.E.	43	T.C. (LPG) Allahabad	03.09.1990	20	2467263.42	
208	Bhushan Bharat	B.Com.	52	Deputy Manager - Operations (Retail)	18.03.1980	33	2477440.75	All India Radio
209	Biswajit Mandal	B.Sc.	47	Manager Operations I/C (Retail)	02.03.1987	23	2523676.30	
210	Braganza J A	Diploma, B.Sc.	57	DGM (IS Services)	20-12-1978	37	2551297.07	Premier Automobiles
211	Bunger S P	Diploma in Mgt.B.Tech.	59	Sr:Manager HSSE (Retail), North	27.11.1984	35	2597564.14	Punjab Agro Industries
212	C V R Chennakeshava Rao	B.Tech,M.F.M.	53	Manager Operations (Retail)	18.06.1984	27	2506577.85	N V Rattaia & C
213	Chakkravarthy S D	Diploma in Mgt,B.Sc	59	Chief Manager In-Charge (Lubricants)	05-06-1981	38	2621825.62	Carborundum Universal
214	Chakraborty B	B.E.	55	Chief Manager - Materials (E&P)	17-12-1981	29	2515452.64	
215	Chakrapani T A	B.Sc.	47	Territory Co-Ordinator, Chennai LPG	02.03.1987	26	2436420.61	State Bank of Hyderabad
216	Chand Anit Kumar	M.Sc.M.A.M.	51	Sr. Manager (Retail Mis), HQ	11-05-1981	30	2845082.55	
217	Chanda Partha	B.E	56	Chief Manager Infra. Logistics (Retail)	05-10-1983	32	2418186.69	Ghosh Bose & AS
218	Chanda Sujit Kumar	B.Com.	53	Deputy Manager Operations I/C (Retail)	25.11.1983	26	2476870.24	
219	Chandran M	M.Sc.	57	Sr Manager HSSE (LPG) South	01-09-1982	30	2800014.70	S.R. Govt. HR.
220	Chandy K P	B.E.	54	Regional LPG Mgr South	16.12.1985	30	2759705.86	Hindustan Lever
221	Chattopadhyay D K	B.E.	51	Manager Construction [Retail], Kolkata	01-09-1982	29	2623518.72	Jayashree Chemicals
222	Chaturvedi R	Dipl. in Mgt,B.Sc.,M.A.	56	RM (Lubes) North	16-06-1980	30	3094922.18	
223	Chawla M M	B.Tech.	53	GM (Pipeline Projects) E&P	13-02-1978	33	2999781.32	J.K. Synthetics
224	Cherian M K	B.Sc(Engg).	52	Senior Manager(E&C)	14.06.1985	25	2530772.56	
225	Cherian V G	B.Sc.	58	Sr Manager Quality Control	09.10.1978	32	2530054.35	

Sr No.	Name	Qualification	Age	Designation / Nature of Duties	Date of commencement of employment	Experience (No. of years)	Total Remuneration Rs.	Particulars of last employment
226	Chiramal J P	B.Com.	53	Sr Manager Dealer Selection Board	02-11-1981	29	2558925.72	The Catholic Bank
227	Chogle Sujata N (Ms)	B.A.,L.L.B.	50	DGM HR (Retail)	22-12-1983	28	2503749.04	Larsen & Toubro
228	Chopade Kisan Wasudeo	B.E.,M.Tech.	38	Dy Manager Ops (MOT) MMPL	28.12.1995	14	2639070.93	
229	Damien Gracious K D	B.Sc.(Engg)., AICWA	52	Chief Manager(Project)	14.09.1983	27	2521720.78	
230	Dana P K	B.Tech.,M.Tech	58	DGM (Audit) - Mumbai	10-06-1980	30	2637064.43	
231	Das A	PG Diploma,B.Sc.	56	DGM On Deputation To BORL, Bina	21.09.1984	26	2566043.03	
232	Das Bhaskar	PG Diploma,B.Tech	52	Business Informations Manager (Lubes) HQ	07-06-1983	27	2487308.74	
233	Das Gautam	B.E.	45	Manager Engg. (Automation), Noida	06.04.1987	23	2547175.25	
234	Das Munshi Ashim Ranjan	Diploma in Mgt,M.Sc.	57	Chief Manager [HRS], East	04-06-1986	34	2700776.28	Tyre Corp. of India
235	Das Prabir	Diploma,B.Sc.	47	Sr. Manager Aviation Operations, Delhi	16.02.1987	23	2677928.58	
236	Das Samir Kumar	B.Sc.	52	Sr. Manager (Supplies), RHQ	17.09.1984	26	2573033.53	
237	Dasgupta N	B.E	58	DGM Ops & HSSE (LPG), HQ	04-09-1986	34	2423661.35	HFC
238	Dass Amar	PG Diploma	52	Manager(Aviation)-Delhi AFS	24-04-1981	29	2860931.66	
239	Datta B K	Diploma in Engg,B.E.	54	ED (Supply Chain Optimization)	01.04.1980	30	3386015.49	
240	Datta Tapan	B.E.,M.B.A.	57	DGM (Vigilance), CO	02-06-1986	33	2842125.86	Godrej Boyce Mfg.
241	David C	B.Sc.,M.Sc.	58	Manager (Marketing Services) Bangalore	02-07-1980	36	2855808.61	Sr Project Officer
242	D'costa C (Ms)	PG Diploma,B.A (Honours)	56	Regional LPG Manager - West	30-06-1980	35	2548988.56	Blue Star Ltd.
243	Debabrata Das	B.Com., AICWA	46	Manager Finance(Shared Services), East	17.04.1995	21	2546112.85	SAIL
244	Debnath Ashutosh	B.Sc.,M.Sc.	52	Sr Manager Oily Assurance (Lubes), East	29.08.1984	28	2827923.64	Calcutta University
245	Dekate R G	M.A.,M.B.A.	54	Sr. Manager Ops. (Retail), Kandla Instln.	03.09.1984	31	2638204.62	New India Assurance
246	Desai S S	B.E	52	DGM (Admin) CO	02.09.1983	30	2532142.18	Const Engg Corporation
247	Deshmukh Ravindra V	B.Sc.,B.E.	47	Territory Manager (LPG), Uran	22.02.1988	22	3110025.49	
248	Dev Raj	B.Tech.,M.B.A.	57	Proj Leader NR, Noida	05.09.1984	31	2804811.58	DDA
249	Dewan Sunil	B.E.	58	Project Facilitator, WR	23-06-1986	36	2505653.82	Essar Construction
250	Dey S K	B.Tech	57	Team Member, ERP CC	20-05-1981	33	2405222.87	Indian Turpentine
251	Dharmaraj Ashok S K	B.A.	51	TM (LPG), Cherlapalli	14-03-1983	28	2487346.73	Complete Export
252	Dilip Kumar L	Diploma in Mgt,M.A.	57	Sr. Manager (Hindi), CO	01-09-1982	29	2683811.27	Food Corp. of India
253	Dinaker J	AICWA,ACA	51	GM Finance (International Trade)	02.05.1985	31	2920038.29	PK Mitra & Co
254	Dinesh Chandran P	B.Sc(Engg).	52	Chief Manager (Manufacture)	14.09.1983	27	3107530.99	
255	Diwakar K K	B.E.	45	Manager (Ops)	03.02.1987	23	2460367.45	
256	Dogra A K	B.Sc.,M.B.A.	47	Manager Shift Operations Delhi AFS	03.02.1987	23	2600010.72	
257	Dornadkar R J	B.Tech.	58	Chief Process Manager (Train-3)	01.10.1992	33	2440334.02	Deepak Fertilizers Ltd.
258	D'souza Juliet (Ms)	B.A.	60	Secretary - ED (IT)	23-01-1978	32	3372465.47	
259	Dsouza R P	Diploma in Mgt,B.Sc.	55	On Deputation to Matrix Bharat Marine Services	01-09-1982	36	2568301.53	Member Audit
260	Duggal Vijay	ACA,B.Com.	46	DGM Commercial (CGD)	22-07-1987	24	2750756.17	Kumar Chaudhury
261	Dutta Ashim Kumar	PG Diploma,B.Sc(Engg)	54	Director (Commercial) Central UP Gas JV	26-06-1981	32	3076829.84	J.K. Industries
262	Dutta Munish	Dip. in Mgt, PG Dip., B.E.	42	Dy Manager(Estates)	02.07.1990	20	3032445.18	
263	Elizabeth Jain (Ms)	Diploma in Mgt,B.A.	58	Team Leader HR (Aviation)	03-03-1975	36	2811931.90	Ciba-Geigy
264	Francis Placidus K G	B.Sc.,M.B.B.S.	50	Senior Medical Office	15.12.1994	15	2468034.92	N.V.P. Medical Centre
265	Gadekar B R	PG. Diploma, B.E.	53	Sr Manager (ROU & Safety), MMBPL, Mumbai	02.02.1987	23	2486330.86	
266	Ganesh P G	B.Sc (Engg)	51	Chief Manager (Manufacture)	09.05.1985	25	2468062.40	
267	Gangan V V	B.Com.,B.A.,M.B.A.	55	Sr. Manager (IS Refy Sys)	25.10.1977	33	2535468.09	
268	Gangopadhyay S S	B.Tech	53	Sr. Manager Ops. & HSSE (LPG), West	23.07.1984	29	2409186.90	Godrej Soaps Ltd
269	Ganguly Debashis	B.E.	46	Co-Facilitator, Kolkata E&P	01.08.1988	22	2606750.33	
270	Ganguly G C	PG Diploma,B.E.	49	Manager Materials, East	11.09.1985	25	2598807.97	
271	Ganguly Jayanta	B.Com.	60	Sr Manager Mktg Services (Lubes)	23-06-1986	28	4612025.13	Bajaj Electricals
272	Gathoo S P	B.Com., M.A.(PM&IR)	53	ED (HRS)	10.10.1986	31	2885811.74	NTPC
273	Gawai N P	B.Sc., M.Pharm.	51	Co-Ordinator (Aviation), West	27-04-1983	28	2409010.16	Ravinder Motors
274	Gayen P K	B.E.	53	Sr. Manager (CPO)	03.02.1987	23	2920770.23	HPCL
275	George Paul	M.B.A.,B.Sc(Engg).	53	DGM (Prod Desp)	14.09.1983	27	2640845.64	
276	George S D	B.Com.	50	Sr. Finance Manager (Shared Services) - West	09-09-1981	29	2486487.24	
277	George T	PG. Diploma,B.Tech	53	Chief Manager (Planning), Co	05.06.1984	30	2480508.47	Dunlop (I) Ltd
278	George Thomas	B.Sc. (Engg), M.B.A.	51	Sr. Manager ESE (Kochi)	01.12.1984	25	2415634.79	
279	Ghalsasi R R	Diploma in Mgt,B.E.	47	Chief Manager(Mech)- CCR Project	03.07.1985	25	2602899.82	
280	Ghan S P	PG Diploma,B.Tech	57	Chief Manager Logistics & HSSE (I&C), HQ	05-01-1984	34	2420165.01	Chinai Comm Co
281	Gharat S P	B.Sc.	58	Manager (Estates)	10.11.1976	33	2493975.16	
282	Gharat V N	Diploma in Mgt, B.Com.	56	Ch Mgr HR (Comp & Benefits), CO	12.02.1980	36	2621058.14	Ashok Engg
283	Ghorpade P V	Diplomain Mgt,B.Sc,BGL.	55	Territory Coordinator (Retail), Mumbai	06-10-1981	34	2496499.81	The Bombay Textiles
284	Ghosal Shantanu	B.Tech.	42	Manager Engineering, Kolkata E&P	03.09.1990	20	2727517.97	
285	Ghosh Pallav	B.A.,M.B.A.	58	GM (Retail) East	30-11-1983	34	2664696.92	IOC
286	Ghosh Subir K	Diploma in Mgt,B.Sc.	56	Senior Manager Procurement (Retail)	10-07-1981	30	2790803.13	
287	Girish Kumar U V (Dr)	M.Sc,Ph.D	56	DGM IT & BI (RHQ)	18-01-1982	28	2607723.47	
288	Goel S K	Diploma in Mgt,B.E.	57	DGM (Manufacturing)	21.05.1992	32	2550450.53	National Fertilizers Ltd.
289	Gonsalves A	ITI Certificate	54	Dy Manager E&C (Design)	06.10.1986	30	2511910.43	Chemtex Engg of India Ltd.
290	Gopakumar P R	B.Sc(Engg)	55	Chief Engineering Manager - North	12-05-1980	31	2411998.13	Kerala State Warehouse
291	Gopinathan R	AICWA	59	Chief Manager (Intern)	17.07.1972	38	2773776.20	
292	Gopu K B	Diploma in Engg.	53	Deputy Manager(Maint.)	01.02.1979	31	2673436.65	
293	Gore U M	B.A	54	Chief Manager (IT)	14-03-1983	30	2416931.79	Dena Bank
294	Govadia M N (Ms)	B.A., Diploma	52	Sr Mgr.Brand Promotion & Campaigns,Retail HQ	25-02-1980	31	2523976.66	HPCL
295	Govind M (Ms)	B.A.	52	Dy.Manager (Shared Services), West	13-10-1980	31	3098446.85	Industrial Cables
296	Govinda Rajan N	B.E.,M.B.A	51	DGM (E&P) South	21-09-1983	29	5353029.02	Brittania Industries
297	Govindarajan M P	Diploma,PG Diploma	56	GM (HR) Kochi Refinery	12.07.1979	34	2746188.66	Groundnut Extra
298	Goyal Pardeep	PG Diploma,B.E.	43	Sr.Manager (Retail Engineering)-North	01.08.1988	22	2894974.66	
299	Gupta A K	B.Tech.,M.Tech	56	DGM (Infrastructure Planning & Devpt.) RHQ	03-01-1979	33	2728659.68	Chemicals Engineering
300	Gupta A K	Diploma, B.E.	55	Chief Manager (Internal Safety Audit)	16.08.1979	31	2580845.68	
301	Gupta Ashok Kumar	M.Sc,B.Sc(Engg)	52	DGM (RNP & RE) RHQ	01-09-1982	28	2555701.54	
302	Gupta H P	B.Tech.	55	Territory Manager [Retail], Delhi	04.11.1985	31	2606181.83	Indian Oil Corp.
303	Gupta K K	B.Sc.,M.Sc.	54	ED (Retail) In-Charge	23-01-1979	33	3146862.66	Flowmore Pvt.Ltd.

Sr No.	Name	Qualification	Age	Designation / Nature of Duties	Date of commencement of employment	Experience (No. of years)	Total Remuneration Rs.	Particulars of last employment
304	Gupta R	Diploma, B.Com	55	Ch. Mgr. Promotion & Merchandising (Lubes)	01-02-1979	33	2400269.29	Computronic Ind
305	Gupta R M	B.Sc., M.B.A.(Engg)	58	ED (LPG)	12-10-1982	35	3399016.58	Macneil & Magor
306	Gupta Sanjiv K	B.Tech	49	Sr. Manager Const Group, Jaipur	02.07.1984	28	2407171.71	Dewanchand & Co
307	Gurbuxani Prakash	B.Com,ACA.	56	DGM (Finance)	15-05-1981	32	2860654.10	Kaul & Associates
308	Gurumurthy K	AICWA,ACA	48	DGM (Finance)	16-07-1987	23	2469746.48	
309	Hajela S K	Diploma in Engg	53	Sr Manager Maint (M&C)	20.08.1987	32	2406567.11	G M Ballarpur
310	Harinarayana V	B.E.	52	Chief Manager (Vigilance), CO	20.01.1982	30	2478898.20	Machinery Mfg C
311	Hira A	B.E.	55	Executive Chairman, PII	15-02-1978	32	2859357.47	
312	Iyengar Pradeep K	B.Com	48	Sr. Manager Mktg Servs (Indl), Mumbai	16.10.1987	30	2411085.26	Central Railways
313	Iyer C J	B.Tech.	51	DGM (Technical)	03.12.1984	25	2494523.53	
314	Jacob V	B.Sc.	49	Aviation Manager In-Charge, West	01-09-1982	28	2544603.47	
315	Jadhav A Y	Diploma in Mgt,B.A	58	Sr. Manager (Admin), CO	10.04.1978	34	2424109.35	New Customs Office
316	Jaidka S K	B.Sc.	52	Sr. Installation Manager	29-04-1981	32	3112392.78	Phinon Exports
317	Jain C K	M.Tech,PG Diploma,M.A.	56	DGM (BORL)	14.10.1983	33	2789080.87	NPCC Ltd
318	Jain Mukesh Kumar	Diploma in Mgt,ACS	56	Chief Manager Legal - Mumbai	22-06-1981	36	2545180.89	Delhi Tourism
319	Jain Parvesh K	M.Sc	46	Manager QC	16.02.1987	25	2401814.13	DAV College
320	Jain S M	B.E.	60	DGM (E&C),Refinery	08.07.1988	38	2687895.34	National Organic
321	Jain Sudhir K	PG Diploma,B.Tech	54	Sr. Manager Engg Pol - Noida	06-05-1981	30	2432887.30	The Printers HO
322	Jalali S N	B.E.	53	Chief Maint. Manager(SP)	06.07.1990	20	2566979.49	Hindustan Insecticides Ltd.
323	James J	B.Sc,B.Tech.	49	AM (Indl), Kayamkulam	16.02.1987	23	2661326.80	
324	Jawaharal V	PG Diploma,L.L.B.	55	Sr. Manager - Legal, North	07-09-1981	32	2468497.02	Postal Department
325	Jayan K K	M.A,Ph.D.	55	DGM	19.11.1991	19	2466560.62	CUSAT
326	Jayan M P	PG Diploma,PG Diploma	50	Senior Manager	01.12.1984	25	2627527.71	
327	Jha Nand Kishore	B.Sc(Engg).	47	Manager Tech Services (Indus) - North	01.08.1988	22	2635228.81	
328	Jironekar J S	Diploma in Mgt,B.A.	51	Dy Manager Operations (LPG)	13.09.1984	26	2755581.62	
329	John Minu Mathew	B.Sc.(Engg)	58	GM (Tech.)	20.12.1982	27	2654760.83	Power Gas (I) P Ltd
330	Johny K T	Diploma in Engg	49	Chief Manager (Projects)	19.10.1982	27	2427482.18	
331	Joshi Devendra	Diploma,B.A.	44	Manager (HR Serv.)	02.05.1994	23	2575400.47	Western Railway
332	Joshi Mukul	B.Tech,M.B.A.	46	Sr Manager (Business Plan)-NR	01.04.1985	25	2544276.27	
333	Joshi S K	B.Com., M.B.A,ACA	59	Director (Finance)	13-02-1978	38	2928334.80	TIFR
334	Joshi S M	Diploma in Engg,B.E.	48	Sr.Manager Process (CDU Train I & II)	17.06.1986	27	2416967.67	ICB Pvt. Ltd.
335	Joshi U N	B.E.	57	Managing Director (BORL)	20-05-1982	36	3072239.64	Mukund Iron & Steel
336	Kadam S B	B.E,M.A.M.	54	Chief Manager (Fire & Safety)	01.03.1982	30	2653092.10	Kiroskar Pneumatic
337	Kailash Nath	B.E.	46	Territory Mgr (LPG), Indore	16.02.1987	24	2455374.47	M.M.M.Engg College
338	Kakade H B	B.Tech	54	Chief Manager (Workplace Security), HSSE	01-07-1981	29	2430802.33	
339	Kakurta R M	Diploma,B.E.	58	Sr. Manager Admin & Monitoring, Mumbai	30-12-1981	33	2695805.17	Bajaj Auto Ltd
340	Kalaiselvan G	PG Diploma,B.E	54	DGM, ERP CC	13-10-1982	30	3195961.51	Tamilnadu Electricity Board
341	Kamble D B	Diploma,B.Tech.	51	Chief Process Manager(SP)	10.07.1990	20	2929063.75	Indian Oil, Mathura Refinery
342	Kandarkar Bs	B.Sc.	48	Sr Ops Officer (CCU)	20.02.1984	26	2486753.30	
343	Kannan S	M.Sc.	53	Area Marketing Manager (Kerala)	16-05-1980	30	2418428.66	
344	Katware Prashant S	B.E.	47	Sr Manager RNP & RE, West	20.04.1987	23	2600440.48	
345	Kaushik A K	Diploma, PG Diploma	51	GM (IS -Infrastructure & Services)	22-06-1981	29	2759158.74	
346	Kearney D A	PG Diploma,B.Sc.	52	AM (Indl), Chennai	09-05-1980	30	2406950.80	
347	Khan R Irfan Ali	B.A	54	DGM (Logistics) Retail	21-04-1982	29	2482134.93	Exports India Ltd
348	Khandare T P	B.Tech.	52	Project Leader VBPL, Rajkot Camp Office	19.11.1984	27	2578901.62	Mazagaon Dock Ltd
349	Kharche V R	B.E,M.B.A.	51	Plant Manager (Lubes), Wadilube	21-05-1982	30	2484928.59	Maharashtra State Ele. Board
350	Khurana M C	B.A.	52	Ch. Manager (Regnl LPG Coord) - North	16-11-1981	29	2533937.00	
351	Kirolikar H	B.Sc,L.L.B.	54	Sr. Manager, Public Relations, CO	01-10-1981	32	2521925.93	D&H Secheron Electrodes
352	Koley Pankaj Kumar	Dipl. in Mgt,B.Sc(Engg)	54	Manager Tech Servs (Indl)-East	01.08.1985	29	2405674.68	TRF
353	Kotian Purushothama J	AICWA	49	Assistant Manager Ops., Lubes	20.09.1983	28	2626673.93	Inderjit Proprietary
354	Krishan Gopal	B.Sc.	55	Sr.Manager In-Charge , Sewree Instn.	16-05-1983	28	2789324.50	Directorate of Agriculture
355	Krishna Sankar R S	NCTVT Certi.,Diploma	52	Sr Manager (Ben.Admin)	24.08.1984	26	2501170.93	
356	Krishnamurti S	B.Sc	57	ED (Corporate Affairs)	15-12-1982	37	3875488.95	IBP
357	Krishnan A L	B.Sc	51	Territory Manager (Retail) Bangalore	01-09-1982	28	2436083.20	
358	Krishnan S R	Diploma in Mgt,B.E.	52	Chief Manager (E&C)	11.11.1983	26	2677118.86	
359	Krishnaswamy A	Diploma, B.Sc.	51	DGM (Strategy)	16-04-1980	30	2548023.79	
360	Kulkarni Nitin	B.Sc,M.Sc.	50	Business Development Manager (Lubes), East	02.07.1984	28	2796211.16	Diners Club (I) Pvt. Ltd.
361	Kulkarni S V	FCS, AICWA,CAIB	53	Company Secretary	07.02.1984	33	2410960.91	Bank of India
362	Kumar Amrendra	Diploma, B.Sc(Engg).	48	Plant Manager (Lubricants)	02.03.1987	23	2508591.53	
363	Kumar Arun	Diploma in Mgt,B.E.	59	Sr. Vice President (Project), BORL	13.08.1982	38	2724468.80	EIL
364	Kumar Bhuvnesh	B.Sc,M.Sc.	47	Sr.Manager, Highway Retailing-North	16.02.1987	23	2426115.91	
365	Kumar Dharendra	B.Tech	51	DGM (Sales) Retail	17-10-1983	29	2891793.25	EMD India Ltd.
366	Kumar Dinesh	M.Tech	58	DGM (Engg.), Bdt, Noida	01-06-1981	30	2956584.48	Gwalior Rayon
367	Kumar Manoj	B.E,M.B.A.	43	Territory Manager (Retail), Bareilly	03.09.1991	19	2524816.23	
368	Kumar P V	B.Sc,L.L.B.	53	GM (International Trade)	01-09-1982	31	2595574.92	Off.Of The Accountant General
369	Kumar Pankaj	AICWA,ACA,,	44	Chief Manager Finance (Retail), HQ	27.05.1991	24	2592823.10	P Tandon & Co.
370	Kumar Rakesh	B.E.	59	Ch Manager-U.PT/F(Jvr)	16.08.1982	25	2429103.77	EIL
371	Kumar Sumant	B.E	53	AMM, Chandigarh	01-09-1982	30	2406077.58	Hindustan Aluminium
372	Kumaraswamy P	B.E.	53	DGM (RMP)	08.10.1979	31	3020079.21	
373	Kurian P Alapatt	B.Tech,M.E.	48	Senior Manager (Projects)	01.06.1989	21	3083298.91	
374	Kute M L	B.E.	56	DGM (Work Place Health & Safety), HSSE	01-09-1986	29	2515018.09	Kiroskar Pneumatics
375	Lakshminarasimhan R	Diploma,B.Sc.	50	Sr Manager Process (DHDS Complex)	27.07.1981	29	2409531.04	
376	Lal Ramji	B.A,M.A.	55	Manager, IGIA T-2	18.07.1984	34	2489403.33	NHPC
377	Laxman T	Diploma in Engg,B.Sc.	60	DGM (P&CS)	18.05.1981	29	2532809.18	IOC
378	Limaye A G	Diploma,B.Sc	56	Manager On Deputation To BORL	18.09.1978	34	2404113.44	Sudarshan Chemicals
379	Madhia H K	B.A.	55	Manager (Hindi Cell) - Noida	14-03-1983	35	2507576.23	Madia Oil Co.
380	Mahendiran A	B.E.	44	Deputy Manager / Man	16.06.1993	17	2635306.69	Neyveli Lignite Corp.

Sr No.	Name	Qualification	Age	Designation / Nature of Duties	Date of commencement of employment	Experience (No. of years)	Total Remuneration Rs.	Particulars of last employment
381	Maheshwari S D	B.Com., ACA,	53	DGM - Finance (E&P), HQ	06.02.1984	29	2922082.01	CGR & Associate
382	Malik Deepak	B.Sc(Engg)	50	Chief Manager (Engg.)	04.02.1985	27	2668381.64	Vijay Rewal Associates
383	Malik Sudhir K	B.Sc(Engg)	54	TM (Indl), Mumbai	20-05-1981	32	2589836.50	Lakshmi Precision
384	Mallick P K	B.Sc.,M.S.W.	51	Chief Manager (HRS) South	05-05-1982	29	2584080.59	Hukumchand Jute Mills Ltd
385	Mallick Sudip	B.Sc.,B.Sc.	52	DGM Logistics (Retail), East	01-09-1982	29	2639879.23	Sansid Polbro
386	Manchanda Rishi D	PG Diploma,M.Sc.	58	DGM (HRD)	01-09-1982	32	2530707.79	Overseas Commun.
387	Mandan B B	B.Tech	54	Chief Manager (Vigilance), CO	01-05-1981	29	2495468.25	Bajaj Auto Ltd
388	Mane D K	B.E,PG Diploma	58	Head HSSE Entity	24-02-1978	35	2656943.54	Hind Organic Chemicals
389	Manohar Rao N	B.E.	52	DGM Ops. (MMBPL)	01-09-1982	28	2646943.26	S.J.C.E.
390	Manwatkar A G	B.Tech.	52	Dy Manager Ops (VBPL), Vadinar	21.12.1990	19	2520358.00	Bongaigaon Refinery
391	Marcus Jacob	M.B.A,B.Sc(Engg).	52	Chief Manager (Advisory)	04.10.1984	26	2575998.15	
392	Mathukutty Cyriac	B.Sc (Engg)	52	Chief Manager (Energy & Environment)	02.11.1983	26	2415646.33	
393	Mathur D N	PG Diploma,B.Com	54	DGM (Coordination)	16-06-1980	33	2839780.73	Bombay Oxygen Co.
394	Mathur J K	B.Sc.,M.Sc.	58	Manager Dealer Selection Board	29-05-1980	36	2605409.70	All India Radio
395	Mathur S K	B.Sc(Engg)	58	GM (Ret.) North	23-02-1984	35	2995937.56	IBP
396	Mathur S P	B.Sc.,B.E.	58	ED (Engg. & Projects)	21-08-1978	34	2757011.05	Flow More Pvt.
397	Mazumdar Indrajit	B.Com.,M.M.S	50	Chief Manager Business Dev (Indl), HQ	07-11-1983	26	2427280.95	
398	Mehra R K	B.Tech,Diploma	55	ED (International Trade)	25-05-1981	36	2855100.73	Indian Oil Corp.
399	Mehta Ashok	B.A,B.Com.	52	Ch Manager (Coordination) NHAI	01-09-1982	31	2546688.58	Dabur
400	Meyyappan Soodamani	B.Com., ACA,	52	Chief Manager (Taxation), CO	03-08-1987	27	2507351.91	Y.R. Shetty & C
401	Mishra Bibhudutta	M.A.	48	National Model Manager SDCV, NR	02.03.1987	26	3053667.15	Reserve Bank of India
402	Misra Nagendra	M.A., L.L.B.	53	DGM (Special Duties)	29-04-1981	29	2888060.19	
403	Misra Prithvi Bardhan	M.Sc.	53	Deputy Manager Operations I/C (Retail)	18.05.1982	28	2472821.09	
404	Misra R	B.Sc.,M.Sc.	54	Marketing Manager - Aviation	27-05-1980	30	2852840.14	
405	Mittal M K	B.Tech.	49	Procurement Leader (CPO), Grp-2	01.04.1985	25	2880946.77	
406	Mohan M J (Capt)	B.Sc	60	Vice President (Admn. Coord. & Liaison)	28-04-1986	37	3130018.67	Canara Bank
407	Mohan R	B.Sc.	57	Chief Manager Marketing Co-Ord (LPG), West	01-02-1979	35	2735815.96	ILAC Ltd
408	Mohan Ram B	B.Sc.,M.A.	45	Senior Manager(R&P)	03.04.1990	20	2586787.56	
409	Mohan S Menon	M.Tech.	49	Chief Manager (Shift Admn.)	03.12.1990	19	2731389.80	Lubrizol India Ltd,
410	Mohandas P	Dip.(Mgt),B.Sc,B.L,M.A	50	Sr Manager (Legal)South	12-04-1982	30	2402368.18	Suraj Electricals
411	Mohanlal A	B.E.M.Sc.	50	Chief Manager (Projects)	25.08.1984	26	2667738.62	
412	Mukerji Gautam	M.Com.	52	Adviser (Mktg)	18-05-1981	29	2751320.10	
413	Mukerji P K	Diploma, B.Sc(Engg)	56	Chief Manager Distribution, South	30-05-1980	33	2606417.52	Gwalior Rayons
414	Mukherjee A	B.E.	40	Manager (CDU)	16.08.1994	16	2546006.33	
415	Mukherjee S N	Diploma, AMIE	49	Chief Manager Safety	06.08.1984	38	2538136.78	Indian Oil Corp.
416	Mukherjee Subhasis	B.Com,M.Com,AICWA,ACA	56	Sr Manager Finance [Retail], East	01.12.1989	24	2442245.96	Usha Sewing Machine
417	Murthy P L N	B.E.	56	Deputy General Manager (Maintenance)	19.09.1983	33	2513231.08	Madras Fertilizers
418	Murugaiyan R	B.E.L.L.B.,M.B.A.	42	Dy Manager (Projects)	01.01.1992	18	2481379.89	
419	Nagar S	Diploma in Engg,B.Sc.	47	Station Manager - Delhi AFS	30.05.1984	26	3256933.77	
420	Nagarajan S	B.Sc.	53	Manager Qlty, Assurance Lab (Lubes)	04-07-1984	33	2563341.12	Ponds India Ltd
421	Nagarajan V	B.Sc.,M.Sc.	50	In-Charge Bina Despatch Terminal, Bina	01-09-1982	28	2462587.67	
422	Naidu Theresa (Ms)	B.Com, ACA,	44	Chief Finance Manager Incharge (I&C), HQ	18.10.1989	22	2505440.45	Rallies India Ltd.
423	Nair R	B.Sc.,L.L.B.	51	Deputy General Manager (HRS) West	04.03.1991	29	2777592.19	Hindustan Cable
424	Nair Suresh K	B.Sc(Engg)	50	Chief Manager SCM (Lubes), Sewree	05.11.1984	27	2776321.33	Mechelonic Engineers
425	Namboodiri K P S	Diploma in Mgt,B.Sc.	58	DGM (Retail)	19-05-1980	35	2560196.53	Indian P&T Department
426	Nandakumar E	B.Sc(Engg), M.B.A.	58	ED (Kochi Refinery)	12.08.1983	27	3066877.56	Bokaro Steel Plant
427	Nandakumar V	B.E.	52	Chief Manager(E&C)	01.08.1985	25	2554586.56	
428	Nandi A K	ITI,Dip(Mgt)	53	Manager Logistics (Lubricants)	18.08.1987	30	2659265.06	Calcutta Ele. Supply Corpn. Ltd.
429	Nangia M	B.Sc.,B.Sc.	52	Sr.Mgr (Ben.Admin) - North	02.07.1984	29	2909568.48	Reliance Textiles
430	Narayanan C	B.Sc(Engg)	51	Ch. Manager, Construction,I/C, BKPL, Kota	12.11.1984	29	3153064.58	ACC Ltd.
431	Narayanan K	B.Sc(Engg), M.Tech.	50	Chief Manager(P&CS)	18.04.1985	25	2794837.31	
432	Narayanan K B	M.Sc.	51	GM (ERP - CC)	18-01-1982	28	2601162.26	
433	Narayanan R	B.Sc.	50	Team Member (ERP CC)	10-01-1983	27	2660822.11	
434	Natarajan V	PG Diploma,M.Sc.	53	Chief Manager, Business Information, LPG CO	10-11-1980	29	2419794.47	
435	Natekar R P	PG Dipl.,AICWA,M.Com	48	GM (Corporate Treasury)	02.05.1985	26	2835944.78	Kinetic Engg. Ltd.
436	Nayar Pushp Kumar	B.Sc.,M.B.A.	40	Sr. Manager Reseller (Lubes) HQ	01.04.1991	19	2585071.88	
437	Nedunchezian M	M.A	52	Chief Manager Operations, South	14-03-1983	27	2490996.57	
438	Neeliyath B	Diploma in Engg.	58	Sr Manager (LNG)	26-10-1981	38	2483658.24	Mizoram Polytech
439	Negi Chanda (Ms)	B.Sc.,M.B.A.	36	Deputy Manager - Finance (Lubes), NR	05.08.1996	14	2507928.32	
440	Negi K B S	B.Sc.,B.Tech	60	Deputy General Manager (Engg.)	25-04-1983	36	2527885.74	Bharat Heavy Electricals
441	Nigam Kamal Krishan	Dipl.inMgt,PGDipl.M.Com.	49	Deputy Manager (Finance) Retail North	26.04.1984	30	2409757.23	Inalsa Pvt Ltd.
442	Nikhilesh Ranjan Maitra	B.Com.	58	Manager Operations I/C (Retail)	23.08.1982	28	2490085.66	Kurji Holy Family Hospital
443	Ninan C S	M.Tech.	51	Chief Manager (Common)	14.09.1983	27	2951005.95	
444	Ombeer	B.Sc.,B.E.	48	Sr. Manager	02.03.1987	23	2707946.93	
445	Oza J M	B.Sc.,M.B.A.	54	DGM - Business Development (LPG)	01-09-1982	29	2686561.71	XLO India Ltd
446	Padmakar K	B.Sc.,M.A(PM&R)	49	DGM Corporate HRS	02.07.1984	26	2704996.95	
447	Padmanabhan P	B.Tech.	53	GM (Technical)	01.10.1981	28	2812482.36	
448	Painter V K	Diploma, B.E	55	Chief Manager (Vigilance) Refinery	30-12-1985	28	2509192.27	Engineers India
449	Pakrashi R	B.Sc.	58	TM (Indl), Kolkata	02-06-1986	34	2599479.54	Modi Industries
450	Pal S K	B.E.	58	Chief Manager HSSE (Retail), East	18-01-1979	33	2457264.95	W.B. State Electricity Board
451	Panda R K	Diploma in Mgt,B.Sc.	53	DGM Sales (Retail), West	01-09-1982	28	2496805.43	
452	Pandey U S	Diploma in Mgt,B.Sc.,M.E.	56	DGM (Business Development)	10-03-1978	34	2548890.25	Krishna Water S
453	Panjiwani V	B.Tech.	46	Sr Manager (IT)	16.12.1987	22	2665645.59	
454	Paranjape H S	ACA,B.Com	53	DGM (Finance)	12-12-1983	30	2615995.66	Shaw Wallace Co
455	Parmar M S	M.Sc.	53	Chief Manager NHAI Coordination, Delhi	19-05-1981	29	2543287.05	
456	Patel A C	B.Sc.,M.Sc.	53	Manager Qlty,Assurance,P&AD (Lubes)Sewree	17-10-1977	33	2489076.15	
457	Pathak Vikram	B.E.,B.E.	42	Dy. Manager, (Fleet S&D)	03.09.1990	20	2466395.70	

Sr No.	Name	Qualification	Age	Designation / Nature of Duties	Date of commencement of employment	Experience (No. of years)	Total Remuneration Rs.	Particulars of last employment
458	Patke M S	PG Diploma,B.E.	49	Head OEM (Lubes), HQ	09.07.1984	27	2542538.98	Escorts Ltd
459	Paul George	M.B.A,B.Sc(Engg)	53	GM (Sales) Retail HQ	23-11-1981	31	2573479.41	Hindustan Paper
460	Paul Pradip	B.E.	56	Manager Operations [Retail], East	07-05-1980	31	2435511.80	Meteoke (I) Pvt
461	Peethambaran T	B.E.	47	Area Marketing Manager, Chennai	01.01.1987	23	2433521.44	
462	Pendse Shakuntala P (Ms)	ACA,B.Com	44	Sr. Finance Manager (Pricing & Insurance), CO	20.05.1991	21	2422062.43	Infin Consultants
463	Pimpale Mb	Diploma ,B.E.	49	Chief Manager (Estates & Admin)	17.08.1983	28	2592002.43	Maharashtra Water S S Board
464	Pius Mathew	FCA,B.Com.	52	Chief Finance Manager	08.05.1987	23	2429217.37	KSIDC, Trivandrum
465	Prabhakar N	M.Sc.	50	Territory Manager (Retail) Mumbai	01-09-1982	28	2679934.65	
466	Prabhakaran M V	Diploma ,B.A	50	Chief Manager (HRS) - North	01-09-1982	28	2493183.85	
467	Prabhakaran T S	B.Sc(Engg).	58	Director & Chief COO	01.10.1976	34	2585358.59	
468	Prabhu Venkatesh	AICWA,FCA	49	Chief Finance Manager (Shared Services), HQ	03-08-1987	26	2460878.42	Dodsai Pvt Ltd
469	Prabhune A C	B.Sc,M.Sc.	50	Chief Process Manager (PP)	03.12.1984	25	2706351.31	
470	Pradeep Kumar T	M.Sc,M.B.A.	50	Manager(Quality Control)	01.07.1984	26	2537024.87	
471	Prakash K	B.Tech.	51	Project Leader, Gummidipoondi Project	20.08.1984	28	2560385.70	I.I.T., Madras
472	Prakash Rao M S	B.Sc,M.Sc.	49	Sr Mgr (IS Current & Transition Systems),CO	22-09-1986	26	3049187.39	IIPS, Deonar,Bo
473	Prakash S	M.Sc,M.A.M.	54	Team Member-IIS-ERP	01-09-1982	30	2747402.61	K.N.R. Kutty
474	Prasad Clemence	M.B.A,B.Com.	51	Deputy Manager	05.06.1987	23	2698948.27	Top H Public School
475	Prasad K Panicker	M.B.A,B.Sc(Engg).	51	General Manager (Ops.)	11.10.1984	25	2840958.18	
476	Prasad M George	PG Diploma,B.A.	60	Chief Manager (HR) Entities	01.10.1979	30	2568938.90	
477	Prasad R N	B.E.	52	Manager, Import Facilities, JNPT	05.11.1984	28	2611109.09	Simplex Concret
478	Prasad V S	B.Sc(Engg).	49	Sr.Manager Engineering (MMMMPL) Noida	06.04.1987	23	2459303.74	
479	Pugazhendhi V	B.E.	49	Chief Manager (Shift Admn)	01.08.1985	25	2442536.22	
480	Puri Rajiv	Diploma, B.Sc,M.B.A	46	Sr.Manager Lubricants Channel (Retail) - Nr	16.02.1987	24	2431292.16	M.M. Bhagat & Co
481	Pushpendra	PG Diploma,M.Sc.	51	Sr. Manager (IIS Services) North	01-11-1983	28	3431732.17	International Data Processing Ltd.
482	R. Srinivasan	B.Sc.	54	Sr. Manager Logistics, LPG West	30-09-1981	29	2481452.86	
483	Radhakrishna Pillai G	B.Sc(Engg).	52	DGM	14.09.1983	27	2660726.21	
484	Radhakrishnan M	B.Sc.	58	Sr Mgr. Business Devpt. (Beyond LPG) South	04-09-1978	35	2585405.99	Calico Mills
485	Radhakrishnan S	PG Diploma,B.Tech.	59	Director ( Marketing )	15-07-1977	37	2828795.54	L & T
486	Raghunathan P K	B.Sc.B.Tech	53	TM (Indl) Chennai	01-09-1982	30	2526415.20	Southern Indl.Polymers Pvt. Ltd
487	Raj Mohan S	PG Diploma	54	Chief Manager(P&CS)	02.11.1983	26	2589231.28	
488	Rajashakar K	B.E.	44	Sr Manager (CCR Project)	01.09.1989	21	2503666.32	
489	Rajeev Jaiswal	B.Sc(Engg)	36	Territory Manager (LPG)	17.06.1996	16	2417819.53	Usha Martin Ind
490	Rajeev B	M.Tech,M.B.A.	51	Chief Manager(Estate)	28.12.1983	26	2502635.02	
491	Rajeshirke Rs	B.Sc.	51	Sr Ops Officer (S&B)	16.04.1984	27	2493899.43	Century Textile
492	Ram Mohan	M.Tech	57	Sr. Manager Highway Retailing, North	09-06-1980	34	2613455.01	DST And SCRC
493	Ram Singh	AICWA,ACS	53	ED (Finance) Special Duties (On Lien)	19-12-1983	29	3727813.18	Alloy Steel Plant
494	Rama Prasad B V	Diploma in Engg,B.E.	60	Sr Manager Utilities Inspection	21.01.1987	38	2594171.18	Bharat Heavy Plant
495	Ramachandran G (Ms)	Diploma ,B.Sc(Engg).	54	DGM On Deputation To BORL	01.04.1980	30	2694433.01	
496	Ramachandran R	B.Tech.	50	GM On Special Assignment To BORL	01.12.1983	26	3104350.99	
497	Ramadurai N	B.Sc.	55	Chief Manager Compliance (Mktg, Corporate)	28-04-1986	34	2456515.57	S.G. Pharmaceuticals
498	Ramakrishnan M S	Diploma ,B.Sc.	51	Chief Manager (IIS Applications), Sewree	24-06-1980	30	2455664.62	Jaysinth Dyeche
499	Ramakrishnan N.	ACA,B.Com.	46	Chief Finance Manager (CPO), Sewree	16.10.1989	28	2690085.09	
500	Raman V S	B.E.	53	Territory Manager, Trivandrum LPG	01.09.1982	28	2411555.75	
501	Raman V V	B.Com, ACA, ICWA	51	DGM Finance (Mgmt. Accounts), CO	16.04.1987	25	2415749.33	Fraser & Ross
502	Ramanakumar A	B.Sc,MMM	49	Territory Manager (LPG)	16.02.1987	26	2610996.06	Dalmia Dairy
503	Ramanan J P S	B.Sc,M.A	53	Sr Manager Distribution, South	10-01-1983	27	2546343.18	
504	Ramaswamy Rajamani	ACA,ACS	47	Executive Ass.To C&MD, Mumbai	28-09-1987	24	2604764.36	Kalyaniwalla & Mistry
505	Ramesh S	B.Sc.	52	ED (Lubes)	09-06-1980	30	3068218.32	
506	Rana Basudev	B.Sc(Engg)	58	G.M.(Highway Retailing), RHQ	04-05-1983	35	2726114.76	Bharat Pumps
507	Ranganath R	Diploma ,B.Sc.	51	G M Finance (Retail) HQ	26.08.1985	27	2702849.16	Price Water Hou
508	Ranjan V	B.A,M.M.M.	49	Coordinator Business Information (Avn)	02.07.1984	26	2475545.00	
509	Rao V N	B.E.	60	DGM Logistics LPG CO	06-06-1980	40	2648999.66	National Dairy
510	Raorane M R	M.Sc	54	Manager (LPG)	12.02.1979	31	2401366.96	
511	Raut N D	B.Tech.	51	Chief Manager (Corrosion)	01.01.1982	28	2520764.98	
512	Ravi K	Dipl. in Mgt,PG Dipl.	51	DGM (Procurement & Contract Services)	12.08.1983	29	2495202.73	Ceat Tyres
513	Ravi K	SSC, Diploma in Engg.	56	Manager (Manufacturing)	01.04.1979	31	2526506.29	
514	Ravi K	B.E.	46	Senior Manager (Maintenance)	01.06.1989	21	2554870.85	
515	Ravi Kumar K P	Dip(Eng),PG Dip., AMIE	50	Manager (Maintenance)	17.08.1982	28	2771268.52	
516	Ravi V	PG Diploma,B.Sc	49	Sr Finance Manager, Retail HQ	21-09-1983	29	2413730.10	Divisional Engg
517	Ravichandran J	B.A,ACA	56	Executive Director (Refineries Finance)	03-09-1979	35	2974795.17	Fraser & Ram
518	Ravindran C	B.E.	55	Chief Proj. Manager (RMP)	07.11.1985	24	2524907.00	Dodsai Pvt. Ltd.
519	Ravindran C P	B.A.	60	Senior Manager (Projects)	17.10.1977	32	2537847.83	Hindustan Insecticides
520	Ravindran K N	B.Sc(Engg).	59	GM (Projects)	01.10.1976	34	2962210.76	
521	Ravitej P V	B.Tech.	45	Chief Manager (S&B)	16.12.1987	22	2501289.51	
522	Rayar S	B.E.	60	DGM (Project Technical)	10.10.1983	26	4199025.31	Fact
523	Reddy D M	B.A,M.L.S.	58	ED (I&C)	14.07.1986	31	3052990.26	Standard Batter
524	Reddy P S	Diploma in Mgt,M.Sc	57	Chief Manager (Supplies), Retail Logistics	01-09-1982	31	2408185.70	Mcdowell & Co.
525	Rehli M C	B.Sc,M.A.	57	DGM Logistics (Retail) - North	07.05.1986	33	2484866.76	Pharmed Pvt. Lt
526	Riyazuddin K M	PG Diploma, AICWA	51	Sr Finance Mgr (IT)	01-09-1982	28	2571573.07	
527	Ronald Noronha	B.Tech,B.Sc.	53	Chief Mgr. Pr&Brand	08.01.1997	30	2761994.46	IOC
528	Roy Bose Sumita (Ms)	ACA,B.Com.	57	Executive Director ( Audit )	03-09-1979	38	2509685.82	Mookerjee Biswas
529	Roy Soumesh	Diploma in Mgt,M.A.	58	DGM HR (LPG) - HQ	17-07-1986	35	2724558.49	HFC Ltd.Haldia
530	Sabu Jose	B.E,M.B.A.	52	Chief Manager (Maintenance)	04.10.1984	26	2482680.81	
531	Sabu Koshy	M.B.A,B.Sc(Engg).	49	Senior Manager BORL	21.12.1990	19	2654564.20	Hindustan Paper Corpn.
532	Sagar Madhu (Ms)	Diploma ,M.A.	53	DGM (ESE) CO	31-03-1983	32	2578832.82	Indian Standard
533	Saha S	B.E,Diploma in Engg.	37	Dy Manager Ops (Utilities)	16.08.1995	15	2573303.41	
534	Saini D K	Diploma in Mgt,B.Sc.	59	Ch. Manager Dealer Training - North	02-05-1980	36	3121487.88	Crotech System

Sr No.	Name	Qualification	Age	Designation / Nature of Duties	Date of commencement of employment	Experience (No. of years)	Total Remuneration Rs.	Particulars of last employment
535	Saitu C	B.Com,M.Com.	52	Chief Manager Lubes Channel (Retail) South	16-05-1983	29	2519224.34	Sipcot
536	Sakalker A K	B.E.	55	Sr. Manager (Environment Projects), HSSE	01-03-1978	34	2745820.35	Jyoti Ltd.,
537	Saksena B P	B.E.	52	Mgr In-Charge-Kota Depot	16.12.1985	28	2431230.66	Delhi Automobli
538	Samanta A B	B.E.	50	Sr. Manager (Int. Audit), Mumbai Refinery	02.09.1983	27	2412146.20	
539	Sanzgiri Dipiti (Ms.)	ACA,B.Com.	50	ED (HRD)	01-12-1983	27	3002719.86	Sarah S Engineer
540	Sanzgiri G M	B.E.	50	Chief Maint. Manager (Planning)	01.12.1983	26	2468740.17	
541	Sarangdhar A G	Diploma in Mgt,B.Sc.	51	Mgr. (IS Refy Sys)	27.07.1981	29	2478621.56	
542	Sarkar Samir Ranjan	B.Sc.,M.Sc.,M.C.A.	51	Manager Quality Assurance Lab (Lubes) South	19-09-1983	27	2548438.96	
543	Sarnobat S	B.E.	57	Chief Product Despatches Manager	27.12.1976	33	2678429.69	
544	Sasikala. I	M.Sc., MBA	50	Executive Director (Vigilance)	03-02-2007	24	4207851.19	ITSC, Additional Bench
545	Saxena P K	B.Sc,B.E,BDC	48	Territory Manager(LPG), Loni	02.02.1987	23	2401573.90	
546	Seetharaman Mohan	B.E.M.B.A.	59	Director (HR)	03-01-1983	37	2460089.84	BHEL
547	Sengottaiyan P	PG Diploma,B.E.	47	Chief Manager(OM&S)	03.05.1989	21	2422882.78	
548	Seshadri K V	B.E.	59	ED (Mumbai Refinery)	12.12.1990	35	3076819.12	Aramco
549	Seth A K	M.Sc	60	Chief Manager, (Coordination)	15-10-1982	38	2403046.01	Karnatka Consumer Prod. Ltd.
550	Shah A R	B.E.	49	Chief Manager (CCR Project)	13.12.1983	26	2440105.34	
551	Shah J S	B.E.M.A.	49	DGM (Talent Management)	05.11.1984	27	2557179.41	Gannon Dunkerle
552	Shankar Abhay	B.Sc,M.Sc.	49	Sr. Mgr Engg (Instrumentation), Noida	01.01.1987	23	2479462.83	
553	Shankaran K S	M.Sc,PG Diploma	54	DGM ( Site Security )	12-05-1981	30	2709721.93	Gordon Woodroff Pvt. Ltd
554	Shanmugam O	11th Std	52	Manager Ops, Devangonthe Depot	13-05-1981	29	2506255.08	
555	Sharma Ashok Kumar	B.E.	50	Chief Manager Bus. Dev. (I&C), HQ	16.12.1985	26	2585703.57	Texmaco Ltd.
556	Sharma Pramod	M.Sc.	52	GM (Coord) And Executive Assistant To C&MD	18-01-1982	30	2999548.03	M.A.S. Services
557	Sharma R K	NCTVT Certificate,B.Sc.	56	Ch Maint Manager (Instr)	28.04.1980	32	2841535.57	Taylor India
558	Sharma Rajeev	M.Sc.	52	Chief Manager Bus. Dev. (LPG) HQ.	10-01-1983	31	2650431.50	LIC
559	Sharma Rameshwar K	B.E.	43	TC - Operations (LPG)	03.09.1990	20	2465680.49	
560	Sharma S C	B.Sc.,M.Sc.	53	Manager(Ops) V/C	01-09-1982	28	2482135.04	Central Bank of India
561	Sharma Sharad Kant	Diploma in Mgt,B.Sc.	51	GM Sales ( LPG ) HQ	26-06-1980	30	2725612.35	
562	Sharma V B	B.E.	53	Chief Manager, Pipeline Projects	01-09-1982	29	2559161.43	Govt. Engg College
563	Shastri Padam Lal	B.A.	52	Manager Materials Co-Ord. (E&P), West	02.02.1988	31	2910085.91	Associated Cements
564	Shenoy K V	Diploma ,B.Sc	54	GM (Retail) Southern Region	01-09-1982	33	2697357.02	Richardson Hindustan
565	Shinde R T	B.Sc.	45	Team Member (ERP CC), Sewree	04.07.1988	24	2617249.73	Charico Color Cards
566	Shingrut A R	B.Sc,M.L.W.	58	DGM HR (Compensation & Benefits)	04.11.1986	32	2770587.10	Deepak Fertilizers
567	Shrivastava Sudhir K	Diploma ,B.E.	47	Sr Manager (IT)	04.02.1985	27	2562303.21	Gen.Electrodes
568	Shukla N	Diploma ,B.E.	46	Sr Manager Elect.(E&C)	28.10.1985	26	2473560.72	Larsen & Toubro
569	Shunmugam S	B.E.M.Tech	52	Sr Manager HSSE(LPG)South	01-09-1982	28	2471481.89	
570	Shyam Radhey	B.Sc,B.Pharm.	54	Manager Distribution - North	02-05-1983	31	3135125.00	Swastik Pharma
571	Siddhartha B R	B.Sc.	55	AM (Indl) Nellore	16-05-1983	37	2765804.30	
572	Sikdar Prabal	B.Com.	49	Sr Manager Mktg Coordn (Indl), Bhopal	01.01.1987	23	2576839.32	
573	Sikka Rajiv	B.Tech.	46	AMM (Retail), Orissa	19.09.1988	22	2453137.24	Central Water Commission
574	Simon George M T	B.Sc(Engg).	55	Chief Manager (Fire & Safety)	01.08.1982	28	2434353.76	
575	Singh Arun Kumar	B.Sc(Engg)	48	Chief Procurement Officer	01.04.1985	25	2997175.75	
576	Singh Brij Pal	B.Sc(Engg),B.Sc (Honours)	55	GM (Operations) Retail	15-02-1978	32	2697152.28	
577	Singh C P	B.Sc	54	Sr Manager Installatn, Mughalsarai	01-09-1982	33	2417830.76	Delhi Telephone
578	Singh Manmohan	B.Sc(Engg)	54	Director (Commercial) - Indraprastha Gas Ltd.	15-02-1978	33	2659594.99	Leader Engg Works
579	Singh R K	B.Tech.	57	Director (Refineries)	20.06.1978	34	3391094.69	Hindalco
580	Singh R P	B.Tech.	56	Manager	03.06.1985	25	2656480.31	
581	Singh Ravi Pratap	B.Sc.	49	Chief Engg. Manager, West	04.02.1985	25	2675979.00	
582	Singh Satyapal	B.E.	41	Station Manager Jaipur AFS	23.12.1996	13	2436696.63	PWD
583	Singh Shashi K	B.Sc.,M.Sc.	47	Sr. Manager (Mkt. Corp.), CO	02.03.1987	23	2669566.76	
584	Singh Shyam Nandan	M.Sc.	51	Retail Fleet Service Manager, North	06.04.1987	23	2836099.54	
585	Singh Tejpal	B.A.	57	Sr Manager (ESE) - North	20-04-1981	29	2610667.93	
586	Singh V K	M.Sc.	50	Sr Ops Officer (Prod Desp)	24.11.1983	26	2611327.07	
587	Singhal R K	B.Sc(Engg)	53	Sr. Mgr. Construction (Retail) - North	10-01-1983	31	2711276.93	NEI Ltd.
588	Sinha Ashok	PG Diploma,B.Tech.	58	C & MD	01-08-1977	37	3278168.27	International Comp. Pvt. Ltd.
589	Sinha Bijay Kumar	B.Sc,B.Sc(Engg)	57	Sr. Mgr., Infrastructure Planning & Devpt. - NR	01-09-1982	31	2417911.08	Tata Iron & Steel
590	Sivakumar K	AICWA,ACA,B.Com.	50	DGM Audit	31-07-1987	26	2714481.05	Bharat Heavy Electricals
591	Sokhi J S	PG Diploma,B.Tech.	57	GM (Retail Initiatives) RHQ	15-06-1981	32	2451805.27	Godrej & Boyce
592	Solanki Narendra Singh	M.Com.	50	Manager Institutional Sales	01-06-1981	29	2877458.28	
593	Somaiya K	B.Sc.	54	Chief Manager Transport (South)	15-05-1981	32	2465547.67	Cordite Factory
594	Sorman C K	M.Tech,M.B.A.	53	DGM	14.09.1983	27	2980867.38	Vikram Sarabhai Space Centre
595	Somanath T	B.Sc.,M.Sc.	57	GM - Talent Management	21-05-1980	30	2795900.17	
596	Somasekhar S	M.Tech,M.B.A.	52	Chief Manager (Indust.)	01.12.1984	25	2572458.78	
597	Somasundaram R	B.Sc.,M.B.A.	51	AMM (Retail)-WB & NE	10-01-1983	28	2602319.39	Indo National Ltd
598	Somaya M M	B.Sc.	51	DGM (Brand & PR)	09-03-1987	31	2738490.35	Mahindra & Mahindra
599	Sonawane V D	M.Sc,B.Sc.	55	Chief Manager Distribution (Retail), West	10-01-1983	33	2676837.63	Central Testing
600	Sreedevi B	PG Diploma,B.Sc,M.B.A.	58	Senior Manager (Benefits & Admn.)	06.07.1978	32	2776827.73	Maharani College
601	Sreekumar P N	PG Diploma,M.B.A.	54	Senior Manager (Info. Systems)	01.06.1979	31	2564244.11	
602	Srikanth S	PG Diploma,B.E.	45	TM (Retail) Chennai	16.02.1987	23	2427434.13	
603	Srinivas Rao I	Diploma in Mgt,M.Sc.	51	GM (LNG Marketing)	01-09-1982	28	2572884.66	
604	Sriniva N G	PG Diploma,M.Com.	58	CFM (Retail) South	19-06-1981	36	3159350.22	Ford, Rhodes Parles & Co.
605	Sriramesh Kumar N	B.Sc.,M.B.A.	49	Sr Mgr Inst. Sales&Key Accounts (Lubes)	02.02.1987	23	2463901.30	
606	Srivastava Anil	B.E.	49	Territory Manager (LPG) - Udaipur	02.03.1987	24	2414983.58	Indian Rayon Co
607	Srivastava P C	B.E.B.Com.	54	GM (Retail) West	13-02-1978	32	2523114.50	
608	Subba Reddy Uppuluru V	B.Sc.	49	Mgr Mktg. Coord (Indl) Bangalore	01-09-1982	29	2452489.18	Ravindra Enterprises
609	Subhash Chander Dua	PG Diploma,B.A.	58	Manager Coco, BP-44, Gurgaon	06-08-1982	34	2415770.33	Dainik Veer Prattap
610	Subramanian H	B.Com.	48	Dy Manager - LPG	18.03.1986	24	2402089.16	

Sr No.	Name	Qualification	Age	Designation / Nature of Duties	Date of commencement of employment	Experience (No. of years)	Total Remuneration Rs.	Particulars of last employment
611	Subramanian K H	B.Sc,M.Sc.	57	Regional Manager (Lubes) South	10-01-1983	33	2635557.88	Madras Telephones
612	Subramaniam S	Diploma ,M.B.A	56	Manager (Safety & F)	03.02.1992	18	2418691.80	NTPC/SSTPS
613	Subramoni Iyer M R	B.Tech.	46	Chief Manager (Manufacturing)	03.05.1989	21	2993672.82	
614	Sundaram P L	B.Sc.	49	Sr Manager Cherlapalli Site	17.03.1987	23	2594909.69	
615	Sundaran V	B.A,M.B.A.	56	Manager (Personnel)	30.08.1983	27	2520936.50	Rubber Board
616	Sunderajan S S	Diploma ,B.Tech.	51	DGM On Deputation To BORL	15.09.1983	28	2902630.05	Dunlop
617	Sunil Chaudhary	B.E	51	Manager On Deputation to CHT, Delhi	20-10-1986	23	2706370.87	
618	Suresh John	B.E,M.B.A.	47	Chief Manager (Shift)	20.05.1989	21	2978382.16	
619	Suresh P K	ACA,B.Com.	54	DGM	21.05.1984	26	2733711.60	
620	Suresh V	B.E.	48	Chief Process Tech Manager	01.01.1986	26	2891832.13	Saurashtra Chemicals
621	Sureshkumar K	M.A,B.Sc,M.A.	59	Manager Operations	16-05-1983	27	2484806.64	
622	Swaminathan R	B.Com	52	Chief Logistics Manager (Retail) South	28-05-1980	30	2413311.54	
623	Talwadkar N S	SSC, NCTVT Certificate	55	Dy Manager (LPG)	20.06.1979	31	2421165.97	
624	Tandon G G	B.E,L.L.B.	58	DGM (Utilities)	22.08.1988	22	2677188.12	
625	Tandon S K	B.Sc,M.B.A.	55	Manager (Audit)	25-05-1981	35	2672581.07	Feddels Loyal Corp
626	Tandon V N	B.Sc.M.A.	54	Chief Manager (Mktg Services)	22-11-1982	27	2591610.68	
627	Taneja M K	B.E	46	Project Leader - (Retail/LPG) E & P, North	02.03.1987	23	2410057.97	
628	Tankkar V S	Diploma in Mgt,B.Sc.	54	Sr. Manager Lubes Channel (Retail), West	17.01.1979	34	2575392.62	Dempo Steamship
629	Teltumbde A B	BE,Ph.D,PG Diploma	60	Managing Director - Petronet India Ltd	11-04-1983	38	3180338.99	Khandelwal Ferr. Alloys
630	Thampi P K	B.Sc(Engg).	52	DGM	14.09.1983	27	2694625.24	
631	Thirunavukkarasu S	B.E.	47	Manager	09.01.1987	23	2427366.72	
632	Thomas Chacko	M.B.A,B.Sc(Engg).	58	DGM	11.04.1983	27	2784401.25	Cominco Binari Zinc Ltd.
633	Thomas J K	M.A.	55	Territory Co-Ordinator, Ernakulam	14.03.1984	34	2885568.55	Union Carbide India Ltd.
634	Thomas Zachariah	B.Sc (Engg), Diploma	57	Advisor (Projects) At NRL	14.07.1983	32	2675500.56	Union Carbide India Ltd.
635	Thombare N M	B.Sc.	60	Chief Manager (IIS Services)	04-06-1981	36	2509986.78	Indian Post & Telegraph
636	Thussu K L	B.E.	59	Director (Commercial), Mngl	24.09.1985	38	2717620.94	Tata Consultancy
637	Tiwanker A	B.E,MMM	55	Sr. Manager Engg. (E&P), West	01-09-1982	31	2540223.44	Vijay Tanks & Vessels Pvt. Ltd.
638	Tipnis K U	M.Sc.	54	Sr Manager (MOT)	15.12.1983	29	2445326.58	HPCL
639	Tiwari B K	B.E,M.Tech,M.A.	60	DGM (Occupational Health Safety)	27-06-1986	36	3197462.75	TELCO
640	Tomy Mathews	B.Tech.	55	General Manager (Operations)	01.03.1979	31	2597413.26	
641	Tripathi Y P	B.Com.	55	Chief Manager -Sabarmati Gas Ltd	08-06-1981	34	2602254.34	The Ahmd.Mfg & Calico
642	Trivedi K A	Diploma in Mgt,M.Sc.	50	Chief Manager (IT)	17-12-1981	29	2706423.19	
643	Tupe R B	B.Sc,B.E.	54	Sr. Maint.Manager (Instr)	19.05.1992	30	2575902.61	Hindustan Organic Chemicals
644	Unnikrishnan A	B.Tech.	52	DGM	14.09.1983	27	2455697.86	
645	Upadhyay U C	PG Diploma,M.Sc.	51	Chief Manager (HR) - Lubes	02.07.1984	29	2703489.92	Sawrajay Sandes
646	Vaidya B N	M.Sc.	56	Manager Qlty. Assurance Lab (Lubes), Sewree	03.11.1982	32	2459554.92	Universal Silic
647	Vaidya P H	B.Sc.	57	Manager Shift Ops-Mumbai	05.03.1979	32	2611769.36	Sub Reg Emplyme
648	Vairamohan M	Dipl. in Engg,PG Dipl.	54	Sr. Manager (Audit), Mumbai	16.12.1985	33	2475378.83	Air India
649	Varadarajan S	ACA, AICWA.	54	ED Corporate Finance	26.12.1983	30	2814256.46	IAEC Boilers
650	Varghese P G	B.Sc(Engg).	53	Senior Manager (Advisory)	01.01.1991	19	2544075.33	BRPL
651	Vartak V Y	M.Sc.	50	Strategy Manager Ops.&HSSE (Lubes), Sewree	23-07-1984	27	2609477.16	ILAC, Chemicals
652	Vasantha Kumar P K	B.Sc,M.B.A.	54	Regional Facilitator, Bangalore	01-09-1982	28	2468288.45	South India (A) Corpn.
653	Vasudev G (Dr)	M.Sc,Ph.D.	59	DGM (QCC)	11-05-1981	30	2640103.59	IIT
654	Vedagiri J	B.Tech,AICWA	49	Chief LPG Equipment Procurement Mgr, Sewree	18.06.1984	26	2714018.83	
655	Venkatesan K	B.Com.	52	Sr Finance Manager (SS) South	04.09.1978	32	2451407.38	
656	Venkatesan S P	PG Diploma,M.A,M.Phil.	52	Dy Manager Tondiarpet Installation HRS-South	08-09-1982	28	2454001.50	
657	Venkateswaran S Iyer	AICWA,B.Com.	56	Team Member (ERP)	01.02.1980	30	2677134.13	
658	Venugopal T	B.E.	41	Manager (Design Engin.)	01.12.1993	16	2555303.88	Grasim Industries
659	Venugopala Kurup V	M.Tech.	51	DGM	04.10.1984	26	2655231.91	
660	Verma A P	Diploma in Mgt,L.L.B,M.A	48	Sr Manager CSSC(SDCV) South	02.03.1987	23	2473490.06	
661	Vijayagopal N	ACA,B.Com.	49	Chief Finance Manager	16.03.1987	23	2757043.83	
662	Vijayakar P J	M.Sc.	52	Chief Manager LPG Regional Co-Ordination, South	01-09-1982	30	2463768.26	Chikkaikar Navekar College
663	Vijayakumar S	B.Sc,L.L.B.	53	General Manager (P&A)	16.02.1995	15	2845805.08	
664	Vijayan C S	B.Sc,M.Sc.	53	Chief Manager (QC) South	21-05-1980	30	2672250.51	
665	Viswanathan K	B.Sc(Engg).	49	Senior Manager	20.05.1986	24	2612405.89	
666	Viswanathan M	Diploma, B.Tech.	59	Chief Manager (Energy & Environment)	24.05.1982	28	2465172.18	
667	Viswanathan P S	M.Sc,Ph.D.	56	Chief Manager (Research)	19.04.2001	29	2450128.59	CRBL
668	Visweswaran S R	B.Sc(Engg).	50	Senior Manager(P&CS)	01.08.1985	25	2729404.31	
669	Vyawahare A D	Diploma, B.Tech.	42	Sr. Manager (Env Control)	17.09.1990	20	2510746.74	
670	Wadhawan R	B.E.	51	Ch Manager Inspection	17.09.1984	30	2563647.41	Synthetics & Chemicals Ltd
671	Wadhwa V D	NCTVT Certificate,B.A.	49	Manager Maint.(M&C)	06.09.1982	28	2535476.96	
672	Wankhede G S	B.E.	56	GM (Operations), MMPL	07-12-1982	34	2813482.43	Shipping Corpn
673	Warrier R E	B.Sc,L.L.B,BGL.	59	Sr Manager (Refinery Co-Ord) KRL	05-10-1981	31	2631290.67	Office of The MAB/DCA(WR)
674	Watts L K	B.A.	50	Sr.Manager(GuestRelations)-HRS(Admn)-North	21-09-1987	31	2798049.58	Bank of Baroda
675	Widhani Monica (Ms)	B.Sc,ACA	51	GM (Urban Retailing)	02.05.1985	25	3264085.77	
676	Yadav H S	B.E,M.Tech	59	DGM (City Gas Projects, Gujarat) E&P Noida	25-10-1982	26	2602285.76	Tata Consultancy
677	Yash Pal	M.Sc.	59	Chief Mgr. (Aviation) - Operations	02-05-1981	35	2631927.82	All India Radio
678	Zafar Ali S	B.Sc,M.A.	59	Chief Manager (Liason) - Retail, Noida	01.02.1991	38	2622100.23	P & NG

Notes :

1. The remuneration includes, apart from regular salary, Company's contribution to Provident & Pension Funds, medical expenses.
2. There is no employee who is in receipt of remuneration in excess of that drawn by Chairman & Managing Director / Whole-time Director / Manager and holds not less than 2% of the equity shares of the Company.
3. The above employees are not related to any Director.

## ANNEXURE TO THE DIRECTORS' REPORT

## ANNEXURE D

**ANNUAL STATEMENT SHOWING THE REPRESENTATION OF SCHEDULED CASTES (SC), SCHEDULED TRIBES (ST) AND OTHER BACKWARD CLASSES (OBC) AS ON 1st JANUARY, 2010 AND NUMBER OF APPOINTMENTS MADE DURING THE CALENDAR YEAR 2009**

NAME: BHARAT PETROLEUM CORPORATION LTD.

Groups	Number of Employees			Number of appointments made during the calendar year 2009											
	(As on 1.1.2010)			By Direct Recruitment				By Promotion				By Other Methods			
	Total	SCs	STs	OBCs	Total	SCs	STs	OBC	Total	SCs	STs	OBC	Total	SCs	STs
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group-A	4781	782	269	413	173	31	11	22	22	1	--	2*	--	1	--
Group-B	3427	493	187	224	--	--	--	--	74	9	2	5 <sup>+</sup>	--	--	--
Group-C	3319	540	204	356	54	5	2	28	143	11	1	2 <sup>@</sup>	--	--	--
Group-D (Excluding Safai Karamcharis)	2392	494	149	252	10	1	--	6	--	--	--	--	--	--	--
Group-D (Safai Karamcharis)	55	30	3	4	--	--	--	--	--	--	--	--	--	--	--
Total	13974	2339	812	1249	237	37	13	56	239	21	3	9	--	1	--

\* 2 Sportspersons recruited in Management - Group 'A' (entry level)

+ 2 Sportspersons recruited in Group 'B' &amp; 3 Sportspersons promoted within Group 'B' (Non-Management)

© 2 Sportspersons promoted within Group 'C' (Non-Management)

**ANNUAL STATEMENT SHOWING THE REPRESENTATION OF SCHEDULED CASTES (SC), SCHEDULED TRIBES (ST) AND OTHER BACKWARD CLASSES (OBC)  
IN VARIOUS GROUP 'A' SERVICES AS ON 1ST JANUARY, 2010 AND NUMBER OF APPOINTMENTS MADE IN THE SERVICE  
IN VARIOUS GRADES DURING THE CALENDAR YEAR 2009**

**NAME : BHARAT PETROLEUM CORPORATION LTD.**

Pay Scales (in rupees)	Representation of SCs/STs/OBCs (As on 01.01.2010)				Number of Appointments made during the calendar year 2009											
	Total	SCs	STs	OBCs	By Direct Recruitment			By Promotion			By Other Methods					
					Total	SCs	STs	OBCs	Total	SCs	STs	Total	SCs	STs		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15		
24900-50500	1005	174	57	172	171	30	11	22	22	1	-	2*	-	1		
29100-54500	1225	199	87	155	-	-	-	-	-	-	-	-	-	-		
32900-58000	1005	190	72	76	2	1	-	-	-	-	-	-	-	-		
36600-62000	666	137	37	8	-	-	-	-	-	-	-	-	-	-		
43200-66000	481	57	13	2	-	-	-	-	-	-	-	-	-	-		
51300-73000	221	16	2	0	-	-	-	-	-	-	-	-	-	-		
51300-73000	104	6	0	0	-	-	-	-	-	-	-	-	-	-		
51300-73000	47	1	1	0	-	-	-	-	-	-	-	-	-	-		
62000-80000	22	2	0	0	-	-	-	-	-	-	-	-	-	-		
75000-100000	4	0	0	0	-	-	-	-	-	-	-	-	-	-		
80000-125000	1	0	0	0	-	-	-	-	-	-	-	-	-	-		
TOTAL	4781	782	269	413	173	31	11	22	22	1	-	2	-	1		

\* 2 Sports persons recruited in Management - Group "A" (Entry level)

**ANNUAL STATEMENT SHOWING THE REPRESENTATION OF THE PERSONS WITH DISABILITIES AS ON 1ST JANUARY, 2010 AND DIRECT RECRUITMENT/PROMOTION DURING THE CALENDAR YEAR 2009**

**NAME : BHARAT PETROLEUM CORPORATION LTD.**

GROUP	Number of Employees (As on 01.01.2010)				Direct Recruitment - 2009				PROMOTION - 2009									
	TOTAL	VH	HH	OH	No. of Vacancies Reserved				No. of Appointments made									
					VH	HH	OH	Total	VH	HH	OH	Total	VH	HH	OH	Total		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
"A"	4781	4	2	25	2	2	2	173	-	-	-	-	-	-	22	-	-	1
"B"	3427	7	4	69	-	-	-	-	-	-	-	-	-	-	74	-	1	-
"C"	3319	14	7	35	-	-	1	54	-	1	-	-	-	-	143	-	-	-
"D/DS"	2447	6	6	30	-	-	-	10	-	1	-	-	-	-	-	-	-	-
TOTAL	13974	31	19	159	2	2	3	237	-	2	-	-	-	-	239	-	1	1

(i) VH stands for Visually Handicapped (persons suffering from blindness or low vision)

(ii) HH stands for Hearing Handicapped (persons suffering from hearing impairment)

(iii) OH stands for Orthopaedically Handicapped (persons suffering from locomotor disability or cerebral palsy)

There is no reservation for persons with disabilities in case of promotion to Group A and B posts. However, persons with disabilities can be promoted to such posts, provided the concerned post is identified suitable for persons with disabilities.

There are no promotions within Group "D".

## ANNEXURE TO THE DIRECTORS' REPORT

### ANNEXURE E

#### ADDENDUM

#### COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619 (4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF BHARAT PETROLEUM CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH, 2010

The preparation of financial statements of Bharat Petroleum Corporation Limited for the year ended 31 March, 2010 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 619 (2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing assurance standards prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 27 May, 2010.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 619 (3) (b) of the Companies Act, 1956 of the financial statements of Bharat Petroleum Corporation Limited for the year ended 31 March, 2010. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under Section 619 (4) of the Companies Act, 1956.

For and on the behalf of the Comptroller and Auditor General of India

Sd/-

**SARIT JAJA**

Principal Director of Commercial Audit & *ex-officio* Member, Audit Board II, Mumbai

Place : Mumbai  
Date : 25<sup>th</sup> June, 2010

# PERFORMANCE PROFILE

	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01	1999-00
<b>1. Crude Oil Processed (000 Tonnes)</b>											
Imported	14126	13143	13904	13465	11584	5093	4543	3230	3587	2743	2546
Indigenous	6281	6802	7042	6317	5653	4045	4214	5481	5183	5919	6323
<b>TOTAL</b>	<b>20407</b>	19945	20946	19782	17,237	9138	8757	8711	8770	8662	8869
<b>2. Production Quantity (000 KL)</b>	<b>24449</b>	22820	23960	22154	19795	10314	10210	10291	10355	10348	10643
Light Distillates %	32.80	30.46	30.73	28.20	31.97	31.35	33.27	34.32	33.51	34.74	32.69
Middle Distillates %	52.88	53.67	54.13	53.55	50.43	49.89	49.13	50.73	50.45	49.43	53.45
Heavy Ends %	14.32	15.87	15.14	18.25	17.60	18.76	17.60	14.95	16.04	15.83	13.86
<b>3. Fuel and Loss as % of Crude Processed</b>	<b>5.9</b>	6.6	6.6	6.6	6.7	5.9	5.7	5.6	5.6	5.4	4.9
<b>4. Aromatics Production (MT)</b>											
Benzene	57742	79653	88313	103585	61335	44243	43178	69798	56360	75293	76351
Toluene	23265	28375	26336	39544	43051	10042	12759	20013	16610	16344	19569
<b>5. Market Sales (MMT)</b>	<b>27.70</b>	27.16	25.79	23.45	21.63	21.03	20.37	19.86	19.15	19.35	18.68
<b>6. Lubricants Production (MT)</b>	<b>209301</b>	151788	161957	116337	100461	106287	101245	112730	99875	96624	100396
<b>7. Market Participation %</b>	<b>22.38</b>	22.7	22.7	22.6	22.4	21.9	22.1	22.0	21.5	21.4	20.7
<b>8. Marketing Network</b>											
Installations	12	12	12	12	12	12	12	17	19	19	19
Depots	129	120	126	121	121	123	129	153	171	164	146
Aviation Service Stations	30	23	22	21	20	19	19	19	19	19	19
Total Tankages (Million KL)	3.40	3.33	3.32	3.27	3.01	3.05	3.08	3.13	3.23	2.94	2.88
Retail Outlets	8692	8402	8251	7537	7332	6426	5530	4854	4711	4562	4489
LPG Bottling Plants	49	49	48	48	45	44	42	40	40	38	32
LPG Distributors	2187	2117	2137	2129	2123	2061	1922	1828	1729	1421	1345
LPG Customers (No. Million)	28.3	26.6	25.25	23.51	22.24	21.32	19.43	16.99	15.28	13.80	11.40
<b>9. Manpower (Nos.)</b>	<b>13900</b>	14016	14006	13970	13876	12029	12434	12494	12586	12670	12638
<b>10. Sales and Earnings (Figures in Rs. Crores)</b>											
i) Sales and Other Income *	127884	130118	113936	102428	82935	63343	52983	47584	42560	47153	35891
ii) Gross Profit before											
Depreciation, Interest & Tax	4619	4246	4368	4204	1423	2092	3302	2720	2114	2033	1738
iii) Depreciation	1242	1076	1098	904	768	596	561	481	481	665	615
iv) Interest	1011	2166	673	533	247	140	105	246	307	256	185
v) Profit before Tax	2366	1004	2597	2768	407	1356	2636	1994	1327	1113	937
vi) Tax	824	261	1010	955	117	427	928	728	491	293	233
vii) Excess / (Short) provision for Taxation in earlier years written back/provided for	(4)	(7)	(7)	(7)	1	37	(13)	(15)	14	13	(2)
viii) Profit after Tax #	1538	736	1581	1806	292	966	1695	1250	850	833	702

\* Figures from 1986-87 includes Sales to Other Oil Companies.

# After adjusting prior period tax.

1998-99 1997-98 1996-97 1995-96 1994-95 1993-94 1992-93 1991-92 1990-91 1989-90 1988-89 1987-88 1986-87 1985-86 1984-85 1980-81 1976

1731	1222	1486	1110	1891	2610	2685	2062	1397	1008	623	1204	105	67	175	1268	3596
7205	6720	6108	6240	5491	4596	4550	4900	5514	6024	5535	5352	5467	6311	5279	3603	159
8936	7942	7594	7350	7382	7206	7235	6962	6911	7032	6158	6556	5572	6378	5454	4871	3755
10861	9648	8986	8816	8788	8644	8653	8372	8329	8525	7367	7858	6667	7574	6619	5769	4312
34.85	34.47	32.54	33.27	32.29	31.20	31.49	32.29	30.87	31.09	29.29	27.83	27.78	28.08	25.75	22.22	19.97
53.90	54.29	55.23	54.74	54.62	53.59	53.88	54.95	55.70	57.07	60.12	59.38	60.39	59.35	54.36	55.66	55.93
11.25	11.24	12.23	11.99	13.09	15.21	14.63	12.76	13.43	11.84	10.59	12.79	11.83	12.57	19.89	22.12	24.10
4.5	4.8	4.8	5.6	5.4	4.7	4.2	4.2	4.5	4.5	5.6	5.6	5.8	6.2	4.5	4.9	5.7

70496	57169	81533	60575	57511	22037	56612	69564	68426	56499	59624	45928	18603	20112	-	-	-
16990	18664	20689	13182	13437	7047	11070	9048	10877	8843	7494	8414	4948	4455	-	-	-
17.50	16.37	15.76	14.78	13.23	12.10	11.41	10.71	10.38	10.18	9.31	8.56	7.93	7.57	7.05	5.29	3.63
102684	86951	69164	67876	66681	74154	82911	95091	87459	94672	92725	84691	74763	72414	69425	60813	40939
20.6	20.5	20.4	20.3	20.2	20.0	19.5	18.8	18.9	18.9	18.7	18.5	18.3	18.7	18.3	17.2	15.3

16	16	16	16	16	16	14	12	10	10	10	9	9	8	8	7	5
131	128	131	122	118	117	98	94	83	78	69	69	65	62	60	57	61
16	15	16	16	16	14	14	13	13	13	12	11	9	8	8	3	2
2.72	2.3	1.81	1.62	1.57	1.52	1.37	1.17	1.01	0.91	0.87	0.74	0.75	0.67	0.66	0.66	0.61
4423	4407	4373	4312	4214	4090	4040	4005	3965	3894	3822	3741	3663	3567	3486	3311	3183
27	21	19	18	16	16	15	15	15	15	14	8	4	2	2	-	-
1200	1179	1146	1062	948	866	816	793	767	740	704	651	616	518	409	154	90
9.11	8.03	6.93	6.02	5.37	4.78	4.35	4.05	3.77	3.61	3.31	3.03	2.70	2.32	1.96	0.59	0.49
12264	12094	11704	11499	11207	11299	11167	11158	11029	10616	10578	10203	9397	8321	7894	5808	4847

25830	20919	18156	15023	13386	11520	10235	8883	7395	6082	5476	5080	4488	3165	2664	1512	673
1557	1214	977	910	762	546	474	403	349	301	242	190	184	177	93	39	10
404	382	226	218	260	137	143	103	96	103	79	64	82	78	53	13	2
175	112	82	39	44	47	38	44	37	31	33	34	34	31	19	4	2
978	720	670	653	458	362	292	256	216	167	130	93	69	69	21	23	6
277	187	237	267	169	147	122	107	88	44	26	15	8	8	7	13	4
5	(11)	(25)	-	3	2	-	-	-	-	-	-	-	-	-	-	-
706	521	408	386	292	218	170	149	128	123	104	78	60	61	14	10	2

## PERFORMANCE PROFILE — (CONTD.)

	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01	1999-00
<b>11. What the Company Owned (Rs. Crores)</b>											
i) Gross Fixed Assets (including Capital Work-in-Progress)	27930	24560	22268	20310	18545	14017	12566	10935	9722	8824	7630
ii) Net Fixed Assets (including Capital Work-in-Progress)	16187	14003	12735	11833	11086	8349	7454	6366	5602	5166	4592
iii) Net Current Assets (including Investments and Advance for Investments)	19954	20536	15445	10652	7783	2890	1908	2414	2943	3071	1496
Total Assets Net (ii + iii)	36141	34539	28180	22485	18869	11239	9362	8780	8545	8237	6088
<b>12. What the Company Owed (Rs. Crores)</b>											
i) Share Capital	362	362	362	362	362	300	300	300	300	300	150
ii) Reserves and Surplus	12725	11766	11315	9912	8778	6088	5550	4447	3697	3779	3345
iii) Net Worth ( i + ii )	13087	12128	11677	10273	9139	6388	5850	4747	3997	4079	3495
iv) Borrowings	22195	21172	15022	10829	8374	3882	2690	3286	3849	4158	2593
v) Deferred Tax Liability (net)	859	1239	1481	1383	1356	969	822	747	699	-	-
Total Funds Employed (iii + iv + v)	36141	34539	28180	22485	18869	11239	9362	8780	8545	8237	6088
<b>13. Internal Generation (Rs. Crores)</b>	1,897	1282	2636	2218	1061	1282	1740	1276	1100	1231	1089
<b>14. Value Added (Rs. Crores)</b>	10085	10447	8024	7955	4781	4877	5774	5203	4372	4145	3693
<b>15. Earnings in Foreign Exchange (Rs. Crores)</b>	10301	6567	7440	5585	4287	1945	1320	1191	655	870	573
<b>16. Ratios</b>											
i) Gross Profit before Depreciation, Interest & Tax as % age of Sales and Other Income	3.5	2.9	3.5	3.9	1.7	3.3	6.1	5.6	5.3	4.4	5.2
ii) Profit after Tax as % age of average Net Worth	12.2	6.2	14.4	18.6	3.2	15.8	32.0	28.6	21.0	22.0	21.5
iii) Profit after Tax as % age of Share Capital	425.3	203.6	437.2	499.4	80.7	321.9	564.9	416.7	283.3	277.5	467.8
iv) Average Net Worth as % age of Share Capital	3487.1	3292.4	3036.0	2685.0	2527.8	2039.7	1766.2	1457.5	1346.1	1262.4	2172.2
v) Gross Profit before Depreciation, Interest & Tax as % age of Capital Employed	13.7	13.1	15.9	19.4	8.0	21.2	41.5	34.8	26.1	26.7	31.1
vi) Profit before Tax as % age of Capital Employed	7.0	3.1	9.5	12.8	2.3	13.7	33.1	25.5	16.4	14.6	16.8
vii) Profit After Tax as % age of Capital Employed (ROCE)	4.6	2.3	5.8	8.3	1.6	9.8	21.3	16.0	10.5	10.9	12.5
viii) Debt Equity Ratio	1.70	1.75	1.29	1.05	0.92	0.61	0.46	0.69	0.96	1.02	0.7
<b>17. Earnings per Share (Rupees)#</b>	42.53	20.36	43.72	49.94	8.07	32.19	56.49	41.67	28.33	27.76*	46.78
<b>18. Book Value per Share (Rupees)</b>	361.97	335.48	323.01	284.19	252.79	212.95	194.99	158.25	133.25	135.98 @	232.98

# After adjusting prior period tax

\* Issue of Bonus Shares in the ratio 1:1.

\*\* Issue of Bonus Shares in the ratio 2:1.

@ On Post-Bonus Capital

Note : The figures for the years 2005-06 and onwards are merged figures including estwhile KRL.

1998-99 1997-98 1996-97 1995-96 1994-95 1993-94 1992-93 1991-92 1990-91 1989-90 1988-89 1987-88 1986-87 1985-86 1984-85 1980-81 1976

6223 5046 3949 3250 2791 2369 2057 1753 1523 1325 1122 955 752 601 495 96 46

3789 3005 2276 1794 1546 1374 1193 1024 894 787 683 599 428 360 329 47 23

900 983 1170 462 258 184 84 124 114 80 31 14 90 109 58 87 26

4689 3988 3446 2256 1804 1558 1277 1148 1008 867 714 613 518 469 387 134 49

150 150 150 150 150 50 50 50 50 50 28 28 28 28 17 15 15

2872 2374 1935 1582 1246 1102 901 748 614 496 406 307 206 150 104 50 19

3022 2524 2085 1732 1396 1152 951 798 664 546 433 335 234 178 120 64 34

1667 1464 1361 524 408 406 326 350 344 321 281 278 284 291 267 70 15

- - - - - - - - - - - - - - - - - -

4689 3988 3446 2256 1804 1558 1277 1148 1008 867 714 613 518 469 387 134 49

899 823 578 554 503 338 297 237 214 215 186 136 143 135 65 21 3

3002 2445 2077 1956 1562 926 889 786 682 481 499 387 341 292 224 101 28

299 357 417 361 272 236 204 160 197 136 120 110 116 103 88 1 2

7.1 10.1 9.1 9.6 9.3 8.4 7.8 7.0 6.6 6.1 5.5 4.7 5.2 7.5 4.3 3.2 1.8

25.5 22.6 21.4 24.7 22.9 20.7 19.5 20.3 21.1 25.0 28.4 26.7 29.3 41.2 12.1 17.4 6.7

470.7 347.6 271.7 257.2 194.8 435.1 340.1 296.9 255.6 245.1 391.7 273.0 216.7 220.2 83.3 71.8 11.5

1848.5 1536.2 1272.2 1042.4 849.2 2103.1 1748.5 1461.5 1210.2 979.8 1379.7 1021.5 738.9 534.3 689.8 412.4 170.9

38.5 34.0 33.0 45.9 50.6 43.1 47.8 44.1 46.5 45.5 44.3 48.4 51.1 49.0 37.5 33.5 21.8

24.2 20.1 22.6 33.0 30.4 28.6 29.5 28.0 28.7 25.2 23.8 23.7 19.0 19.0 8.4 19.7 12.6

17.4 14.6 13.8 19.5 19.4 17.2 17.2 16.3 17.0 18.5 19.9 19.4 16.7 16.9 5.6 8.9 3.5

0.6 0.6 0.7 0.3 0.3 0.4 0.3 0.4 0.5 0.6 0.6 0.8 1.2 1.6 2.2 1.1 0.4

47.07 34.76 27.17 25.72 19.48\*\* 43.51 34.02 29.69 25.56 24.51 37.45 28.01 21.71 22.01 6.07 4.68 0.72

201.45 168.25 139.00 115.45 93.04@ 230.42 190.21 159.49 132.80 109.24 155.69 120.23 84.04 63.74 52.23 27.97 14.56

## SOURCES AND APPLICATION OF FUNDS

2009-10 2008-09 2007-08 2006-07 2005-06 2004-05 2003-04 2002-03 2001-02 2000-01 1999-00 1998-99

### SOURCES OF FUNDS

#### OWN

Profit after Tax*	<b>1,538</b>	736	1,581	1,806	292	966	1,695	1,250	850	833	702	706
Capital Grants received/ (Reversed) (Net of amortisation)	-	-	-	(1)	3	-	-	-	-	-	-	-
Adjustment on account of Transitional Provisions	-	-	(36)	-	-	-	-	-	-	-	-	-
Depreciation	<b>1,247</b>	1,084	1,099	1,056	771	596	562	478	483	646	616	401
Investment	<b>4,577</b>	-	-	-	-	300	129	233	-	-	23	514
Shareholders' Investment	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Tax Provision	<b>(380)</b>	(242)	111	27	102	147	76	48	97	-	-	-

#### BORROWINGS

Loans (net)	<b>1,024</b>	6,149	4,193	2,456	3,715	1,192	-	-	-	1,565	925	203
LPG Deposits	<b>411</b>	237	232	154	150	170	238	183	198	385	345	168
Decrease in Working Capital	-	2,432	-	1,382	-	-	138	114	862	-	-	-
Adjustment on account of Deletion/ Re-classification, etc.	<b>16</b>	38	38	4	7	17	3	6	6	14	3	2
	<b>8,433</b>	10,434	7,218	6,884	5,040	3,388	2,841	2,312	2,496	3,443	2,614	1,994

### APPLICATION OF FUNDS

Capital Expenditure	<b>3,447</b>	2,389	2,039	1,808	2,009	1,509	1,653	1,249	924	1,235	1,422	1,186
Dividend	<b>506</b>	253	145	579	90	375	525	450	330	225	188	188
Tax on distributed profits	<b>73</b>	32	9	92	13	52	67	50	-	23	41	21
Repayment of Loans (net)	-	-	-	-	-	-	596	563	310	-	-	-
Investment	-	7,760	2,023	4,405	2,788	-	-	-	932	864	-	-
Increase in Working Capital	<b>4,407</b>	-	3,002	-	140	1,452	-	-	-	1,096	963	599
	<b>8,433</b>	10,434	7,218	6,884	5,040	3,388	2,841	2,312	2,496	3,443	2,614	1,994

\*After adjusting prior period tax

Note: The figures for the years 2005-06 and onwards are merged figures including erstwhile KRL.

1997-98 1996-97 1995-96 1994-95 1993-94 1992-93 1991-92 1990-91 1989-90 1988-89 1987-88 1986-87 1985-86 1984-85 1980-81 1976  
(Rs. Crores)

521	408	386	292	218	170	149	128	123	104	78	60	61	14	10	2
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
384	225	218	260	136	143	103	96	103	87	63	86	77	53	13	2
-	-	76	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
104	836	117	2	80	-	6	22	40	3	-	-	24	75	62	12
247	120	97	79	52	26	37	18	28	21	22	28	33	26	1	1
774	-	-	-	-	54	-	-	-	-	55	-	-	-	-	-
3	2	5	4	1	4	1	-	3	2	1	-	3	-	-	(8)
2,033	1,591	899	637	487	397	296	264	297	217	219	174	198	168	86	26

1,115	709	472	435	319	316	234	203	210	173	207	154	110	154	23	2
75	49	49	49	16	17	15	10	10	6	6	4	4	2	2	2
8	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	25	-	-	-	-	6	7	-	-	-	-
835	79	-	92	72	39	7	27	2	1	-	-	-	1	-	-
-	749	378	61	80	-	40	24	75	37	-	9	84	11	61	22
2,033	1,591	899	637	487	397	296	264	297	217	219	174	198	168	86	26

## SALES VOLUME ('000 MT)

	2009-10		2008-09		2007-08		2006-07		2005-06	
	Sales	Market Share (%)								
<b>Light Distillates :</b>										
Naphtha	897	28.9	1,129	20.6	1,022	20.8	1,136	22.2	1,307	25.4
LPG (Bulk & Packed)	3,236	25.9	3,033	26.2	2,933	26.4	2,734	26.3	2,586	26.1
Motor Spirit	3,575	28.4	3,229	28.9	2,914	29.5	2,635	29.9	2,475	30.0
Special Boiling Point Spirit/ Hexane	39	34.9	34	29.5	32	26.6	35	27.2	36	17.5
Benzene	60	84.3	73	88.3	87	87.4	101	98.5	59	88.5
Toluene	24	97.9	27	97.4	27	91.0	40	89.4	44	92.6
Polypropylene Feedstock	71		62		62		46		38	
Regassified - LNG	710		866		905		679		479	
Others	234		204		207		167		122	
<b>Sub Total</b>	<b>8,846</b>		<b>8,657</b>		<b>8,189</b>		<b>7,573</b>		<b>7,146</b>	
<b>Middle Distillates :</b>										
Aviation Turbine Fuel	925	20.3	917	21.0	959	21.1	880	21.9	680	20.6
Superior Kerosene Oil	1,646	17.2	1,599	16.8	1,637	17.0	1,643	17.1	1,626	16.9
High Speed Diesel	13,298	24.2	12,630	24.6	11,482	24.7	9,922	24.4	8,551	23.5
Light Diesel Oil	59	12.8	78	14.2	107	16.1	113	15.7	156	18.7
Mineral Turpentine Oil	107	56.5	84	53.2	102	55.1	113	59.9	124	61.9
Others										
<b>Sub Total</b>	<b>16,035</b>		<b>15,308</b>		<b>14,287</b>		<b>12,671</b>		<b>11,137</b>	
<b>Others :</b>										
Furnace Oil	1,450	18.7	1,644	21.1	1,745	21.6	1,923	23.6	1,944	23.7
Low Sulphur Heavy Stock	447	18.0	591	18.6	600	18.5	585	17.5	753	19.3
Bitumen	627	14.4	680	15.0	653	14.6	490	12.8	480	13.8
Lubricants	231	18.7	203	20.1	232	20.5	133	14.6	116	13.0
Others	64	14.9	76	16.6	80		77		54	
<b>Sub Total</b>	<b>2,819</b>		<b>3,194</b>		<b>3,310</b>		<b>3,208</b>		<b>3,347</b>	
<b>Grand Total</b>	<b>27,700</b>	<b>22.67</b>	<b>27,159</b>	<b>22.62</b>	<b>25,786</b>	<b>22.66</b>	<b>23,452</b>	<b>22.63</b>	<b>21,630</b>	<b>22.37</b>

Note 1: Market Share is based on Sales Volumes of Public Sector Oil Companies.

Note 2: The figures for the years 2005-06 and onwards are merged figures including erstwhile KRL.

## PRODUCTION ('000 MT)

	2009-10	2008-09	2007-08	2006-07	2005-06
<b>Light Distillates :</b>					
Naphtha	2262	1821	2057	1810	1957
LPG	873	818	890	822	739
Motor Spirit	2069	2081	2054	1856	1632
Special Boiling Point Spirit/Hexane	39	33	33	37	44
Benzene	57	80	88	104	61
Toluene	23	28	26	40	43
Polypropylene Feedstock/ Propylene	72	62	63	46	38
Others	1	1	3	3	3
<b>Sub Total</b>	<b>5396</b>	4924	5214	4718	4517
<b>Middle Distillates:</b>					
Aviation Turbine Fuel	1062	981	984	706	536
Superior Kerosene Oil	1235	996	1403	1745	1551
High Speed Diesel	7816	7805	7960	6939	5785
Light Diesel Oil	58	84	109	151	165
Mineral Turpentine Oil	110	84	98	115	128
Lube Oil Base Stock	185	155	154	105	0
<b>Sub Total</b>	<b>10466</b>	10104	10708	9762	8165
<b>Heavy Ends :</b>					
Furnace Oil	2263	2254	2360	2871	2209
Low Sulphur Heavy Stock	431	593	574	569	706
Sulphur	65	78	81	71	48
Bitumen	578	661	622	481	439
Others	-	15	11		
<b>Sub Total</b>	<b>3337</b>	3600	3648	3993	3402
<b>Grand Total</b>	<b>19199</b>	18629	19570	18472	16084

## Lubricants Production (MT)

	2009-10	2008-09	2007-08	2006-07	2005-06
	209301	151788	161957	116337	100461

## Quantity of LPG Filled in Cylinders (MT)

	2009-10	2008-09	2007-08	2006-07	2005-06
	2946073	2760136	2657199	2468571	2349675

Note: The figures for the years 2005-06 and onwards are merged figures including erstwhile KRL.

## HOW VALUE IS GENERATED

	Rs. Crores	
	2009-10	2008-09
Value of Production (Refinery)	55,153	63,982
Less : Direct Materials Consumed	<u>(50,825)</u>	<u>(53,893)</u>
Added Value	4,328	10,089
Marketing Operations	<u>5,453</u>	<u>116</u>
Value added by Manufacturing & Trading Operations	9,781	10,205
Add : Other Income and prior period items	2,185	1,495
<b>Total Value Generated</b>	<b><u><u>11,966</u></u></b>	<b><u><u>11,700</u></u></b>

## HOW VALUE IS DISTRIBUTED

	Rs. Crores	
	2009-10	2008-09
<b>1. OPERATIONS</b>		
Operating & Service Costs	5,509	5,811
<b>2. EMPLOYEES' BENEFITS</b>		
Salaries, Wages & Bonus	1,606	1,026
Other Benefits	<u>535</u>	<u>859</u>
<b>3. PROVIDERS OF CAPITAL</b>		
Interest on Borrowings	1,011	2,166
Dividend	<u>579</u>	<u>285</u>
<b>4. INCOME TAX</b>	828	268
<b>5. RE-INVESTMENT IN BUSINESS</b>		
Depreciation	1,242	1,076
Deferred Tax	<u>(303)</u>	<u>(242)</u>
Retained Profit	<u>959</u>	<u>451</u>
<b>Total Value Distributed</b>	<b><u><u>11,966</u></u></b>	<b><u><u>11,700</u></u></b>

## AUDITORS' REPORT TO THE MEMBERS OF BHARAT PETROLEUM CORPORATION LIMITED

1. We have audited the attached Balance Sheet of **BHARAT PETROLEUM CORPORATION LIMITED** as at 31st March 2010 and the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the Auditing & Assurance Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 ('the Order'), issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. Further to our comments in the Annexure referred to in paragraph (3) above, we report that:
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of the books.
  - c) The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement comply with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956.
  - e) Disclosure in terms of clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956 is not required as per Notification No. GSR 829(E) dated October 21, 2003 issued by the Department of Company Affairs.
  - f) Without qualifying our opinion, we invite attention to:
    - i) Note No. 9 of Schedule X – Notes to Accounts, regarding impairment of assets wherein, being technical matters subject to uncertainty we have relied on the estimates and assumptions made by the Company in arriving at recoverable value of assets, based on desired margins.
    - ii) Recovery of overdue amount of Rs. 278.54 crores from a party in whose case arbitration award has been passed and consent terms agreed between the parties have been filed with the Honourable Bombay High Court. We have relied on the Company's representation that the dues are recoverable as per consent terms and hence no provision is considered necessary.
  - g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
    - ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
    - iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For and on behalf of  
**B.K.KHARE & CO.**  
FR No: 105102W

Sd/-  
**Padmini Khare Kaicker**  
Partner  
Membership No: 44784

Place : Mumbai  
Dated : May 27, 2010

For and on behalf of  
**K.VARGHESE & CO.**  
FR No:004525S

Sd/-  
**K.Varghese**  
Partner  
Membership No: 20674

## ANNEXURE TO THE AUDITORS' REPORT

**Referred to in Paragraph (3) of our report of even date on the accounts of BHARAT PETROLEUM CORPORATION LIMITED for the year ended 31st March 2010.**

- (i) In respect of fixed assets
  - a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets except in respect of items like pipes, valves, meters, instruments and other similar items peculiar to a continuous process plants.
  - b) The Company has carried out physical verification of fixed assets, other than LPG cylinders with customers, in accordance with the verification programme and the frequency of verification is reasonable. According to information and explanations given to us, no material discrepancies have been reported on such verification.
  - c) In our opinion, the disposals of fixed assets during the year are not of a significant value so as to affect the going concern assumption.
- (ii) In respect of inventories:
  - a) The inventories of finished goods, stores, spares parts and raw materials, except those lying with third parties and in transit, have been verified by the management at reasonable intervals. In respect of inventories lying with third parties, these have been confirmed by them and the inventory in transit has been verified with subsequent receipts.
  - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were generally reasonable and adequate in relation to the size of the company and the nature of its business.
  - c) In our opinion and according to the information and explanations given to us, the company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification as compared to the records of inventories.
- (iii) Based on the audit procedures applied by us and according to the information and explanations given to us, the company has not granted or taken any loans, secured or unsecured to / from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Therefore, the provisions of Sub-clause (b) to (d), (f) and (g) of sub-para (iii) of para 4 of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanation that some of the items purchased are of a special nature and suitable alternative sources do not exist for obtaining comparable quotations, there is an adequate internal control procedure commensurate with the size of the Company and the nature of its business, for the purchase of inventories and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.

- (v) In respect of transactions entered in the register maintained under Section 301 of the Companies Act, 1956:
- a) In our opinion and according to the information and explanation given to us, there were no transactions exceeding the value of Rs. five lakhs in case of any party that need to be entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956.
  - b) As there are no transactions exceeding the value of Rs. five lakhs in case of any party that need to be entered in the Register maintained pursuant to Section 301 of the Companies Act, 1956, sub-clause (b) of sub-para (v) of Para 4 of the Order regarding reasonability of price at which such transactions have been entered is not applicable.
- (vi) In our opinion and according to the information and explanation given to us, the company has complied with the directives issued by the Reserve Bank of India, the provision of Section 58A and 58AA of the Companies Act, 1956 and the rules framed thereunder.
- (vii) In our opinion, the company has an adequate internal audit system commensurate with the size and the nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed records have been kept and maintained. We have not made a detailed examination of these records.
- (ix) According to the information and explanations given to us, in respect of statutory and other dues:
- a) According to the records of the Company, the company has been generally regular in depositing undisputed statutory dues including Provident fund, Investor Education and Protection Fund, Employees' State Insurance Fund, Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty, cess and any other statutory dues, with appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty and Excise Duty were outstanding, at the year end for a period of more than six months from the date they became payable.
  - b) The details of disputed dues of sales tax, income tax, customs duty, wealth tax, service tax, excise duty, cess, which have not been deposited, are given in Annexure I.
- (x) The company does not have any accumulated losses at the end of the financial year. The Company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) According to the information and explanations given to us and based on the documents and records produced before us, the Company has not defaulted in repayment of dues to Financial Institutions / Banks.
- (xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares and other securities.

- (xiii) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/ mutual benefit fund/ societies.
- (xiv) (a) The Company does not deal or trade in shares, securities, debentures and other investments.
- (b) The shares, securities, debentures and other investments are held by the Company in its own name except to the extent of the exemption granted under Section 49 of the Companies Act, 1956.
- (xv) The Company has given guarantees for loans taken by others from banks or financial institutions, aggregating to Rs. 887.43 crore where the terms and conditions, according to the information and explanations given to us, and in our opinion, are not prima facie prejudicial to the interests of the Company.
- (xvi) In our opinion, the term loans obtained during the year, prima facie, have been applied for the purpose for which the loans were raised.
- (xvii) According to the information and explanations given to us, based on an overall examination of the Balance Sheet and Cash Flows of the Company, we report that the Company has not utilized funds raised on short-term basis for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company has created security / charge on the debentures issued during the year.
- (xx) The Company has not raised any money through a public issue during the year.
- (xxi) As presented to us by the management and based on our examination in the normal course of audit, no material frauds on or by the Company have been noticed or reported during the year.

For and on behalf of  
**B.K.KHARE & CO.**  
FR No: 105102W  
Sd/-  
**Padmini Khare Kaicker**  
Partner  
Membership No: 44784

For and on behalf of  
**K.VARGHESE & CO.**  
FR No: 004525S  
Sd/-  
**K.Varghese**  
Partner  
Membership No: 20674

Place : Mumbai  
Date : May 27, 2010

# CONSOLIDATED SUMMARY

**Annexure 1**  
(Amount in Rs. Crores)

Nature of Statute / Nature of Dues	Period Block	Forum where Dispute is pending						Grand Total
		High Court	Appellate Tribunal*	Appellate Authority**	Adjudicating Authority***	Joint Secretary, MOF	Board of Revenue	
Customs Act, 1962 (Customs Duty Including Penalty & Interest, wherever applicable)	1995 to 2000	22.37	53.87	-	-	-	-	76.25
	2000 to 2005	-	8.35	-	0.39	-	-	8.75
	2005 to 2009	-	-	-	0.78	-	-	0.78
<b>Customs Duty Total (a)</b>		<b>22.37</b>	<b>62.23</b>	<b>-</b>	<b>1.17</b>	<b>-</b>	<b>-</b>	<b>85.77</b>
Central Excise Act, 1944 (Excise Duty Including Penalty & Interest, wherever applicable)	1985 to 1990	-	0.07	-	-	-	-	0.07
	1990 to 1995	-	0.20	0.06	-	-	-	0.26
	1995 to 2000	-	66.25	0.50	1.42	-	-	68.16
	2000 to 2005	-	703.76	-	143.74	0.11	-	847.61
	2005 to 2009	-	253.27	0.04	100.08	-	-	353.40
<b>Excise Duty Total (b)</b>		<b>-</b>	<b>1,023.54</b>	<b>0.61</b>	<b>245.24</b>	<b>0.11</b>	<b>-</b>	<b>1,269.50</b>
Sales Tax/ VAT Legislations (Sales Tax Including Penalty & Interest, wherever applicable)	1980 to 1985	0.04	-	-	-	-	-	0.04
	1985 to 1990	1.70	0.32	0.16	27.30	-	-	29.47
	1990 to 1995	12.95	6.39	0.21	68.01	-	-	87.56
	1995 to 2000	3.93	349.87	714.99	83.53	-	13.36	1,165.67
	2000 to 2005	329.14	107.68	600.63	176.12	-	-	1,213.57
	2005 to 2009	8.55	48.62	76.08	28.33	-	-	161.58
<b>Sales Tax Total (c)</b>		<b>356.30</b>	<b>512.87</b>	<b>1,392.06</b>	<b>383.29</b>	<b>-</b>	<b>13.36</b>	<b>2,657.88</b>
Income Tax Act, 1961 (Income Tax including Penalty & Interest, wherever applicable)	1990 to 1995	6.73	0.22	-	-	-	-	6.95
	1995 to 2000	0.26	0.48	1.35	-	-	-	2.09
	2000 to 2005	-	5.51	-	-	-	-	5.51
<b>Income Tax Total (d)</b>		<b>6.99</b>	<b>6.21</b>	<b>1.35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14.56</b>
Finance Act, 1994 (Service Tax)	2000 to 2005	-	0.51	-	-	-	-	0.51
<b>Service Tax Total (e)</b>		<b>-</b>	<b>0.51</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.51</b>
<b>Grand Total (a+b+c+d+e)</b>		<b>385.66</b>	<b>1,605.37</b>	<b>1,394.02</b>	<b>629.70</b>	<b>0.11</b>	<b>13.36</b>	<b>4,028.22</b>

\* Appellate Tribunal includes Sales Tax Tribunal, CESTAT and ITAT.

\*\* Appellate Authority includes Commissioner Appeals, Assistant Commissioner Appeals, Deputy Commissioner Appeals, Joint Commissioner Appeals and Deputy Commissioner Commercial Taxes Appeals.

\*\*\* Adjudicating Authority includes Collector of Sales Tax, Sales Tax Officer and Deputy Commissioner Sales Tax, Joint / Deputy / Additional Commissioner of Commercial Taxes

# BALANCE SHEET AS AT 31ST MARCH, 2010

	SCHEDULE	Rs. Crores	31/03/2009 Rs. Crores
<b>I. SOURCES OF FUNDS</b>			
<b>1. Shareholders' funds :</b>			
Share Capital	A	361.54	361.54
Reserves and Surplus	B	12,725.17	11,766.57
		<u>13,086.71</u>	<u>12,128.11</u>
<b>2. Loan funds :</b>			
Secured Loans	C	10,443.87	3,661.60
Unsecured Loans		11,751.33	17,509.81
		<u>22,195.20</u>	<u>21,171.41</u>
<b>3. Deferred tax liability (net)</b>		<b>859.30</b>	1,239.24
<b>TOTAL</b>		<b><u>36,141.21</u></b>	<b><u>34,538.76</u></b>
<b>II. APPLICATION OF FUNDS</b>			
<b>1. Fixed Assets :</b>			
Gross block	D	25,412.52	22,522.33
Less : Depreciation and amortisation		(11,743.17)	(10,556.54)
Net block		13,669.35	11,965.79
Capital work-in-progress	E	2,517.75	2,037.48
		<u>16,187.10</u>	<u>14,003.27</u>
<b>2. Investments</b>	F	<b>12,201.32</b>	16,715.19
<b>3. Advance for Investments</b>	FA	<b>1,300.01</b>	1,363.19
<b>4. Current assets, loans and advances :</b>			
Inventories	G	12,028.86	6,823.92
Sundry debtors	H	2,662.68	1,425.67
Cash and bank balances	I	342.36	441.55
Other current assets	J	3,785.69	3,094.51
Loans and advances	K	4,764.34	3,502.77
		<u>23,583.93</u>	<u>15,288.42</u>
<b>Less : Current liabilities and provisions :</b>			
Liabilities	L	14,550.56	11,118.87
Provisions	M	2,580.59	1,712.44
		<u>17,131.15</u>	<u>12,831.31</u>
<b>Net current assets</b>		<b>6,452.78</b>	2,457.11
<b>TOTAL</b>		<b><u>36,141.21</u></b>	<b><u>34,538.76</u></b>
Statement of Significant Accounting Policies and Notes forming part of Accounts	X		

For and on behalf of the Board of Directors

Sd/-  
**ASHOK SINHA**  
Chairman and Managing Director

Sd/-  
**S. K. JOSHI**  
Director (Finance)

Sd/-  
**S. V. KULKARNI**  
Company Secretary

Place : Mumbai  
Dated : 27th May, 2010

As per our attached report of even date

For and on behalf of  
**B. K. KHARE & CO.**  
Chartered Accountants  
FR No: 105102W

Sd/-  
**PADMINI KHARE KAICKER**  
Partner  
Membership No. 44784

For and on behalf of  
**K. VARGHESE & CO.**  
Chartered Accountants  
FR No: 004525S

Sd/-  
**K. VARGHESE**  
Partner  
Membership No. 20674

# PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	SCHEDULE	Rs. Crores	2008-09 Rs. Crores
<b>INCOME</b>			
Sale of products, crude oil and related income	N	131,499.72	145,392.07
Less: Excise Duty Paid		(9,223.77)	(10,154.37)
		122,275.95	135,237.70
Miscellaneous income	O	2,240.24	1,508.74
Increase/(Decrease) in Inventory	P	3,989.85	(1,575.88)
<b>TOTAL</b>		<b>128,506.04</b>	<b>135,170.56</b>
<b>EXPENDITURE</b>			
Purchase of products and crude oil for resale		63,078.89	67,867.81
Raw materials consumed	Q	50,592.45	53,936.93
Packages consumed		133.17	107.51
Excise Duty on Inventory differential		217.40	(10.49)
Other duties, taxes etc. and other charges applicable to products		1,841.56	1,174.76
Transportation		2,585.47	2,426.14
Consumption of stores, spares and materials	R	79.52	79.04
Power and Fuel	S	237.12	67.17
Employees' remuneration and other benefits	T	2,141.12	1,884.88
Interest	U	1,010.95	2,166.37
Other operating and administration expenses	V	2,924.59	3,377.34
Depreciation and amortisation		1,242.32	1,075.53
<b>TOTAL</b>		<b>126,084.56</b>	<b>134,152.99</b>
<b>Profit</b>		2,421.48	1,017.57
Prior period income/(expenses) net	W	(55.43)	(13.46)
<b>Profit before tax</b>		2,366.05	1,004.11
Provision for Taxation			
- Current Tax		1,127.00	490.00
- Fringe Benefit Tax		-	13.25
- Deferred Tax Asset - Net		(303.25)	(242.13)
- Short provision for Taxation in earlier years provided for		4.68	7.09
<b>Profit after tax</b>		1,537.62	735.90
Transfer from / (to) Debenture Redemption Reserve		(700.00)	(300.00)
Balance brought forward		76.37	#
<b>Disposable Profit</b>		913.99	435.90
<b>Appropriations:</b>			
Proposed dividend		506.16	253.08
Corporate Dividend Tax on proposed dividend		72.77	31.45
		578.93	284.53
Transfer to General Reserve		154.00	75.00
<b>Balance Carried to Balance Sheet</b>		<b>181.06</b>	<b>76.37</b>
# Rs. 10,000.00			
<b>Earnings per Share - Rs.</b>			
- Basic		42.53	20.35
- Diluted		42.53	20.35
Statement of Significant Accounting Policies and Notes forming part of Accounts			
	X		

For and on behalf of the Board of Directors

Sd/-  
**ASHOK SINHA**  
Chairman and Managing Director

Sd/-  
**S. K. JOSHI**  
Director (Finance)

Sd/-  
**S. V. KULKARNI**  
Company Secretary

Place : Mumbai  
Dated : 27th May, 2010

As per our attached report of even date

For and on behalf of  
**B. K. KHARE & CO.**  
Chartered Accountants  
FR No: 105102W

Sd/-  
**PADMINI KHARE KAICKER**  
Partner  
Membership No. 44784

For and on behalf of  
**K. VARGHESE & CO.**  
Chartered Accountants  
FR No: 004525S

Sd/-  
**K. VARGHESE**  
Partner  
Membership No. 20674

## SCHEDULE 'A' — SHARE CAPITAL

	Rs. Crores	31/03/2009 Rs. Crores
<b>Authorised</b>		
450,000,000 equity shares of Rs.10 each	<b>450.00</b>	450.00
	<b>450.00</b>	450.00
<b>Issued, subscribed and paid-up</b>		
361,542,124 (previous year 361,542,124) equity shares of Rs.10 each fully paid-up *	<b>361.54</b>	361.54
<b>Total</b>	<b>361.54</b>	361.54
Share Application Money Suspense Account	<b>#</b>	<b>#</b>
<b>Total</b>	<b>361.54</b>	361.54

\* Includes :

- i) 22,950,000 equity shares of Rs. 10 each on which Rs. 7.20 per share was paid in cash and were converted into fully paid by capitalisation of Capital Reserve.
- ii) 277,000,000 equity shares of Rs. 10 each allotted as fully paid bonus shares by capitalisation of Capital Reserve and General Reserve.
- iii) 61,542,124 equity shares of Rs. 10 each issued as fully paid-up to the Shareholders of erstwhile Kochi Refineries Limited as per the Scheme of Amalgamation.

# Value Rs. 21,000

## SCHEDULE 'B' — RESERVES AND SURPLUS

	Rs. Crores	31/03/2009 Rs. Crores
<b>Capital Reserve</b>		
As per last Balance Sheet	<b>14.94</b>	15.03
(Less) : Amortisation of Capital Grant	<b>(0.09)</b>	(0.09)
	<b>14.85</b>	14.94
<b>Debenture Redemption Reserve</b>		
As per Last Balance Sheet	<b>300.00</b>	-
Add: Transfer from Profit & Loss Account	<b>700.00</b>	300.00
	<b>1,000.00</b>	300.00
<b>General Reserve</b>		
As per last Balance Sheet	<b>11,375.26</b>	11,300.26
Add : Transfer from Profit & Loss Account	<b>154.00</b>	75.00
	<b>11,529.26</b>	11,375.26
<b>Surplus as per Profit &amp; Loss Account</b>	<b>181.06</b>	76.37
<b>Total</b>	<b>12,725.17</b>	11,766.57

## SCHEDULE 'C'— LOAN FUNDS

	Rs. Crores	31/03/2009 Rs. Crores
<b>Secured Loans</b>		
<b>Debentures</b>		
10.35% Secured Non-Convertible debenture 2010 (refer note 3 (a) of Schedule 'X'-B) [Due for repayment within one year <b>Rs. 1000 crores</b> (previous year Rs. NIL)]	<b>1,000.00</b>	1,000.00
7.73% Secured Non-Convertible debenture 2012 (refer note 3 (b) of Schedule 'X'-B)	<b>1,000.00</b>	-
<b>Banks</b>		
Working Capital Loans/Cash Credit (Secured in favour of the participating banks ranking pari passu inter-alia by hypothecation of raw materials, finished goods, stock- in- process, book debts, stores, components and spares and all movables both present and future)	<b>6,714.15</b>	2,497.70
Interest accrued and due	<b>29.72</b>	13.90
Term Loan [Due for repayment within one year <b>Rs. 1200.00 crores</b> (previous year Rs. NIL)] [Secured by pledge of 6.35% Oil Marketing Companies GOI Special Bonds 2024 of Rs. 3000 crores]	<b>1,200.00</b>	-
Collateralised Borrowing and Lending Obligation (CBLO) through Clearing Corporation of India Limited [Secured by Oil Marketing Companies GOI Special Bonds 2024 of <b>Rs. 1400 crores</b> (previous year Oil Marketing Companies GOI Special Bonds 2023 of Rs. 1300.00 crores)]	<b>500.00</b>	150.00
	<b>10,443.87</b>	3,661.60
<b>Unsecured Loans</b>		
<b>Fixed deposits</b> [Due for repayment within one year <b>Rs. 0.24 crores</b> (previous year Rs. 3.01 crores)]	<b>0.24</b>	3.45
<b>Short Term (From Banks)</b>		
Rupee Loans	<b>3,300.00</b>	12,855.00
Foreign Currency Loans	<b>6,274.24</b>	2,060.25
<b>Syndicated Loans from various banks (repayable in foreign currency)</b> [Due for repayment within one year <b>Rs. NIL</b> (previous year Rs. 606.07 crores)]	<b>1,255.48</b>	1,829.61
<b>Others</b>		
Oil Industry Development Board [Due for repayment within one year <b>Rs. 126.63 crores</b> (previous year Rs. 203.13 crores)]	<b>921.37</b>	761.50
	<b>11,751.33</b>	17,509.81
<b>Total</b>	<b>22,195.20</b>	21,171.41

## SCHEDULE 'D' – FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	AS AT 01-04-2009	ADDITIONS	DEDUCTIONS ON ACCOUNT OF RETIREMENT / RECLASSIFI- CATIONS	AS AT 31-03-2010	UPTO 31-03-2009	2009-10	DEDUCTIONS ON ACCOUNT OF RETIREMENT / RECLASSIFI- CATIONS	UPTO 31-03-2010	AS AT 31-03-2010	AS AT 31-03-2009
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1. LAND										
(a) Freehold	389.77	56.20	1.08	444.89	-	-	-	-	444.89	389.77
(b) Leasehold	102.44	63.25	1.79	163.90	17.01	2.20	0.27	18.94	144.96	85.43
2. BUILDINGS	3,972.56	268.79	5.16	4,236.19	523.26	82.70	1.80	604.16	3,632.03	3,449.30
3. RAILWAY SIDINGS	221.99	41.03	2.75	260.27	111.47	10.84	2.61	119.70	140.57	110.52
4. PLANT and MACHINERY	6,581.00	820.13	26.21	7,374.92	2,921.79	322.67	14.08	3,230.38	4,144.54	3,659.21
5. TANKS and PIPELINES	3,948.97	909.32	0.69	4,857.60	1,870.44	256.04	4.47	2,122.01	2,735.59	2,078.53
6. FURNITURE and FITTINGS	168.65	15.13	1.93	181.85	73.48	11.24	1.71	83.01	98.84	95.17
7. VEHICLES	152.01	20.90	2.66	170.25	83.98	13.08	2.03	95.03	75.22	68.03
8. OTHER ASSETS										
(a) Dispensing Pumps	1,416.02	102.73	2.56	1,516.19	346.53	68.56	2.29	412.80	1,103.39	1,069.49
(b) LPG Cylinders and Allied Equipment	3,799.12	353.06	8.16	4,144.02	3,799.12	353.06	8.16	4,144.02	-	-
(c) Sundries	1,686.29	288.51	23.10	1,951.70	767.09	114.46	22.85	856.70	1,093.00	919.20
9. INTANGIBLE ASSETS	83.51	27.23	-	110.74	42.37	12.05	-	54.42	56.32	41.14
(refer note 18 of Schedule X-B)										
<b>TOTAL</b>	<b>22,522.33</b>	<b>2,966.28</b>	<b>76.09</b>	<b>25,412.52</b>	<b>10,556.54</b>	<b>1,246.90</b>	<b>60.27</b>	<b>11,743.17</b>	<b>13,669.35</b>	<b>11,965.79</b>
PREVIOUS YEAR (2008-09)	21,500.93	1,118.57	97.17	22,522.33	9,532.26	1,083.61	59.33	10,556.54	11,965.79	11,968.67

## NOTES:

1) Land :

- Freehold land includes **Rs. 32.07 Crores** (previous year Rs. 31.73 Crores) with more than 99 years lease period.
  - Freehold land includes **Rs. 137.16 Crores** (previous year Rs. 88.05 Crores) capitalised at various locations for which conveyance deeds are yet to be executed and/or mutation is pending.
  - Includes the following which though in the possession of Corporation, the lease deeds are yet to be registered:
    - Land acquired on lease for a period exceeding 99 years **Rs. 0.91 Crores** (previous year Rs. 0.91 Crores).
    - Other leasehold land - Gross Block **Rs. 46.14 Crores** (previous year Rs. 0.60 Crores), Net Block **Rs. 45.88 Crores** (previous year Rs. 0.48 Crores).
  - Freehold land includes **Rs. 2.13 Crores** (previous year Rs. 2.13 Crores) which is in the process of being surrendered to Competent Authority.
- Buildings include :
    - Ownership flats of **Rs. 48.16 Crores** (previous year Rs. 47.92 Crores) in proposed / existing co-operative societies and others.
    - Residential flats and office complex which are in possession of the Corporation and in respect of which the lease deeds are yet to be registered: Gross Block **Rs. 30.31 Crores** (previous year Rs. 30.87 Crores), Net Block **Rs. 27.80 Crores** (previous year Rs. 28.72 Crores).
  - Land, Plant & Machinery, Tanks & Pipelines, Railway Sidings and Buildings jointly owned in varying extent with other Oil Companies / Railways : Gross Block **Rs. 192.35 Crores** (previous year Rs. 192.41 Crores), Cumulative Depreciation

**Rs. 86.18 Crores** (previous year Rs. 77.67 Crores), Net Block **Rs. 106.17 Crores** (previous year Rs. 114.75 Crores).

4) Buildings, Plant & Machinery and Sundries includes **Rs. 14.25 Crores** (previous year Rs. 14.25 Crores) towards assets, ownership of which does not vest with the Corporation. This amount is amortised over a period of five years. The amount charged off as depreciation for the current period is **Rs. 1.20 Crores** (previous year Rs. 1.87 Crores).

5) Deduction from Gross Block (column 4) includes :

- Write back of excess capitalisation of **Rs. 11.93 Crores** (previous year Rs. 42.99 Crores).
- Deletions during the period (column 7) includes :
  - Charged to Profit & Loss account **Rs. 1246.18 Crores** (previous year Rs. 54.18 Crores).
  - Charged to Prior Period expenses **Rs. 0.72 Crores** (previous year Rs. 1.082.25 Crores).

7) Deductions from depreciation (column 8) includes withdrawal of depreciation :

- On excess capitalisation **Rs. 3.49 Crores** (previous year Rs. 3.50 Crores).
- On deletion during the period (column 7) includes :
  - On reclassification of assets **Rs. 0.36 Crores** (previous year Rs. 3.22 Crores)
  - Credited to Prior Period **Rs. 0.38 Crores** (previous year Rs. 3.84 Crores)

8) Gross Block includes **Rs. 20.55 Crores** (previous year Rs. 6.62 Crores) towards assets which are identified as held for disposal during the period in respect of which additional depreciation of **Rs. 6.06 Crores** (previous year Rs. 4.13 Crores) has been provided to recognise the expected loss on disposal.

## SCHEDULE 'E'— CAPITAL WORK-IN-PROGRESS

			31/03/2009
		Rs. Crores	Rs. Crores
<b>Capital work-in-progress (at cost)</b>			
Work-in-progress		<b>2,035.97</b>	1,559.37
Capital Advances (Unsecured, Considered good)		<b>141.75</b>	116.04
Capital stores including lying with contractors		<b>201.22</b>	285.96
Capital goods in transit		<b>33.35</b>	13.02
Intangible assets pending amortisation (refer note 18 of Schedule 'X'-B)		<b>2.62</b>	5.96
<b>Construction period expenses</b>			
			31/03/2009
Opening balance	<b>57.13</b>		18.05
<b>Add: Expenditure during the year</b>			
Establishment charges	<b>33.94</b>		21.51
Interest	<b>76.74</b>		14.02
Others	<b>27.37</b>		8.75
	<b>195.18</b>		62.33
<b>Less: Allocated to assets capitalised during the year</b>	<b>(92.34)</b>		(5.20)
Closing balance		<b>102.84</b>	57.13
<b>Total</b>		<b>2,517.75</b>	2,037.48

## SCHEDULE 'F' — INVESTMENTS

	No.	Face Value Rs. Crores	Book Value Rs. Crores	31/03/2009 Rs. Crores
<b>CURRENT</b>				
(Current Investments are valued at lower of cost or fair market value)				
<b>IN GOVERNMENT SECURITIES</b>				
NON TRADE - QUOTED				
1	6.35% Oil Marketing Companies GOI Special Bonds 2024 **	3,099.96	@ 3,099.96	1,605.80
2	6.90% Oil Marketing Companies GOI Special Bonds 2026	4,986.71	@ 4,986.71	330.00
3	7.00% Oil Marketing Companies GOI Special Bonds 2012	3.39	3.39	3.39
4	7.59% Oil Marketing Companies GOI Special Bonds 2015	2.31	2.31	2.31
5	7.61% Oil Marketing Companies GOI Special Bonds 2015	0.81	0.81	0.81
6	7.95% Oil Marketing Companies GOI Special Bonds 2025	80.63	80.63	695.63
7	8.00% Oil Marketing Companies GOI Special Bonds 2026	559.32	559.32	2,144.32
8	8.01% Oil Marketing Companies GOI Special Bonds 2023	-	-	16.00
9	8.13% Oil Marketing Companies GOI Special Bonds 2021	-	-	2.80
10	8.20% Oil Marketing Companies GOI Special Bonds 2023	758.76	758.76	2,860.76
11	8.20% Oil Marketing Companies GOI Special Bonds 2024*	1,748.78	1,748.78	1.03
12	8.40% Oil Marketing Companies GOI Special Bonds 2025	-	-	1.92
13	8.40% Oil Marketing Companies GOI Special Bonds 2026	-	-	2.87
			<b>11,240.67</b>	<b>7,667.64</b>
	Less : Provision for diminution in value of investment			
	in 6.35% Oil Marketing Companies GOI Special Bonds 2024		(493.68)	(252.92)
	in 6.90% Oil Marketing Companies GOI Special Bonds 2026		(592.82)	(23.08)
	in 7.95% Oil Marketing Companies GOI Special Bonds 2025		(2.53)	(12.03)
	in 8.00% Oil Marketing Companies GOI Special Bonds 2026		(11.65)	-
	in 8.20% Oil Marketing Companies GOI Special Bonds 2024		(16.32)	-
			<b>(1,117.00)</b>	<b>(288.03)</b>
			<b>10,123.67</b>	<b>7,379.61</b>
*	Kept as Collateral Security with Clearing Corporation of India Limited for borrowing in CBLO (face value of Rs. 1400 crores)			
**	Kept as Security with State Bank of India against Term loans (face value of Rs. 3000 crores)			
<b>LONG TERM</b>				
<b>IN GOVERNMENT SECURITIES</b>				
NON TRADE - QUOTED				
1	6.35% Oil Marketing Companies GOI Special Bonds 2024 @	-	-	3,099.96
2	6.90% Oil Marketing Companies GOI Special Bonds 2026 @	-	-	4,986.71
3	Deposited with Local Authorities			
	7 % Loan 2009	-	-	0.02
	7 1/2 % Loan 2010	0.02	0.02	0.02
	8 % Loan 2011	***	#	#
			<b>0.02</b>	<b>8,086.71</b>
#	Rs 22,327.65			
***	Rs. 20,000.00			
@	Refer note 8 of Schedule 'X'-B			

## SCHEDULE 'F' — INVESTMENTS (CONTD.)

	No.	Face Value Rs. Crores	Book Value 31/03/2009 Rs. Crores	
<b>IN SHARES, DEBENTURES AND BONDS</b>				
TRADE - QUOTED				
1	Equity Shares of Rs.10 each (fully paid up) of Petronet LNG Limited	93,750,000 (93,750,000)	93.75	98.75
2	Equity Shares of Rs.10 each (fully paid up) of Indraprastha Gas Limited	31,500,080 (31,500,080)	31.50	31.50
3	Equity Shares of Rs.10 each (fully paid up) of Oil India Limited	5,350,110 -	5.35	561.76
TRADE - UNQUOTED				
1	Equity Shares of Rs.10 each (fully paid up) of Bharat Oman Refineries Limited	75,500,000 (75,500,000)	75.50	75.50
2	Equity Shares of Rs.10 each (fully paid up) of Petronet India Limited	16,000,000 (16,000,000)	16.00	16.00
3	Equity Shares of Rs.10 each (fully paid up) of Cochin International Airport Limited	10,500,000 (10,500,000)	10.50	10.50
4	Equity Shares of Rs.10 each (fully paid up) of Petronet CCK Limited	49,000,000 (49,000,000)	49.00	49.00
5	Equity Shares of Rs.10 each (fully paid up) of Petronet CI Limited	1,584,000 (1,584,000)	1.58	1.58
7	Equity Shares of Rs.10 each (fully paid up) of Petroleum Infrastructure Limited	7,500,000 (7,500,000)	7.50	7.50
8	Equity Shares of Rs.10 each (fully paid up) of Central UP Gas Limited	13,500,000 (13,500,000)	13.50	13.50
9	Equity Shares of Rs.10 each (fully paid up) of Sabarmati Gas Limited	5,000,000 (12,500)	5.00	19.96
10	Equity Shares of Rs.10 each (fully paid up) of Maharashtra Natural Gas Limited	22,487,500 (12,500)	22.49	22.49
11	Equity Shares of Rs.10 each (fully paid up) of Bharat Stars Services Pvt. Ltd	10,000,000 (5,000,000)	10.00	10.00
12	Equity Shares of Rs.10 each (fully paid up) of Bharat Renewable Energy Limited	1,000,000 (1,000,000)	1.00	1.00
13	Equity Shares of Premier Oil Cachar B.V. Face value of Euro 453.78 each (fully paid up)	- (40)	-	-
14	Equity Shares of Delhi Aviation Fuel Facility Private Limited Face value of Rs 10 each (fully paid up)	3,700 -	#	#
15	Equity Shares of Matrix Bharat Marine Services Pte. Ltd. Face value USD1 each (fully paid up)	2,000,000 (2,000,000)	8.41	8.41
16	6% Optional Convertible Debenture of Rs.100000 each (fully paid up) of Sabarmati Gas Limited	2,000 -	20.00	20.00
			<b>947.45</b>	<b>318.36</b>
	Less: Provision for diminution in value of investment in Petroleum Infrastructure Limited		(7.50)	(7.50)
	in Petronet CI Limited		(1.58)	(1.58)
	in Petronet India Limited		(16.00)	(16.00)
	in Petronet CCK Limited		(23.50)	(23.50)
			<b>(48.58)</b>	<b>(48.58)</b>
			<b>898.87</b>	<b>269.78</b>
#	Value Rs 37,000.00			

## SCHEDULE 'F'— INVESTMENTS (CONTD.)

	No.	Face Value Rs. Crores	Book Value		
			Rs. Crores	31/03/2009 Rs. Crores	
NON TRADE - UNQUOTED					
1	Debtures (Irredeemable - Fully Paid up) - 5 % debtures of East India Clinic Limited	1 (1)	0.01	0.01	0.01
2	Ordinary Shares (Fully paid up) of Sindhu Resettlement Corporation Limited	6 (6)	#	#	#
3	Shares of Kochi Refineries Employees Consumer Co-operative Society Limited (Fully paid up)	500 (500)	##	##	##
			<u>0.01</u>	<u>0.01</u>	
IN SUBSIDIARY COMPANIES UNQUOTED					
1	Equity Shares of Rs.10 each (fully paid up) of Numaligarh Refinery Limited	453,545,998 (453,545,998)	453.55	453.55	453.55
2	Equity Shares of Rs.10 each (fully paid up) of Bharat PetroResources Limited	702,552,610 (502,552,610)	702.55	702.55	502.55
			<u>1,156.10</u>	<u>956.10</u>	
IN ASSOCIATION OF PERSONS NON TRADE - UNQUOTED					
	Capital Contribution in Petroleum India International		10.00		10.00
	Share in accumulated surplus of Petroleum India International as at 31st March 2010 (31st March 2009)		12.65		12.98
			<u>22.65</u>	<u>22.98</u>	
	Member Companies ### Bharat Petroleum Corporation Limited Bongaigaon Refinery & Petrochemicals Limited Engineers India Limited Hindustan Petroleum Corporation Limited Indian Oil Corporation Limited Indian Petrochemicals Corporation Limited Chennai Petroleum Corporation Limited Oil and Natural Gas Corporation Limited Oil India Limited				
	<b>Total</b>		<u><b>12,201.32</b></u>	<u><b>16,715.19</b></u>	

# Value Rs. 19000

## Value Rs. 5000

### The total capital of AOP is **Rs. 55.00 crores** of which share of Bharat Petroleum Corporation Limited and Indian Oil Corporation Limited is **Rs.10.00 crores** each and other members have equal share of **Rs. 5.00 crores** each.

Aggregate value of Unquoted Securities **Rs.1,385.62 Crores** (Rs. 1118.63 Crores).

Aggregate value of Quoted Securities **Rs. 10,815.70 Crores** (Rs. 15,596.57 Crores).

Market value of Quoted Securities **Rs. 12,137.83 Crores** (Rs. 15,338.25 Crores).

### Investment made and sold during the year

	No.	Face Value Rs. Crores	Cost Rs. Crores
8.20% Oil Marketing Companies GOI Special Bonds 2024	316,500	316.50	316.50

## SCHEDULE 'FA' — ADVANCE FOR INVESTMENTS

	31/03/2009
	Rs. Crores
	Rs. Crores
<b>SHARE APPLICATION MONEY/ADVANCE TOWARDS EQUITY PENDING ALLOTMENT</b>	
Maharashtra Natural Gas Limited	22.49
Sabarmati Gas Limited	40.70
Bharat Oman Refineries Limited	1,300.00
<b>Total</b>	<b>1,363.19</b>

## SCHEDULE 'G' — INVENTORIES

	31/03/2009
	Rs. Crores
	Rs. Crores
Stores and spares [including in transit <b>Rs. 1.02 crores</b> (previous year Rs. 0.76 crores)]	181.46
Raw materials [including in transit <b>Rs. 807.72 crores</b> (previous year Rs. 547.71 crores)]	1,519.63
Stock in process	485.52
Finished products [including in transit <b>Rs. 139.82 crores</b> (previous year Rs. 78.40 crores)]	4,631.30
Packages	6.01
<b>Total</b>	<b>6,823.92</b>

## SCHEDULE 'H' - SUNDRY DEBTORS

(Unsecured, Considered good unless otherwise stated)

	Rs. Crores	31/03/2009 Rs. Crores
<b>Debts outstanding for over six months :</b>		
Considered good *	170.44	198.60
Considered doubtful	250.11	183.64
	<b>420.55</b>	<b>382.24</b>
<b>Other debts</b>	<b>2,492.24</b>	<b>1,227.07</b>
	<b>2,912.79</b>	<b>1,609.31</b>
Less : Provision for doubtful debts	(250.11)	(183.64)
<b>Total</b>	<b>2,662.68</b>	<b>1,425.67</b>

\* Includes **Rs. 25.81 crores** (previous year Rs. 19.86 crores) which are secured.

## SCHEDULE 'I' — CASH AND BANK BALANCES

	Rs. Crores	31/03/2009 Rs. Crores
<b>Cash on Hand</b>	<b>98.32</b>	<b>124.49</b>
[Includes drafts and cheques on hand of <b>Rs.80.56 crores</b> (previous year Rs. 108.00 crores)]		
<b>With Scheduled banks :</b>		
In current accounts	243.04	314.46
In deposit accounts *	0.93	0.93
<b>Remittances in transit</b>	<b>0.07</b>	<b>1.67</b>
<b>Total</b>	<b>342.36</b>	<b>441.55</b>

\* Includes deposit of **Rs. 0.80 crores** (previous year Rs. 0.80 crores) that have been pledged / deposited with local authorities.

## SCHEDULE 'J' - OTHER CURRENT ASSETS

	Rs. Crores	31/03/2009 Rs. Crores
Interest accrued on investments	142.02	246.89
Interest accrued on bank deposits	0.02	0.02
Subsidy / Oil Marketing Companies GOI Special Bonds Receivable (refer note 2 of Schedule 'X'-B)	2,894.26	2,065.28
Deferred premium (foreign exchange forward contract)	90.29	123.22
Others (refer note 4 of Schedule 'X'-B)	659.10	659.10
<b>Total</b>	<b>3,785.69</b>	<b>3,094.51</b>

## SCHEDULE 'K' — LOANS AND ADVANCES

(Unsecured, Considered good unless otherwise stated)

	Rs. Crores	31/03/2009 Rs. Crores
<b>Loans (Secured) :</b>		
To companies		
Considered doubtful	0.10	0.10
Less: Provision for doubtful loans	(0.10)	(0.10)
To staff *	623.20	632.46
Material given on Loan	0.46	0.46
Less : Deposits Received	(0.46)	(0.46)
	<u>623.20</u>	<u>632.46</u>
<b>Loans :</b>		
To Subsidiaries		
Considered good	327.00	95.00
To companies		
Considered good	2,870.17	1,658.53
Considered doubtful	2.81	2.81
Less: Provision for doubtful loans	(2.81)	(2.81)
To others	45.00	40.75
Interest accrued on Loans	44.88	33.63
	<u>3,287.05</u>	<u>1,827.91</u>
<b>Advances:</b>		
Advances Recoverable in cash, or in kind or for value to be received	180.84	272.47
Advances considered doubtful	3.99	4.27
Less : Provision for doubtful advances	(3.99)	(4.27)
	<u>180.84</u>	<u>272.47</u>
<b>Dues from Petroleum Planning &amp; Analysis Cell - Government of India</b>	29.10	29.91
<b>Due from Subsidiaries</b>	1.63	3.27
<b>Claims :</b>		
Considered good	346.35	356.08
Considered doubtful	62.01	55.65
Less : Provision for doubtful claims	(62.01)	(55.65)
	<u>346.35</u>	<u>356.08</u>
Advance Income Tax ( Net of provision for taxation)	130.79	194.42
<b>Deposits :</b>		
With Customs/Excise/Port Trust etc.	83.89	104.42
Others**	81.49	81.83
	<u>165.38</u>	<u>186.25</u>
Considered doubtful	-	-
Less: Provision for doubtful deposits	-	-
	<u>165.38</u>	<u>186.25</u>
<b>Total</b>	<u><u>4,764.34</u></u>	<u><u>3,502.77</u></u>

\* Includes :

Dues from Officers : **Rs. 3.97 crores** (previous year Rs. 4.44 crores)

Maximum balances : **Rs. 5.34 crores** (previous year Rs. 6.11 crores)

Dues from Directors : **Rs. 0.15 crores** (previous year Rs. 0.01 crores)

Maximum balances : **Rs. 0.16 crores** (previous year Rs. 0.08 crores)

\*\* Includes **Rs.4.55 crores**(previous year Rs. 5.81 crores) alongwith interest of **Rs. 4.19 crores** (previous year Rs. 5.73 crores) deposited as per court order in Land Compensation cases for which appeals are pending.

## SCHEDULE 'L' — LIABILITIES

	Rs. Crores	31/03/2009 Rs. Crores
<b>Current Liabilities :</b>		
<b>Sundry creditors</b>		
Total outstanding dues of micro and small enterprises (refer note 10 of Schedule 'X'-B)	0.72	0.73
Total outstanding dues of creditors other than micro and small enterprises	8,359.25	6,213.85
Due to Subsidiaries	99.72	131.12
Deposits from Customers	25.81	19.64
Deposits for Containers	3,755.66	3,343.98
Unclaimed Dividend *	3.11	3.18
Unclaimed Deposits *	0.28	0.37
Unclaimed Interest on Deposits *	0.09	0.21
Other liabilities	2,212.07	1,342.10
Interest on loans (accrued but not due )	93.85	63.69
<b>Total</b>	<b>14,550.56</b>	<b>11,118.87</b>

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

## SCHEDULE 'M' - PROVISIONS

	Rs. Crores	31/03/2009 Rs. Crores
Provision for Taxation (Net of Tax paid)	759.78	493.72
Proposed dividend	506.16	253.08
Corporate Dividend Tax on proposed dividend	72.77	31.45
Provision for employee / retirement benefits	1,241.88	934.19
<b>Total</b>	<b>2,580.59</b>	<b>1,712.44</b>

## SCHEDULE 'N' - SALE OF PRODUCTS

	Rs. Crores	2008-09 Rs. Crores
Sales	125,643.84	128,609.48
Subsidy on LPG (Domestic) & SKO (PDS) (As per the existing scheme of the Government of India)	590.85	566.21
Subsidy/ Oil Marketing Companies GOI Special Bonds (refer note 2 of Schedule 'X'-B)	5,265.03	16,216.38
<b>Total</b>	<b>131,499.72</b>	<b>145,392.07</b>

## SCHEDULE 'O' — MISCELLANEOUS INCOME

	Rs. Crores	2008-09 Rs. Crores
<b>Interest on bank deposits and others *</b>	<b>289.17</b>	160.13
Tax deducted at source - <b>Rs. 33.17 crores</b> (previous year Rs. 21.47 crores)		
<b>Income from Investments</b>		
<b>NON TRADE</b>		
Current - Interest on Oil Marketing Companies GOI Special Bonds	<b>354.66</b>	422.96
Long Term - Interest on Oil Marketing Companies GOI Special Bonds	<b>512.38</b>	108.35
	<b>867.04</b>	531.31
<b>TRADE</b>		
Dividend		
from subsidiaries	<b>68.03</b>	90.71
from others	<b>40.24</b>	27.84
Income from AOP (Petroleum India International)	<b>0.04</b>	1.24
	<b>108.31</b>	119.79
<b>Total Income from Investments</b>	<b>975.35</b>	651.10
Write back of liabilities no longer required (net)	-	17.58
Profit on sale/write off of fixed assets (net)	<b>4.07</b>	-
Foreign Exchange fluctuations (net)	<b>556.53</b>	-
Other income #	<b>415.12</b>	679.93
Tax deducted at source - <b>Rs.8.35 crores</b> (previous year Rs. 6.24 crores)		
<b>Total</b>	<b>2,240.24</b>	1,508.74

\* Includes interest received from Income Tax authorities **Rs. 1.34 crores** (previous year Rs. 10.85 crores).

# Includes amortisation of capital grants **Rs. 0.09 crores** (previous year Rs. 0.09 crores).

## SCHEDULE 'P' - INCREASE/(DECREASE) IN INVENTORY

		31/03/2009	Rs. Crores	2008-09 Rs. Crores
<b>Value of closing stock of</b>				
Finished goods	<b>8,383.49</b>	4,631.30		
Stock in process	<b>723.18</b>	485.52		
			<b>9,106.67</b>	5,116.82
Less :				
<b>Value of opening stock of</b>				
Finished goods	<b>4,631.30</b>	6,126.78		
Stock in process	<b>485.52</b>	565.92		
			<b>5,116.82</b>	6,692.70
<b>Total</b>			<b>3,989.85</b>	(1,575.88)

## SCHEDULE 'Q' - RAW MATERIALS CONSUMED

	Rs. Crores	2008-09 Rs. Crores
Opening Stock	<b>1,519.63</b>	3,757.88
Add : Purchases	<b>51,818.81</b>	51,698.68
Less: Closing Stock	<b>(2,745.99)</b>	(1,519.63)
<b>Total</b>	<b>50,592.45</b>	53,936.93

## SCHEDULE 'R' — CONSUMPTION OF STORES, SPARES AND MATERIALS

	Rs. Crores	2008-09 Rs. Crores
Stores, spares and materials	244.55	218.38
Less : Charged to other revenue accounts	(165.03)	(139.34)
<b>Total</b>	<b>79.52</b>	<b>79.04</b>

## SCHEDULE 'S' - POWER AND FUEL

	Rs. Crores	2008-09 Rs. Crores
Power and Fuel	2,523.83	2,800.30
Less: Consumption of fuel out of own production	(2,286.71)	(2,733.13)
<b>Total</b>	<b>237.12</b>	<b>67.17</b>

## SCHEDULE 'T' - EMPLOYEES' REMUNERATION AND OTHER BENEFITS

	Rs. Crores	2008-09 Rs. Crores
Salaries and wages (refer note 7 of Schedule 'X'-B)	1,605.53	1,026.27
Contribution to provident fund	99.79	65.21
Contribution to gratuity fund	100.89	211.73
Contribution to other funds	18.08	9.71
Welfare expenses	316.83	571.96
<b>Total</b>	<b>2,141.12</b>	<b>1,884.88</b>

## SCHEDULE 'U' - INTEREST

	Rs. Crores	2008-09 Rs. Crores
On Debentures	140.35	31.76
On Fixed Loans	146.58	292.39
Others	724.02	1,842.22
<b>Total</b>	<b>1,010.95</b>	<b>2,166.37</b>

## SCHEDULE 'V' — OTHER OPERATING AND ADMINISTRATION EXPENSES

	2008-09 Rs. Crores	2008-09 Rs. Crores
<b>Repairs and maintenance :</b>		
Machinery	384.72	347.09
Building	26.53	23.67
Others	82.34	90.20
	<u>493.59</u>	<u>460.96</u>
Insurance	27.78	25.82
Rent	226.01	122.39
Rates and taxes	33.30	32.93
Charities and donations	-	0.02
Remuneration to auditors	0.27	0.28
Utilities	131.83	127.75
Write off :		
Bad debts and Claims	0.01	0.02
Others	6.01	12.17
Provision for :		
Doubtful debts and advances	72.56	4.17
Diminution in value of investments	828.98	(30.02)
Loss on sale of current Investments	221.07	515.42
Loss on sale / write off of fixed assets (net)	-	1.77
Charges paid to other oil companies	108.51	95.87
Travelling and conveyance	98.81	109.66
Telephone, Telex, Cables, Postage etc.	24.24	26.11
Foreign Exchange fluctuations (net)	-	1,302.73
Other expenses	651.62	569.29
<b>Total</b>	<u><u>2,924.59</u></u>	<u><u>3,377.34</u></u>

## SCHEDULE 'W' - PRIOR PERIOD INCOME/(EXPENSES) (NET)

	2008-09 Rs. Crores	2008-09 Rs. Crores
Sale of products	17.01	(12.93)
Miscellaneous Income	4.22	1.59
Purchase of product for resale	10.26	1.11
Duties, taxes etc. and other product charges	(2.71)	0.94
Transportation	1.63	(6.19)
Consumption of stores, spares and materials	(0.83)	0.99
Power and Fuel	(0.07)	-
Rent, Rates & Taxes	(2.68)	(1.38)
Employees' remuneration and other benefits	(72.00)	(1.47)
Other operating and administration expenses	(8.07)	(6.98)
Interest	(1.94)	8.38
Depreciation	(0.34)	2.48
Interest income	0.09	-
<b>Total</b>	<u><u>(55.43)</u></u>	<u><u>(13.46)</u></u>

# SCHEDULE 'X'— STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2010

## A. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### 1. BASIS FOR PREPARATION

The financial statements are prepared under historical cost convention to comply in all material aspects with the mandatory Accounting Standards notified by the Companies (Accounting Standards) Rules 2006 and the provisions of the Companies Act, 1956, adopting accrual system of accounting unless otherwise stated.

### 2. USE OF ESTIMATES

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Differences between actual amounts and estimates are recognised in the period in which they materialise.

### 3. FIXED ASSETS

#### 3.1 LAND

Land acquired on lease where period of lease exceeds 99 years is treated as freehold.

#### 3.2. FIXED ASSETS OTHER THAN LAND

3.2.1. Fixed Assets are stated at cost of acquisition (including incidental expenses) less accumulated depreciation.

3.2.2. Expenditure on assets, other than plant and machinery, LPG cylinders and pressure regulators, not exceeding Rs.1,000 per item is charged to revenue.

3.2.3. Machinery spares that are specific to a fixed asset are capitalised along with the fixed asset. Replacement of such spares is charged to revenue.

#### 3.3. EXPENDITURE DURING CONSTRUCTION PERIOD

Direct expenses including borrowing cost incurred during construction period on capital projects are capitalised. Indirect expenses of the project group which are allocated to projects costing Rs. 5 crores and above are also capitalised. Crop compensation expenses incurred in the process of laying pipelines are capitalised.

#### 3.4. INTANGIBLE ASSETS

3.4.1. Cost of right of way that is perennial in nature is not amortised.

3.4.2. Expenditure incurred for creating/acquiring other intangible assets of Rs. 0.50 crores and above, from which future economic benefits will flow over a period of time, is amortised over the estimated useful life of the asset or five years, whichever is lower, from the time the intangible asset starts providing the economic benefit.

3.4.3. In other cases, the expenditure is charged to revenue in the year the expenditure is incurred.

### 4. IMPAIRMENT OF ASSETS

The values of fixed assets in respect of Cash Generating Units are reviewed by the management for impairment at each Balance Sheet date if events or circumstances indicate that the carrying values may not be recoverable. If the carrying value is more than the net selling price of the asset or present value, the difference is recognized as an impairment loss.

### 5. BORROWING COSTS

Borrowing costs attributable to acquisition, construction or production of qualifying asset are capitalised as part of the cost of that asset, till the month in which the asset is ready for use. Other borrowing costs are recognised as an expense in the period in which these are incurred.

### 6. DEPRECIATION

6.1. Depreciation on fixed assets is provided under the straight line method, at rates prescribed under Schedule XIV to the Companies Act, 1956, except in following cases:

6.1.1. Premium paid for acquiring leasehold land for lease period not exceeding 99 years, is amortised over the period of lease.

6.1.2. LPG cylinders, pressure regulators and other fixed assets costing not more than Rs 5,000 each are depreciated @ 100 percent in the year of capitalisation.

## SCHEDULE 'X' — (CONTD.)

- 6.1.3. Assets not owned by the Corporation are amortised over a period of five years from the year of capitalisation.
- 6.1.4. Computer equipments and peripherals, and mobile phones are depreciated over a period of four years. Furniture provided at the residence of management staff is depreciated over a period of seven years.
- 6.2. Depreciation is charged on addition / deletion on pro-rata monthly basis including the month of addition / deletion.
- 7. INVESTMENTS**
- 7.1. Current investments are valued at lower of cost or fair market value.
- 7.2. Long-term investments are valued at cost. Provision for diminution is made to recognise a decline, other than of temporary nature, in the value of such investments.
- 8. INVENTORY**
- 8.1. Raw material and Intermediates are valued at cost or net realisable value whichever is lower. Cost is determined as follows:
- 8.1.1. Raw materials on weighted average cost. Purchased raw materials in transit are carried at cost.
- 8.1.2. Intermediate Stocks at raw material cost plus cost of conversion.
- 8.2. Finished products are valued at weighted average cost or at net realisable value, whichever is lower.
- 8.3. Stores are valued at weighted average cost. Obsolete stores are valued at Re. Nil. Slow moving stores/ other materials identified as surplus and no longer usable are valued at Re. Nil.
- 8.4. Packages are valued at weighted average cost or at net realisable value, whichever is lower.
- 9. REVENUE RECOGNITION**
- 9.1. Sales are net of trade discounts and include, inter alia, excise / customs duties / claim from Petroleum Planning and Analysis Cell, Government of India and other elements allowed by the Government from time to time
- 9.2. Claims/Surrenders including subsidy on LPG and SKO on/to Petroleum Planning and Analysis Cell, Government of India are booked on 'in principle acceptance' thereof on the basis of available instructions/clarifications subject to final adjustments after necessary audit, as stipulated. Adjustments if any, on completion of audit are recognised.
- 9.3. Other claims are booked when there is a reasonable certainty of recovery. Claims are reviewed on a periodical basis and if recovery is uncertain, provision is made in the accounts.
- 9.4. Income from sale of scrap is accounted for on realisation.
- 10. CLASSIFICATION OF INCOME/EXPENSES**
- 10.1. Expenditure on Research, other than capital expenditure, is charged to revenue in the year in which the expenditure is incurred.
- 10.2. Income/expenditure upto Rs. 0.05 crore in each case pertaining to prior years is charged to the current year.
- 10.3. Prepaid expenses upto Rs. 0.05 crore in each case, are charged to revenue as and when incurred.
- 10.4. Deposits placed with Government agencies/ local authorities which are perennial in nature are charged to revenue in the year of payment.
- 11. EMPLOYEE BENEFITS**
- 11.1. Contributions to Provident Fund for the year are recognised in the Profit & Loss Account.
- 11.2. The liability towards gratuity, leave encashment, post retirement benefits and other long term benefits are provided for in the accounts based on actuarial valuation as at the end of the year. To determine the present value of the defined benefit obligations and the current and past service costs, the Projected Unit Credit Method is used. Actuarial gains and losses are recognised in the Profit & Loss Account as income or expense.

## SCHEDULE 'X' — (CONTD.)

### 12. DUTIES ON BONDED STOCKS

- 12.1. Customs duty on Raw materials/Finished goods lying in bond are provided for at the applicable rates except where liability to pay duty is transferred to consignee.
- 12.2. Excise duty on finished stocks lying in bond is provided for, at the assessable value applicable at each of the locations at maximum rates based on end use.

### 13. FOREIGN CURRENCY & DERIVATIVE TRANSACTIONS

- 13.1. Transactions in foreign currency are accounted at the exchange rate prevailing on the date of transaction.
- 13.2. Monetary items denominated in foreign currency are converted at exchange rates prevailing on the date of Balance Sheet.
- 13.3. Foreign Exchange differences arising at the time of translation or settlement are recognised as income or expense in the Profit & Loss Account either under foreign exchange fluctuations or interest as the case may be.  

Premium/discount arising at the inception of the forward exchange contracts entered into to hedge foreign currency risks are amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the Profit & Loss Account.
- 13.4. Gains / losses arising on settlement of Derivative transactions entered into by the Corporation to manage the commodity price risk and exposures on account of fluctuations in interest rates and foreign exchange are recognised in the Profit & Loss Account. Provision for losses in respect of outstanding contracts as on balance sheet date is made based on mark to market valuations of such contracts.

### 14. GOVERNMENT GRANTS

- 14.1. In case of depreciable assets, the cost of the asset is shown at gross value and grant thereon is taken to Capital Reserve as deferred income, which is recognised in the Profit & Loss Account over the useful life of the asset.
- 14.2. Government grants of the nature of promoters' contributions are credited to Capital Reserve and treated as part of Shareholders' Funds.

### 15. PROVISIONS, CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

- 15.1. Provision is recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.
- 15.2. Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Corporation.
- 15.3. Capital commitments and Contingent liabilities disclosed are in respect of items which exceed Rs.0.05 crores in each case.
- 15.4. Contingent liabilities are considered only on conversion of show cause notices issued by various Government authorities into demand.

### 16. TAXES ON INCOME

- 16.1. Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.
- 16.2. Deferred tax on account of timing difference between taxable and accounting income is provided using the tax rates and tax laws enacted or substantively enacted by the Balance Sheet date.
- 16.3. Deferred tax assets are not recognised unless, in the management judgement there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

## SCHEDULE 'X' — (CONTD.)

### B. NOTES FORMING PART OF ACCOUNTS

- 1) In respect of sharing of under-recoveries on sensitive petroleum products viz. MS, HSD, LPG (Domestic) and SKO (PDS), as advised by the Ministry of Petroleum & Natural Gas, a part of the under-recovery suffered by the Corporation during the year was compensated by ONGC and GAIL by offering discount on price of Crude Oil, SKO and LPG purchased from them. Accordingly, the Corporation has accounted the discount as follows:
  - a) **Rs.2,927.27 crores** (previous year Rs. 6,709.94 crores) discount on crude oil purchased from ONGC has been adjusted against raw material cost; and
  - b) **Rs. 702.57 crores** (previous year Rs. 846.50 crores) discounts on SKO and LPG purchased from ONGC/GAIL has been adjusted against "Purchase of products and crude oil for resale".
- 2) In lieu of the under-recoveries on sale of petroleum products during 2009-10, based on the approval of Government of India, the Corporation has accounted for the subsidy amounting to **Rs.5,265.03 crores** as income (previous year Rs.16,216.38 crores of Oil Marketing Companies GOI Special Bonds were accounted as Income). Out of the above, an amount of **Rs.2,894.26 crores** (previous year Oil Marketing Companies GOI Special Bonds amounting to Rs.2,065.28 crores) receivable as on 31<sup>st</sup> March 2010 from Government of India is shown as Other Current Assets in Schedule J.
- 3) **Debentures:**
  - a) The Corporation had allotted redeemable non-convertible 10.35% Debentures of face value of Rs.1,000 crores on 12<sup>th</sup> December 2008. These are secured by English mortgage, on first pari passu charge basis, by way of a Registered Debenture Trust Deed over the fixed assets of the Company, viz., a Flat at Mumbai and the Plant and Machinery in respect of Hydrocracker Unit and Aromatic Recovery Unit of the Mumbai Refinery. In order to maintain the security cover of 1.25 times, all future immovable properties including Land, Plant & Machinery and Fixtures & Fittings shall be a part of the Premises and Plant & Machinery which are mortgaged. These Debentures are redeemable at par on 11<sup>th</sup> June 2010.
  - b) The Corporation has allotted redeemable non-convertible 7.73% Debentures of face value of Rs.1,000 crores on 12<sup>th</sup> October 2009. These are secured by first legal mortgage in English form by way of a Registered Debenture Trust Deed over the fixed assets of the Company, viz., a Flat at Mumbai and the Plant & Machinery in respect of Refinery Modernisation Project Crude Distillation Unit / Vacuum Distillation Unit, Catalytic Cracking Unit, Fluid Catalytic Cracking Unit, Diesel Hydro Desulphurisation Unit and Naptha Hydro Desulphurisation Unit of the Mumbai Refinery. In order to maintain the security cover of 1.25 times, all future immovable properties including Land, Plant & Machinery and Fixtures & Fittings shall be a part of the Premises and Plant & Machinery which are mortgaged. These Debentures are redeemable at par on 9<sup>th</sup> October 2012.
- 4) As per the scheme of Amalgamation of the erstwhile Kochi Refineries Limited with the Corporation approved by the Government of India, 33,728,738 equity shares of the Corporation were allotted (in lieu of the shares held by the Corporation in the erstwhile Kochi Refineries Limited) to a trust for the benefit of the Corporation in the financial year 2006-07. Accordingly the cost of the original investment of Rs. 659.10 crores is reflected as 'Others' in Schedule 'J' - Other Current Assets. The income distributed by the trust during the year 2009-10 amounting to **Rs. 23.61 crores** (previous year Rs. 13.49 crores) has been included in 'Other income' in Schedule 'O' – Miscellaneous Income.

One shareholder of erstwhile KRL has challenged the amalgamation before Delhi High Court, which is pending adjudication.
- 5) Provision for taxation in the Profit & Loss Account includes **Rs.1.50 crores** (previous year Rs. 1.40 crores) towards wealth tax.
- 6) The Corporation has numerous transactions with other oil companies, which are reconciled on an ongoing basis and subject to confirmation. Adjustments, if any, arising therefrom are not likely to be material on settlement.
- 7) The Corporation has made a provision of **Rs.463 crores** (previous year Rs.114 crores for management staff) towards balance liability on revision in emoluments of management staff and pending pay-revision of non-management staff on an estimated basis. Further, this has been considered for making provision at the year end for employee benefits based on actuarial valuations.

## SCHEDULE 'X' — (CONTD.)

- 8) The Corporation has reclassified the entire portfolio of long term investments in 6.35% Oil Marketing Companies GOI Special Bonds 2024 – Rs.3,099.96 crores and 6.90% Oil Marketing Companies GOI Special Bonds 2026 – Rs.4,986.71 crores to current investments during the year, considering the future funds requirement. Accordingly an amount of Rs. 1086.50 crores has been provided for the diminution in value of these investments based on mark to market as on 31.3.2010.

### 9) Impairment of Assets

Determination as to whether and how much an asset is impaired involve Management estimates of highly uncertain matters such as international prices of crude oil and products, duty structure and Government policies. It is assumed that suitable mechanism would be in place, in line with earlier/ current year(s), to provide compensation towards under-recoveries of margin, if any, on account of sale of sensitive petroleum products in subsequent years. Hence, future cash flows have been worked out based on the desired margins for deciding on impairment of related Cash Generating Units. No impairment is therefore considered as at 31st March 2010.

- 10) To the extent, the Corporation has received intimation from the “suppliers” regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the details are provided as under for the year 2009-10:

		Rs. Crores	
		<b>31.03.10</b>	31.03.09
(i)	Principal amount remaining unpaid as on 31 <sup>st</sup> March	<b>0.72</b>	0.73
(ii)	Interest due thereon remaining unpaid as on 31 <sup>st</sup> March	-	-
(iii)	Interest paid by the Corporation in terms of Section 16 of the Micro, Small And Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
(iv)	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the Micro, Small And Medium Enterprises Development Act, 2006	-	-
(v)	Interest accrued and remaining unpaid as at 31 <sup>st</sup> March	-	-
(vi)	Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

### 11) Disclosure as per requirements of Accounting Standard 15 - “Employee Benefits” :

**Gratuity:** The Company has a defined benefit gratuity plan managed by a trust. The contribution based upon actuarial valuation is paid to a trust which is invested as per investment pattern prescribed by the Government in plan assets. Gratuity is paid to the Staff member who has put in a minimum qualifying period of 5 years of continuous service on superannuation, resignation, termination or to his nominee on death.

**Leave Encashment:** The Employees are entitled to accumulate Earned Leave and Sick Leave, which can be availed during the service period. Employees are also allowed to encash the accumulated earned leave during the service period. Further, the accumulated earned leave and sick leave can be encashed by the employees on superannuation, resignation, and termination or by nominee on death.

**Other Defined Benefits:** These are (a) Post Retirement Medical Scheme benefit to employees, spouse, dependent children and dependent parents. (b) Medical benefits carry forward entitlements (c) Pension/ex-gratia scheme to the retired employees who are entitled to receive the monthly pension / ex-gratia for life; (d) Death in service / Permanent disablement given to employee, the spouse of the employee, provided the deceased’s family/disabled employee deposits retirement dues such as PF, Gratuity, Leave encashment payable to them with the Corporation; and (e) Resettlement allowance paid to employees to permanently settle down at a place other than the location of last posting at the time of retirement.

# SCHEDULE 'X' — (CONTD.)

## Disclosures as per requirements of Accounting Standard 15 continued :

Rs. Crores

a) Reconciliation of balances of Defined Benefit Obligations.	Gratuity - Funded		Leave Encashment - Non Funded		Post Retirement Medical - Non Funded		Burmah Shell Pension - Non Funded		Death / Permanent disablement - Non Funded		Re-settlement Allowance - Non Funded		Ex-gratia scheme - Non Funded	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
Defined Obligations at the beginning of the year	469.34	235.54	323.86	280.79	118.55	61.08	61.55	61.08	10.45	8.95	4.77	4.77	235.70	-
Interest Cost	37.49	20.00	23.60	23.00	21.00	4.00	4.35	4.00	0.66	1.00	0.44	0.47	18.65	-
Current Service Cost	18.38	21.95	19.31	29.20	16.80	12.20	-	-	-	-	0.95	1.08	14.75	-
Past service cost	-	104.07	-	-	-	-	-	-	-	-	-	-	-	234.10
Benefits paid	(8.08)	(8.28)	(77.34)	(34.25)	(10.84)	(10.64)	(10.81)	(10.61)	(3.92)	(3.17)	(0.02)	(0.01)	(19.53)	(7.95)
Actuarial (Gains)/ Losses on obligations	68.84	96.06	203.40	25.12	14.77	135.18	11.82	7.08	0.23	3.67	(1.42)	(1.53)	(7.52)	9.55
Defined Obligations at the end of the year	585.97	469.34	492.83	323.86	307.02	265.29	66.91	61.55	7.42	10.45	4.73	4.78	242.05	235.70

b) Reconciliation of balances of Fair Value of Plan Assets in respect of Gratuity Fund	2009-10	2008-09
Fair Value at the beginning of the year	257.41	225.86
Expected Return	24.56	18.51
Actuarial gains/ (losses)	(0.74)	11.64
Actual Return on Plan assets	23.82	30.15
Contribution by employer	53.65	9.68
Benefits paid	(8.08)	(8.28)
Fair Value of Plan Assets at the end of the year	326.80	257.41

c) Amount recognised in Balance sheet (a-b)	2009-10	2008-09
	259.17	211.93

d) Amount recognised in P & L Account	2009-10	2008-09
Current Service Cost	18.38	21.95
Past Service cost	-	104.07
Interest Cost	37.49	20.00
Expected Return on Plan Assets	(24.56)	(18.51)
Actuarial (Gains)/ Losses	69.58	84.42
Expenses for the period	100.89	211.93

e) Major Actuarial Assumptions	2009-10	2008-09
Discount Rate	8.25%	7.75%
Salary Escalation/ Initiation	7.00%	4.00%
Expected Return on Plan assets	8.00%	8.00%

Notes :

- The estimates for future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors
- The expected return on plan assets is based on market expectation, at the beginning of the period, for returns over the entire life of the related obligation

f) Investment pattern for Gratuity Fund as on

	31.3.2010	31.3.2009
Category of Asset	%	%
Government of India Asset	32.06	30.28
Corporate Bonds	29.77	47.20
Special deposit Scheme	-	0.21
State Government	6.12	15.20
Others	32.06	7.11
Total	100.00	100.00

g) As per our best estimate, Rs. 70.27 crores is expected to be paid to the Gratuity Fund as contribution in year 2010-11

h) Effect of Increase/ Decrease of 1% in assumed medical cost trend to the Post Retirement Medical liability :

	31.3.2010	31.3.2009
Change in Liability for : 1% increase in Discount Rate	(26.86)	(23.21)
Change in Service Cost for : 1% increase in Discount Rate	(1.37)	(0.99)
Change in Liability for : 1% decrease in Discount rate	29.60	25.57
Change in Service cost for : 1% decrease in Discount rate	1.65	1.20

## SCHEDULE 'X' — (CONTD.)

### 12) Related Party Disclosures as per Accounting Standard 18

<b>Names of the Related parties</b>	:	Indraprastha Gas Limited Petronet India Limited Petronet CCK Limited Petronet CI Limited Petronet LNG Limited Bharat Oman Refineries Limited Petroleum Infrastructure Limited Petroleum India International Maharashtra Natural Gas Limited Central UP Gas Limited Sabarmati Gas Limited Bharat Stars Services Private Limited Premier Oil Cachar B.V. Bharat Renewable Energy Limited Matrix Bharat Marine Services Pte. Ltd. Delhi Aviation Fuel Facility Private Limited VB (Brazil) Petroleo Private Ltda.
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Nature of Transactions	Rs. crores	
	2009-10	2008-09
a. Purchase of goods	1,448.95	1,394.24
b. Sale of goods	1,883.23	513.07
c. Rendering of Services	20.63	4.53
d. Receiving of Services	52.84	47.44
e. Interest Income	210.00	49.56
f. Dividend Received	29.48	27.84
g. Investments and Advance for Investments	25.00	414.00
h. Loans and advances	1,239.39	1,557.84
i. Outstandings at period end		
– Receivables	3,042.23	1,742.46
– Payables	56.13	119.61
j. Management Contracts (Employees on deputation)	5.25	10.24
k. Lease Rentals	0.29	0.27

<b>Key Management Personnel (Whole time Directors)</b>	:	M/s. Ashok Sinha (Chairman & Managing Director), S. Mohan (Director Human Resources) S. Radhakrishnan (Director Marketing), S. K. Joshi (Director Finance) R. K. Singh (Director Refineries)
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Details of remuneration to Directors are given in note 22 of Notes to Accounts.

### 13) Earnings per share

		2009-10	2008-09
Profit / (Loss) after Tax	Rs. Crores	1537.62	735.90
Weighted average number of shares outstanding during the year	Core nos.	36.15	36.15
Basic earnings per share	Rs.	42.53	20.35
Diluted earnings per share	Rs.	42.53	20.35

## SCHEDULE 'X' — (CONTD.)

### 14) Deferred Tax Liability

As per the requirement of the Accounting Standard 22 - "Accounting for Taxes on Income" the net deferred tax asset credited to Profit and Loss Account during the year is **Rs.303.25 crores** - excluding Rs.76.69 crores credited as part of earlier year adjustment. (previous year net deferred tax liability credited Rs. 242.13 crores). The period end position is given below:

	31-03-2010	31-03-2009
		Rs. Crores
<b>DEFERRED TAX LIABILITY:</b>		
Depreciation	<b>1903.48</b>	1,862.81
<b>DEFERRED TAX ASSET:</b>		
Disallowance u/s 43B of the Income tax Act, 1961 including employee benefits.	<b>539.59</b>	365.94
Provisions for mark to market for investments & loans, doubtful debts, claims, etc.	<b>504.59</b>	257.63
<b>Total Deferred Tax Asset</b>	<b>1044.18</b>	623.57
<b>Net Deferred Tax Liability</b>	<b>859.30</b>	1,239.24

15) In compliance with AS – 27 'Financial Reporting of Interests in Joint Ventures', the required information is as under:

a) Jointly controlled entities:	Country of Incorporation	Percentage of ownership interest as on	
		31.03.2010	31.03.2009
Indraprastha Gas Limited	India	<b>22.50</b>	22.50
Petronet India Limited	India	<b>16.00</b>	16.00
Petronet CCK Limited	India	<b>49.00</b>	49.00
Petronet CI Limited (#)	India	<b>11.00</b>	11.00
Petronet LNG Limited	India	<b>12.50</b>	12.50
Bharat Oman Refineries Limited	India	<b>50.00</b>	50.00
Petroleum Infrastructure Limited (#)	India	<b>50.00</b>	50.00
Central UP Gas Limited	India	<b>22.50</b>	22.50
Maharashtra Natural Gas Limited	India	<b>22.50</b>	22.50
Sabarmati Gas Limited	India	<b>25.00</b>	25.00
Bharat Stars Services Private Limited	India	<b>50.00</b>	50.00
Premier Oil Cachar B.V. @	Netherlands	-	50.00
Bharat Renewable Energy Limited	India	<b>33.33</b>	33.33
Matrix Bharat Marine Services Pte. Ltd.	Singapore	<b>50.00</b>	50.00
Delhi Aviation Fuel Facility Pvt. Ltd.	India	<b>37.00</b>	-

# Company under liquidation                      @ Shares sold during the year

Bharat PetroResources Limited, a 100% subsidiary of the Corporation, holds 50% equity in VB (Brazil) Petroleo Private Ltda., a joint venture company incorporated in Brazil.

## SCHEDULE 'X' — (CONTD.)

- b) In respect of jointly controlled entities, the Corporation's share of assets, liabilities, income, expenditure, contingent liabilities and capital commitments compiled on the basis of unaudited / audited financial statements received from these joint ventures are as follows:

	31.03.2010	(Rs. Crores) 31.03.2009
(i) Assets		
- Long Term Assets	5,461.99	3,888.06
- Investments	451.86	115.85
- Current Assets	1,332.40	1,013.23
(ii) Liabilities		
- Loans (Secured & Unsecured)	5,237.71	3,326.95
- Current Liabilities and Provisions	672.26	435.75
- Deferred Tax	49.03	40.42
(iii) Income	2,755.91	1,501.85
(iv) Expenses	2,698.51	1,397.55
(v) Contingent Liabilities	433.99	100.10
(vi) Capital Commitments	1,664.94	2,580.94

- 16) **Segment Reporting:** The Corporation operates in a single segment - Refinery and Marketing activities, i.e., Downstream petroleum sector. Considering the nature of business and operation, there is no reportable segment (business and/or geographical) in accordance with the requirements of Accounting Standard 17.

### 17) Disclosure as required by Clause 32 of Listing Agreement

	Balance as on		Maximum amount outstanding during the period	
	31.03.2010	31.03.2009	2009-10	2008-09
a) Loans and advances in the nature of loans to subsidiary company				
- Bharat PetroResources Limited	327.00	95.00	350.00	95.00
b) Loans and advances in the nature of loans to associates	-	-	-	-
c) Loans and advances in the nature of loans where there is				
i) No repayment schedule or repayment beyond 7 years				
- Petronet CCK Limited	60.07	50.27	60.07	50.27
ii) No interest or interest below Section 372A of Companies Act	-	-	-	-
d) Loans and advances in the nature of loans to firms/ companies in which directors are interested				
- Bharat Oman Refineries Limited	2,810.10	1,608.26	2,810.10	1,608.26
e) Investment by the loanee in the shares of BPCL and its subsidiary company	-	-	-	-

## SCHEDULE 'X' — (CONTD.)

### 18. INTANGIBLE ASSETS

In accordance with Accounting Standard 26, details of Intangible Assets recognised and amortised during the year are given below:

#### a) Intangible assets - being amortised

PARTICULARS	USEFUL LIFE (NO. OF MONTHS)	GROSS AMOUNT			AMORTISATION				NET AMOUNT		
		AS AT 01-04-2009	ADDITIONS	DELETIONS/ RECLASSIFICATION	AS AT 31-03-2010	UPTO 31-03-2009	THIS YEAR	DELETIONS/ RECLASSI- FICATION	UPTO 31-03-2010	AS AT 31-03-2010	AS AT 31-03-2009
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1. RIGHT OF WAY	Perennial	18.63	8.29	-	26.92	-	-	-	-	26.92	18.63
2. SOFTWARE	36	11.86	-	-	11.86	11.52	0.22	-	11.74	0.12	0.34
3. SOFTWARE	48	1.18	-	-	1.18	0.25	0.30	-	0.55	0.63	0.93
4. SOFTWARE	60	13.80	15.80	-	29.60	5.78	3.52	-	9.30	20.30	8.02
5. DEVELOPMENT RIGHTS	60	1.50	-	-	1.50	1.27	0.23	-	1.50	-	0.23
6. PROCESS LICENSE	60	36.54	3.14	-	39.68	23.55	7.78	-	31.33	8.35	12.99
<b>TOTAL</b>		<b>83.51</b>	<b>27.23</b>	-	<b>110.74</b>	<b>42.37</b>	<b>12.05</b>	-	<b>54.42</b>	<b>56.32</b>	<b>41.14</b>
PREVIOUS YEAR		80.62	2.89	-	83.51	31.60	10.77	-	42.37	41.14	49.02

#### b) Intangible Assets- pending amortisation\*

PARTICULARS	USEFUL LIFE (NO. OF MONTHS)	GROSS AMOUNT			AMORTISATION				NET AMOUNT		
		AS AT 01-04-2009	ADDITIONS	CAPITALISATIONS	AS AT 31-03-2010	UPTO 31-03-2009	THIS YEAR	DELETIONS/ RECLASSI- FICATION	UPTO 31-03-2010	AS AT 31-03-2010	AS AT 31-03-2009
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1. SOFTWARE		5.96	2.53	5.87	2.62	-	-	-	-	2.62	5.96
<b>TOTAL</b>		<b>5.96</b>	<b>2.53</b>	<b>5.87</b>	<b>2.62</b>	-	-	-	-	<b>2.62</b>	<b>5.96</b>
PREVIOUS YEAR		-	5.96	-	5.96	-	-	-	-	5.96	-

\* To be amortised from the time the Intangible Asset starts providing economic benefits

Note: There are no internally generated Intangible Assets

## SCHEDULE 'X' — (CONTD.)

<b>19. Capital Commitments and Contingent Liabilities :</b>		31/03/2009
	<b>Rs. Crores</b>	Rs. Crores
<b>19.1 Capital Commitments :</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for	<b>1,300.53</b>	2,697.81
<b>19.2 Contingent Liabilities :</b>		
(a) In respect of taxation	<b>59.88</b>	45.30
(b) Other Matters :		
i) Surety bonds executed on behalf of other oil companies for excise/customs duties for which BPCL has signed as surety	<b>195.30</b>	166.33
ii) Claims against the Corporation not acknowledged as debts :		
(a) Excise and customs matters	<b>1,190.86</b>	253.84
(b) Sales tax matters	<b>2,668.30</b>	2,412.98
(c) Others *	<b>263.12</b>	285.25
These include <b>Rs.751.55 crores</b> (previous year Rs. 668.14 crores) against which the Corporation has a recourse for recovery and <b>Rs.29.42 crores</b> (previous year Rs. 30.80 crores) on capital account.		
* In respect of lands acquired, land owners have claimed higher compensation before various Authorities/ Courts, which are yet to be settled. The estimated contingent liability of <b>Rs. 54.63 crores</b> (previous year Rs. 54.42 crores) in such cases is included above.		
iii) Claims on account of wages, bonus/ex-gratia payments in respect of pending court cases.	<b>4.55</b>	1.10
iv) Guarantees given on behalf of Subsidiaries/JV's	<b>3,700.43</b>	611.00
<b>20. 20.1</b> Foreign Exchange losses amounting to <b>Rs.37.42 crores</b> (previous year Rs. 194.58 crores) are regarded as adjustment to Interest cost and debited to Interest expenditure.		
<b>20.2</b> The deferred premium amounting to <b>Rs.90.29 crores</b> (previous year Rs. 123.21 crores) in respect of forward exchange contract will be recognised in the Profit and Loss Account of one or more subsequent accounting periods.		
<b>21. 21.1</b> The Corporation has on the Balance Sheet date, outstanding forward contracts amounting to <b>USD 816.95 million</b> (previous year USD 424.33 million) to hedge the foreign currency exposure towards loans; this includes <b>USD 55 million</b> (previous year USD 107.50 million) in respect of long term loans. The Corporation does not generally hedge the risks on account of foreign currency exposure for the payment of crude oil. Following are the unhedged foreign currency exposures as on 31.03.2010:		31/03/2009
	<b>USD Million</b>	USD Million
<b>Exposure Type</b>		
Imports	<b>649.63</b>	323.90
Buyers Credit Loan (Short Term)	<b>628.00</b>	55.00
ECB (Long Term)	<b>170.00</b>	200.00
Export Debtors	<b>163.87</b>	25.74
<b>21.2</b> The Corporation has on the Balance Sheet date the following outstanding derivatives for hedging purposes:		
<b>Instrument Description</b>	<b>Quantity</b>	
OTC Swap Spread between Petroleum Products and Crude Oil	<b>3.35</b>	million barrels
OTC Swap Spread between Dated Brent Crude and Dubai Crude Oil	<b>0.30</b>	million barrels
For the year 2009-10, the Corporation has provided for losses on Mark-to-Market basis for outstanding derivatives in accordance with the principle of prudence and other applicable guidelines. Accordingly, <b>Rs. 8.05 crores</b> (previous year Rs. 3.96 crores) has been provided for losses on the above outstanding derivatives.		
<b>22. Managerial Remuneration :</b>		2008-09
	<b>Rs. Crores</b>	Rs. Crores
Salary and allowances	<b>0.76</b>	0.54
Contributions to Provident Fund and other funds	<b>0.10</b>	0.09
Other benefits	<b>0.63</b>	0.68
	<b>1.49</b>	1.31
<b>23. Remuneration to Auditors (net of service tax) :</b>		2008-09
	<b>Rs. Crores</b>	Rs. Crores
(a) Audit fees	<b>0.16</b>	0.16
(b) Fees for other services-certification.	<b>0.11</b>	0.12
	<b>0.27</b>	0.28

## SCHEDULE 'X' — (CONTD.)

### 24. Licensed Capacity, Installed Capacity (as certified by the Management) and actual production in respect of goods manufactured :

	Licensed Capacity	Installed Capacity	Actual Production
(a) Fuel refinery			
(i) In million metric tonnes p.a.	<b>NA</b> (NA)	<b>21.50</b> @ (19.50)	<b>20.41</b> (19.95)
(ii) Production in kilolitres (KL)			
Light distillates	-	-	<b>7,663,743</b> (6,951,676)
Middle distillates	-	-	<b>12,675,269</b> (12,247,355)
Others	-	-	<b>3,397,265</b> (3,621,216)
(b) Aromatics (in MT)			
(i) Benzene *	<b>185,500</b> (185,500)	<b>192,900</b> (192,900)	<b>57,742</b> (79,653)
(ii) Toluene *	<b>67,600</b> (67,600)	<b>73,100</b> (73,100)	<b>23,265</b> (28,375)
(iii) Mixed Aromatic Solvent	<b>15,000</b> (15,000)	<b>15,000</b> (15,000)	-
(c) MTBE in M.T. #	<b>NA</b> (NA)	<b>30,000</b> (30,000)	<b>28,095</b> (26,009)
(d) New Solvent Unit			
(i) Solvent (SBP 55-115) in M.T.	<b>NA</b> (NA)	<b>40,000</b> (40,000)	<b>8,325</b> (2,861)
(ii) Solvent (Food Grade Hexane) in M.T.	<b>NA</b> (NA)	<b>25,000</b> (25,000)	<b>23,451</b> (23,220)
(e) Poly Propylene Feedstock in M.T.	<b>NA</b> (NA)	<b>60,000</b> (60,000)	<b>63,593</b> (61,924)
(f) Lubricants in M.T.	<b>NA</b> (NA)	<b>153,400</b> (153,400)	<b>209,301</b> (151,788)
(g) Lube Oil Base Stock (LOBS) in M.T.	<b>NA</b> (NA)	<b>180,000</b> (180,000)	<b>185,452</b> (155,084)
(h) Sulphur in M.T.	<b>NA</b> (NA)	<b>117,667</b> (117,667)	<b>64,637</b> (77,697)
(i) Natural Rubber Modified Bitumen in M.T.	<b>NA</b> (NA)	<b>65,000</b> (65,000)	<b>4,775</b> (1,398)
(j) Bitumen Emulsion (Single Shift) in M.T.	<b>50,000</b> (50,000)	<b>27,600</b> (27,600)	<b>4,535</b> (3,884)
(k) Diesel Additive (Single Shift) in M.T.	<b>5,000</b> (5,000)	<b>1,500</b> (1,500)	-
(l) Propylene in M.T.	<b>65,000</b> (65,000)	<b>50,000</b> (15,000)	<b>8,239</b> -
(m) Petroleum Hydrocarbon Solvent in M.T.	<b>10,000</b> (10,000)	<b>8,820</b> (8,820)	<b>6,658</b> (6,644)
(n) Poly Iso Butene in M.T.	<b>5,000</b> (5,000)	<b>5,000</b> (5,000)	<b>991</b> (1,512)
(o) Cable Jelly (Poly Isobutene Unit) in M.T.	<b>6,500</b> (6,500)	<b>2,500</b> (2,500)	-
(p) Others (Poly Isobutene Unit) in M.T.	<b>14,000</b> (14,000)	<b>1,000</b> (1,000)	-

@ The installed capacity of Kochi Refinery has been enhanced by 2 MMTPA to 9.5 MMTPA in July 2009.

\* For Kochi Refinery, the combined capacity of Benzene and Toluene is 99200 MT as against the individual capacity of 87200 MT and 50000 MT respectively, .

# MTBE is used for own manufacture of Motor Spirit.

## SCHEDULE 'X' — (CONTD.)

### 25. Raw materials consumed :

	Quantity		Value
	KL	MT	Rs. Crores
Crude Oil	-	<b>20,375,545</b>	<b>50,064.15</b>
	-	(19,960,287)	(53,493.67)
Base oil	<b>41,675</b>	-	<b>155.06</b>
	(24,879)	-	(118.62)
Additive	-	<b>13,023</b>	<b>179.01</b>
	-	(9,948)	(125.06)
Ethanol	<b>22,540</b>	-	<b>57.20</b>
	(62,765)	-	(165.77)
Reformate	-	<b>23,069</b>	<b>98.83</b>
	-	-	-
Others	-	<b>10,746</b>	<b>38.20</b>
	-	(10,435)	(33.81)
			<b>50,592.45</b>
			(53,936.93)

### 26. Finished goods purchased, sold and stocked :

Petroleum Products	Opening Stock		Purchases	
	Quantity MT	Value Rs. Crores	Quantity MT	Value Rs. Crores
Light Distillates	<b>534,932</b>	<b>1,671.62</b>	<b>6,218,172</b>	<b>21,758.86</b>
	(592,548)	(2,398.23)	(5,543,678)	(20,403.81)
Middle Distillates	<b>1,012,042</b>	<b>2,434.27</b>	<b>12,240,136</b>	<b>39,555.59</b>
	(985,902)	(3,070.13)	(10,898,893)	(47,065.44)
Others	<b>205,608</b>	<b>333.13</b>	<b>373,932</b>	<b>871.64</b>
	(225,774)	(449.83)	(205,225)	(463.90)
<b>Aromatics</b>				
(a) Benzene	<b>6,299</b>	<b>14.32</b>	-	-
	(3,414)	(14.92)	-	-
(b) Toluene	<b>2,526</b>	<b>7.88</b>	-	-
	(679)	(2.84)	-	-
Lubricants	<b>29,065</b>	<b>170.00</b>	<b>2,287</b>	<b>13.88</b>
	(40,231)	(190.68)	(2,657)	(13.92)
Others (Grocery)	-	<b>0.08</b>	-	-
	-	(0.15)	-	-
		<b>4,631.30</b>		<b>62,199.97</b>
		(6,126.78)		(67,947.07)

## SCHEDULE 'X' — (CONTD.)

Petroleum Products	Sales		Closing Stock	
	Quantity MT	Value Rs. Crores	Quantity MT	Value Rs. Crores
Light Distillates	11,455,039	41,946.30	622,423	2,694.23
	(10,436,558)	(40,323.15)	(534,932)	(1,671.62)
Middle Distillates	22,079,974	72,035.23	1,507,978	4,933.96
	(20,859,169)	(76,613.09)	(1,012,042)	(2,434.27)
Others	3,702,024	9,048.79	186,752	491.78
	(3,791,011)	(9,899.13)	(205,608)	(333.13)
<b>Aromatics</b>				
(a) Benzene	59,582	278.10	4,430	22.29
	(76,750)	(377.66)	(6,299)	(14.32)
(b) Toluene	23,861	107.44	1,929	9.00
	(26,526)	(137.12)	(2,526)	(7.88)
Lubricants	231,121	1,882.07	44,278	232.19
	(211,183)	(1,825.54)	(29,065)	(170.00)
Others (Grocery)	-	-	-	0.04
	-	-	-	(0.08)
		<b>125,297.93</b>		<b>8,383.49</b>
		(129,175.69)		(4,631.30)

- (a) Purchases exclude inter product transfers.
- (b) Purchases exclude crude oil purchased for resale (Rs. 947.69 crores).
- (c) Purchases of petroleum products exclude payments to third parties for processing fees **Rs.25.22 crores** (previous year Rs. 25.74 crores) but include own consumption and samples **Rs.93.99 crores** (previous year Rs. 104.99 crores).
- (d) Sales exclude subsidy/ Oil Marketing Companies GOI Special Bonds worth **Rs. 5265.03 crores** (previous year Rs. 16,216.38 crores) issued by Government of India and Sale of Crude Oil worth **Rs. 936.71 crores** (previous year - Rs. Nil)

### 27. Value of imports calculated on C.I.F. basis :

	2008-09 Rs. Crores	2008-09 Rs. Crores
(a) Raw Materials (including Crude Oil)	<b>36,397.79</b>	37,825.24
(b) Capital goods	<b>322.15</b>	142.57
(c) Components and spare parts (including packages, chemicals and catalysts)	<b>153.69</b>	57.24

### 28. Expenditure in foreign currency (on cash basis) :

	2008-09 Rs. Crores	2008-09 Rs. Crores
(a) Purchase of products	<b>5,620.63</b>	5,867.24
(b) Professional Consultancy Fees	<b>4.29</b>	12.39
(c) Royalty	<b>12.35</b>	6.21
(d) Interest	<b>63.25</b>	185.59
(e) Other matters	<b>931.20</b>	1,164.59

## SCHEDULE 'X' — (CONTD.)

### 29. Value of raw materials, stores/spare parts and components including packages, chemicals & catalysts consumed (on derived basis) :

	Imported		Indigenous		Total
	Rs. Crores	%	Rs. Crores	%	Rs. Crores
Crude Oil	<b>36,344.81</b> (39,184.20)	<b>72.60</b> (73.25)	<b>13,719.34</b> (14,309.47)	<b>27.40</b> (26.75)	<b>50,064.15</b> (53,493.67)
Base Oil	<b>0.03</b> (18.38)	<b>0.02</b> (15.50)	<b>155.03</b> (100.24)	<b>99.98</b> (84.50)	<b>155.06</b> (118.62)
Additive	<b>12.21</b> (6.25)	<b>6.82</b> (5.00)	<b>166.80</b> (118.80)	<b>93.18</b> (95.00)	<b>179.01</b> (125.06)
Ethanol	-	-	<b>57.20</b> (165.77)	<b>100.00</b> (100.00)	<b>57.20</b> (165.77)
Reformate	<b>98.83</b> -	<b>100.00</b> -	-	-	<b>98.83</b> -
Others	<b>7.87</b> (17.32)	<b>20.60</b> (51.21)	<b>30.33</b> (16.50)	<b>79.40</b> (48.79)	<b>38.20</b> (33.81)
Stores/Spare parts and Components (including packages, chemicals & catalysts)	<b>73.48</b> (59.46)	<b>19.45</b> (18.25)	<b>304.23</b> (266.43)	<b>80.55</b> (81.75)	<b>377.71</b> (325.89)

### 30. Earnings in foreign exchange :

	2008-09 Rs. Crores	2008-09 Rs. Crores
Exports on FOB basis #	<b>10,301.35</b>	6,213.64
Exports on CFR basis	-	353.78

# Includes receipt of **Rs. 1636.56 crores** (previous year Rs. 1,732.59 crores) in Indian currency out of the repatriable funds of foreign airline customers and **Rs. 12.18 crores** (previous year Rs. 8.44 crores) of INR exports to Nepal and Bhutan.

### 31. Expenditure on social overheads :

	2008-09 Rs. Crores	2008-09 Rs. Crores
(a) Expenditure on township [net of recovery <b>Rs. 0.89 crores</b> (previous year Rs. 0.96 crores)]	<b>4.06</b>	2.29
(b) Medical facilities over and above statutory requirements	<b>0.52</b>	0.52
(c) Social and cultural activities	<b>15.36</b>	6.75
(d) Depreciation on capital assets	<b>1.09</b>	1.14

### 32. Profit and Loss Account includes expenditure on :

	2008-09 Rs. Crores	2008-09 Rs. Crores
(a) Entertainment	<b>0.82</b>	0.81
(b) Public relations and publicity	<b>2.30</b>	2.73
(c) Remuneration to staff employed for public relations work	<b>3.14</b>	2.66

### 33. Research and development

	2008-09 Rs. Crores	2008-09 Rs. Crores
(a) Revenue expenditure	<b>27.86</b>	22.56
(b) Capital expenditure	<b>6.92</b>	7.68

### 34. Value Added

	2008-09 Rs. Crores	2008-09 Rs. Crores
	<b>10,084.53</b>	10,446.75

## SCHEDULE 'X' — (CONTD.)

### 35. STATUTORY INFORMATION PURSUANT TO PART – IV OF SCHEDULE – VI TO THE COMPANIES ACT, 1956 BALANCE SHEET ABSTRACT AND COMPANIES GENERAL BUSINESS PROFILE

#### I. Registration Details

Registration No.  State Code

Balance Sheet Date

Date                      Month                      Year

#### II. Capital raised during the year (Rs. Crores)

Public Issue	Right Issue
<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/>	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/>
Bonus Issue	Private Placement
<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/>	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/>

#### III. Position of Mobilisation and Deployment of Funds (Rs. Crores )

Total Liabilities	Total Assets
<input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="3"/> <input type="text" value="2"/> <input type="text" value="7"/> <input type="text" value="2"/> <input type="text" value="."/> <input type="text" value="3"/> <input type="text" value="6"/>	<input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="3"/> <input type="text" value="2"/> <input type="text" value="7"/> <input type="text" value="2"/> <input type="text" value="."/> <input type="text" value="3"/> <input type="text" value="6"/>
Sources of Funds : (excluding deferred tax liability)	Reserves & Surplus
Paid-up Capital	<input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="2"/> <input type="text" value="7"/> <input type="text" value="2"/> <input type="text" value="5"/> <input type="text" value="."/> <input type="text" value="1"/> <input type="text" value="7"/>
<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="3"/> <input type="text" value="6"/> <input type="text" value="1"/> <input type="text" value="."/> <input type="text" value="5"/> <input type="text" value="4"/> #	Unsecured Loans
Secured Loans	<input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="1"/> <input type="text" value="7"/> <input type="text" value="5"/> <input type="text" value="1"/> <input type="text" value="."/> <input type="text" value="3"/> <input type="text" value="3"/>
<input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="4"/> <input type="text" value="4"/> <input type="text" value="3"/> <input type="text" value="."/> <input type="text" value="8"/> <input type="text" value="7"/>	
# Including Share Application Money Suspense Rs. 21,000	
Application of Funds :	Investments
Net Fixed Assets	<input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="5"/> <input type="text" value="0"/> <input type="text" value="1"/> <input type="text" value="."/> <input type="text" value="3"/> <input type="text" value="3"/>
<input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="6"/> <input type="text" value="1"/> <input type="text" value="8"/> <input type="text" value="7"/> <input type="text" value="."/> <input type="text" value="1"/> <input type="text" value="0"/> *	Misc. Expenditure
Net Current Assets	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/>
<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="6"/> <input type="text" value="4"/> <input type="text" value="5"/> <input type="text" value="2"/> <input type="text" value="."/> <input type="text" value="7"/> <input type="text" value="8"/>	
Accumulated losses	
<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/>	*Includes Capital work-in-progress

#### IV. Performance of Company (Rs. crores)

Turnover	Total Expenditure
<input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="3"/> <input type="text" value="7"/> <input type="text" value="3"/> <input type="text" value="9"/> <input type="text" value="."/> <input type="text" value="9"/> <input type="text" value="6"/> *	<input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="7"/> <input type="text" value="3"/> <input type="text" value="."/> <input type="text" value="9"/> <input type="text" value="1"/>
+ – Profit/Loss Before Tax	+ – Profit/Loss After Tax
<input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value="6"/> <input type="text" value="6"/> <input type="text" value="."/> <input type="text" value="0"/> <input type="text" value="5"/>	<input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="5"/> <input type="text" value="3"/> <input type="text" value="7"/> <input type="text" value="."/> <input type="text" value="6"/> <input type="text" value="2"/>
Earning per Share in Rs.	Dividend rate %
<input type="text" value=""/> <input type="text" value="4"/> <input type="text" value="2"/> <input type="text" value="."/> <input type="text" value="5"/> <input type="text" value="3"/>	<input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="4"/> <input type="text" value="0"/>

\* Includes miscellaneous income

## SCHEDULE 'X' — (CONTD.)

### V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)

Item Code No. (ITC Code)	2 7 1 0
Product Description	PETROLEUM PRODUCTS
Item Code No. (ITC Code)	2 9 0 2
Product Description	BENZENE
Item Code No. (ITC Code)	2 7 1 0
Product Description	LUBRICANTS

Note :

ITC code of products as per Indian Trade Classification based on harmonised commodity description and coding system by Ministry of Commerce, Directorate General of Commercial Intelligence & Statistics.

36. Figures of the previous year have been regrouped wherever necessary, to conform to current year presentation.

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Signature to Schedules `A' to `X'

For and on behalf of the Board of Directors

Sd/—

**ASHOK SINHA**

Chairman and Managing Director

Sd/—

**S. K. JOSHI**

Director (Finance)

Sd/—

**S. V. KULKARNI**

Company Secretary

Place : Mumbai

Dated : 27<sup>th</sup> May, 2010

## CASH FLOW STATEMENT

		For the year ended 31st March	2010	2009
		Notes	Rs. Crores	Rs. Crores
<b>A</b>	<b>Cash Flow from Operating Activities</b>			
	Net Profit Before tax and prior period items		2,421.48	1,017.57
	<i>Adjustments for :</i>			
	Depreciation		1,242.32	1,075.53
	Interest		1,010.95	2,166.37
	Foreign Exchange Fluctuations	Note 3	(274.04)	631.25
	(Profit) / Loss on Sale of fixed assets		(4.07)	1.77
	(Profit) / Loss on Sale of investments		221.07	515.42
	Income from Investments		(1,156.25)	(692.68)
	Dividend Received		(108.27)	(118.55)
	Other Non-Cash items	Note 4	919.58	(31.33)
	<b>Operating Profit before Working Capital Changes</b>		<b>4,272.77</b>	<b>4,565.35</b>
	<i>(Invested in)/Generated from :</i>			
	Trade Receivables		(1,309.58)	178.80
	Other Receivables		(2,121.25)	130.66
	Inventory		(5,210.95)	3,767.75
	Current Liabilities & Payables		3,787.63	(2,018.72)
	<b>Cash generated from Operations</b>		<b>(581.38)</b>	<b>6,623.84</b>
	Direct Taxes paid		(878.68)	(395.56)
	<b>Cash flow before prior period items</b>		<b>(1,460.06)</b>	<b>6,228.28</b>
	Prior Period Items		(55.43)	(13.46)
	Non-Cash items		0.34	(2.48)
	<b>Net Cash from Operating Activities</b>		<b>(1,515.15)</b>	<b>6,212.34</b>

## CASH FLOW STATEMENT — (CONTD.)

	For the year ended 31st March	2010	2009
	Notes	Rs. Crores	Rs. Crores
<b>B Net Cash Flow from Investing Activities</b>			
Purchase of fixed assets		(3,369.81)	(2,332.33)
Sale of fixed assets		11.83	3.64
<i>(Investment)/Sale of Investment in Joint Venture Companies</i>			
Sabarmati Gas Ltd.		(39.95)	-
Premier Oil Cachar B.V.		0.10	-
Bharat Stars Services Pvt. Ltd.		(5.00)	(1.60)
Maharashtra Natural Gas Ltd.		(22.48)	-
Delhi Aviation Fuel Facility Private Ltd.		#	-
VI eTrans Pvt. Ltd.		-	0.01
Bharat Renewable Energy Ltd.		-	(1.00)
Matrix Bharat Marine Services Pte. Ltd.		-	(8.41)
<i>(Investment)/Sale of Investment in Subsidiaries</i>			
Bharat Petro Resources Ltd.		(200.00)	-
Advance for Investments		-	(402.99)
Purchase of Investments		(2,563.87)	(18,523.13)
Sale of Investments		6,358.22	10,691.55
Income from Investment		1,261.12	546.96
Dividend Received		108.27	118.55
		<u>1,538.43</u>	<u>(9,908.75)</u>
<b>C Net Cash Flow from Financing Activities</b>			
Long term Borrowings		2,210.38	1,469.00
Repayment of loans		(286.43)	(1,186.30)
Interest paid		(1,041.83)	(2,182.13)
Dividend Paid		(253.15)	(144.62)
Corporate Dividend Tax		(31.45)	(9.16)
Realised gains of exchange differences on foreign currency loans		54.57	(232.11)
<b>Net Cash Flow from Financing Activities</b>		<u>652.09</u>	<u>(2,285.32)</u>
<b>D Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)</b>		<u>675.37</u>	<u>(5,981.73)</u>
# Value Rs 37,000.00			

## CASH FLOW STATEMENT — (CONTD.)

Cash and Cash equivalents as at 31st March	Notes	2009	2008
		Rs. Crores	Rs. Crores
Cash in Hand		124.49	395.84
Cash at Bank		315.39	565.75
Cash in transit		1.67	-
Cash Credit from scheduled banks		(2,497.70)	(930.12)
CBLOs		(150.00)	(1,000.00)
Unsecured loans from scheduled banks / ICDs / CPs		(14,915.25)	(10,171.14)
		<u>(17,121.40)</u>	<u>(11,139.67)</u>
<b>Cash and Cash equivalents as at 31st March</b>		<b>2010</b>	<b>2009</b>
Cash in Hand		98.32	124.49
Cash at Bank		243.97	315.39
Cash in transit		0.07	1.67
Cash Credit from scheduled banks		(6,714.15)	(2,497.70)
CBLOs		(500.00)	(150.00)
Unsecured loans from scheduled banks / ICDs / CPs		(9,574.24)	(14,915.25)
		<u>(16,446.03)</u>	<u>(17,121.40)</u>
<b>Net change in Cash and Cash equivalents</b>		<b>675.37</b>	<b>(5,981.73)</b>

### Explanatory notes to Cash Flow Statement

1. The Cash Flow Statement is prepared in accordance with the format prescribed by Securities and Exchange Board of India and as per Accounting Standard 3 as notified by the Central Government.
2. In Part-A of the Cash Flow Statement, figures in brackets indicate deductions made from the Net Profit for deriving the net cash flow from operating activities. In Part-B and Part-C, figures in brackets indicate cash outflows.
3. The net profit / loss arising due to conversion of current assets / current liabilities, receivable / payable in foreign currency is furnished under the head "Foreign Exchange Fluctuations".
4. "Other Non-Cash items" include excess provisions written back, foreign exchange adjustments, diminution in value of investment, amortisation of Capital grant, Bad debts and materials written off and miscellaneous adjustments not affecting cash flow.
5. Figures of the previous year have been regrouped wherever necessary, to conform to current year's presentation.

For and on behalf of the Board of Directors

Sd/-  
**ASHOK SINHA**  
Chairman and Managing Director

As per our attached report of even date

For and on behalf of  
**B. K. KHARE & CO.**  
Chartered Accountants  
FR No: 105102W

Sd/-  
**PADMINI KHARE KAICKER**  
Partner  
Membership No. 44784

For and on behalf of  
**K. VARGHESE & CO.**  
Chartered Accountants  
FR No: 004525S

Sd/-  
**K. VARGHESE**  
Partner  
Membership No. 20674

Place : Mumbai  
Dated : 27th May, 2010

# CONSOLIDATED FINANCIAL STATEMENTS OF BHARAT PETROLEUM CORPORATION LIMITED



# AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To The Board of Directors of  
Bharat Petroleum Corporation Limited

1. We have audited the attached Consolidated Balance Sheet of **Bharat Petroleum Corporation Limited** and its subsidiaries and its joint ventures as at March 31, 2010 and also the Consolidated Profit & Loss Account and Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These consolidated financial statements are the responsibility of Bharat Petroleum Corporation Limited's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with Auditing and Assurance Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of the subsidiaries and joint ventures, whose financial statements reflect the Group's share of total assets of Rs.14,822.98 crores as at March 31, 2010 and the Group's share of total revenues of Rs.17,214.07 crores and net cash outflows amounting to Rs.530.07 crores for the year ended on that date as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion, insofar as it relates to the amounts included in respect of these subsidiaries and joint ventures, is based solely on the report of the other auditors.
4. We have relied on the unaudited financial statements of four joint ventures, which reflect the Group's share of total assets of Rs.103.72 crores as at March 31, 2010 and the Group's share of total revenues of Rs.86.96 crores and net cash inflows amounting to Rs.9.10 crores for the year ended on that date as considered in the consolidated financial statements. We have neither carried out an audit or a review in respect of these financial statements.
5. We report that consolidated financial statements have been prepared by the management of Bharat Petroleum Corporation Limited in accordance with the requirements of Accounting Standard (AS) 21 – Consolidated Financial Statements and Accounting Standard (AS) 27- "Financial Reporting of Interests in Joint Ventures", notified by the Central Government.
6. Without qualifying our opinion, we draw attention to:
  - a. Note No. 9 of Schedule X, in respect of impairment of assets wherein, being technical matters subject to uncertainty we have relied on the estimates and assumptions made by the Company in arriving at recoverable value of assets, based on desired margins.
  - b. Recovery of overdue amount of Rs.278.54 crores from a party in whose case arbitration award has been passed and consent terms agreed between the parties have been filed with the Hon'ble Bombay High Court. We have relied on the Company's representation that the dues are recoverable as per consent terms and hence no provision is considered necessary.
7. Based on our audit and on the consideration of the separate audit reports of the other auditors on separate financial statements and on the other financial information of the components and to the best of our information and the explanations given to us, we are of the opinion that the attached consolidated financial statements, give a true and fair view in conformity with the accounting principles generally accepted in India:
  - i) in case of the Consolidated Balance Sheet, of the consolidated state of affairs of Bharat Petroleum Corporation Limited, its subsidiaries, and its interests in joint ventures as at March 31, 2010;
  - ii) in case of the Consolidated Profit and Loss Account, of the consolidated results of operations of Bharat Petroleum Corporation Limited, its subsidiaries, and its interests in joint ventures for the year ended on that date; and
  - iii) in case of the Consolidated Cash Flow Statement, of the consolidated cash flows of Bharat Petroleum Corporation Limited, its subsidiaries, and its interests in joint ventures for the year ended on that date.

For and on behalf of  
**B.K.KHARE AND CO.**  
FR No: 105102W  
Sd/-

**Padmini Khare Kaicker**  
Partner  
Membership No: 44784

Mumbai  
Dated: May 27, 2010

For and on behalf of  
**K.VARGHESE AND CO.**  
FR No:004525S  
Sd/-

**K.Varghese**  
Partner  
Membership No: 20674

# CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

	SCHEDULE	Rs. Crores	31/03/2009 Rs. Crores
<b>I. SOURCES OF FUNDS</b>			
<b>1. Shareholders' funds :</b>			
Share Capital	<b>A</b>	<b>361.54</b>	361.54
Reserves and Surplus	<b>B</b>	<b>13,781.40</b>	12,949.68
		<b>14,142.94</b>	<b>13,311.22</b>
<b>2. Minority Interest :</b>			
Share Capital		<b>282.09</b>	282.09
Reserves and Surplus		<b>657.48</b>	619.36
		<b>939.57</b>	<b>901.45</b>
<b>3. Loan funds :</b>			
Secured Loans	<b>C</b>	<b>13,514.68</b>	6,681.34
Unsecured Loans		<b>13,177.40</b>	17,557.82
		<b>26,692.08</b>	<b>24,239.16</b>
<b>4. Deferred tax liability (net)</b>			
		<b>1,147.70</b>	1,525.65
<b>TOTAL</b>		<b>42,922.29</b>	<b>39,977.48</b>
<b>II. APPLICATION OF FUNDS</b>			
<b>1. Goodwill (on consolidation)</b>			
		<b>385.45</b>	385.45
<b>2. Fixed Assets :</b>			
Gross block	<b>D</b>	<b>30,202.29</b>	26,354.57
Less : Depreciation and amortisation		<b>(13,452.36)</b>	(12,048.34)
Net block		<b>16,749.93</b>	14,306.23
Capital work-in-progress	<b>E</b>	<b>7,821.67</b>	6,172.65
		<b>24,571.60</b>	<b>20,478.88</b>
<b>3. Investments</b>			
	<b>F</b>	<b>11,289.57</b>	15,698.54
<b>4. Advance for Investments</b>			
	<b>FA</b>	<b>642.71</b>	701.46
<b>5. Current assets, loans and advances :</b>			
Inventories	<b>G</b>	<b>14,109.23</b>	7,870.59
Sundry debtors	<b>H</b>	<b>2,600.87</b>	1,505.85
Cash and bank balances	<b>I</b>	<b>728.43</b>	1,348.56
Other current assets	<b>J</b>	<b>3,801.19</b>	3,102.56
Loans and advances	<b>K</b>	<b>3,646.78</b>	2,978.24
		<b>24,886.50</b>	<b>16,805.80</b>
<b>Less : Current liabilities and provisions :</b>			
Liabilities	<b>L</b>	<b>16,091.68</b>	12,275.06
Provisions	<b>M</b>	<b>2,765.16</b>	1,820.89
		<b>18,856.84</b>	<b>14,095.95</b>
<b>Net current assets</b>		<b>6,029.66</b>	<b>2,709.85</b>
<b>6. Miscellaneous Expenditure to the extent not written off or adjusted</b>			
		<b>3.30</b>	3.30
<b>TOTAL</b>		<b>42,922.29</b>	<b>39,977.48</b>

Statement of Significant Accounting Policies and Notes forming part of Accounts

**X**

For and on behalf of the Board of Directors

As per our attached report of even date

Sd/-  
**ASHOK SINHA**  
Chairman and Managing Director

For and on behalf of  
**B. K. KHARE & CO.**  
Chartered Accountants  
FR No: 105102W

For and on behalf of  
**K. VARGHESE & CO.**  
Chartered Accountants  
FR No: 004525S

Sd/-  
**PADMINI KHARE KAICKER**  
Partner  
Membership No. 44784

Sd/-  
**K. VARGHESE**  
Partner  
Membership No. 20674

Place : Mumbai  
Dated : 27th May, 2010

# CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	SCHEDULE	Rs. Crores	2008-09 Rs. Crores
<b>INCOME</b>			
Sale of products, crude oil & related income	N	133,749.10	147,336.82
Less: Excise Duty Paid		(9,932.38)	(10,779.70)
		<b>123,816.72</b>	<b>136,557.12</b>
Miscellaneous income	O	2,365.20	1,435.78
Increase/(Decrease) in Inventory	P	5,103.10	(1,549.24)
<b>TOTAL</b>		<b>131,285.02</b>	<b>136,443.66</b>
<b>EXPENDITURE</b>			
Purchase of products and crude oil for resale		56,766.73	60,119.92
Raw materials consumed	Q	58,319.99	61,895.03
Packages consumed		133.17	107.51
Excise Duty on Inventory differential		234.05	(13.15)
Other Duties, taxes etc. and other charges applicable to products		1,952.76	1,318.50
Transportation		2,704.80	2,471.96
Consumption of stores, spares and materials	R	93.00	116.12
Power and Fuel	S	244.83	73.64
Employees' remuneration and other benefits	T	2,252.15	1,981.30
Interest	U	1,124.66	2,404.32
Other operating and administration expenses	V	3,164.47	3,560.35
Depreciation and amortisation		1,444.56	1,261.71
Miscellaneous Expenditure written off		-	3.38
<b>TOTAL</b>		<b>128,435.17</b>	<b>135,300.59</b>
<b>Profit</b>		<b>2,849.85</b>	<b>1,143.07</b>
Prior period income/(expenses) net	W	(77.72)	(8.50)
<b>Profit before tax</b>		<b>2,772.13</b>	<b>1,134.57</b>
Provision for Taxation			
- Current Tax		1,324.75	674.06
- Fringe Benefit Tax		-	14.40
- Deferred Tax Asset (Net)		(301.27)	(285.11)
- Short provision for Taxation in earlier years provided for		28.67	7.09
<b>Profit after tax</b>		<b>1,719.98</b>	<b>724.13</b>
<b>Minority Interest</b>		<b>87.62</b>	<b>90.37</b>
<b>Net Income of the Group</b>		<b>1,632.36</b>	<b>633.76</b>
Transfer from / (to) Debenture Redemption Reserve		(700.00)	(300.00)
Balance brought forward		144.83	262.74
<b>Disposable Profit</b>		<b>1,164.81</b>	<b>686.87</b>
<b>Appropriations:</b>			
Proposed dividend		548.48	295.40
Corporate Dividend Tax on proposed dividend		96.51	54.96
		<b>644.99</b>	<b>350.36</b>
Transfer to General Reserve		260.65	191.68
<b>Balance Carried to Balance Sheet</b>		<b>259.17</b>	<b>144.83</b>
<b>Earnings per Share - Rs.</b>			
- Basic		45.15	17.53
- Diluted		45.15	17.53
Statement of Significant Accounting Policies and Notes forming part of Accounts	X		

For and on behalf of the Board of Directors

Sd/-  
**ASHOK SINHA**  
Chairman and Managing Director

As per our attached report of even date

For and on behalf of  
**B. K. KHARE & CO.**  
Chartered Accountants  
FR No: 105102W  
Sd/-  
**PADMINI KHARE KAICKER**  
Partner  
Membership No. 44784

For and on behalf of  
**K. VARGHESE & CO.**  
Chartered Accountants  
FR No: 004525S  
Sd/-  
**K. VARGHESE**  
Partner  
Membership No. 20674

Place : Mumbai  
Dated : 27th May, 2010

## SCHEDULE 'A' — SHARE CAPITAL (CONSOLIDATED)

	Rs. Crores	31/03/2009 Rs. Crores
<b>Authorised</b>		
450,000,000 equity shares of Rs.10 each	450.00	450.00
	<u>450.00</u>	<u>450.00</u>
<b>Issued, subscribed and paid-up</b>		
361,542,124 (previous year 361,542,124) equity shares of Rs.10 each fully paid-up	361.54	361.54
<b>Total</b>	<u>361.54</u>	<u>361.54</u>
Share Application Money Suspense Account	#	#
<b>Total</b>	<u>361.54</u>	<u>361.54</u>

# Value Rs. 21,000

## SCHEDULE 'B' — RESERVES AND SURPLUS (CONSOLIDATED)

	Rs. Crores	31/03/2009 Rs. Crores
<b>1. Capital Reserve</b>		
As per last Balance Sheet	53.29	53.38
Less : Amortisation of Capital Grant	(0.09)	(0.09)
	<u>53.20</u>	<u>53.29</u>
<b>2. Capital Reserve on acquisition of subsidiaries</b>	66.45	66.45
	<u>66.45</u>	<u>66.45</u>
<b>3. Debenture Redemption Reserve</b>		
As per last Balance Sheet	300.00	-
Add: Transfer from Profit & Loss Account	700.00	300.00
	<u>1,000.00</u>	<u>300.00</u>
<b>4. Foreign Currency Translation Reserve</b>	(142.55)	72.48
<b>5. General Reserve</b>		
As per last Balance Sheet	12,890.27	12,708.72
Add : Transfer from Profit & Loss Account	253.40	181.55
	<u>13,143.67</u>	<u>12,890.27</u>
<b>6. Surplus as per Profit &amp; Loss Account</b>	18.80	(73.97)
Sub-total (1+2+3+4+5+6)	<u>14,139.57</u>	<u>13,308.52</u>
Less: Minority Interest	657.48	619.36
	<u>13,482.09</u>	<u>12,689.16</u>
<b>7. Share of interest in Joint Ventures</b>		
General Reserve	33.57	26.04
Surplus as per Profit & Loss Account	240.37	218.80
Securities Premium	24.41	14.43
Foreign Currency Translation Reserve	0.96	1.25
	<u>299.31</u>	<u>260.52</u>
<b>Total</b>	<u>13,781.40</u>	<u>12,949.68</u>

## SCHEDULE 'C' — LOAN FUNDS (CONSOLIDATED)

	Rs. Crores	31/03/2009 Rs. Crores
<b>Secured Loans</b>		
<b>Debentures</b>		
<b>10.35% Secured Non-Convertible debenture 2010</b> (refer note 3 (a) of Schedule 'X'-B) [Due for repayment within one year <b>Rs. 1,000 crores</b> (previous year NIL)]	<b>1,000.00</b>	1,000.00
<b>7.73% Secured Non-Convertible debenture 2012</b> (refer note 3 (b) of Schedule 'X'-B)	<b>1,000.00</b>	-
<b>Banks</b>		
Working Capital Loans/Cash Credit (Secured in favour of the participating banks ranking pari passu inter-alia by hypothecation of raw materials, finished goods, stock-in-process, book debts, stores, components and spares and all movables both present and future)	<b>6,881.72</b>	2,500.08
Interest accrued and due	<b>29.72</b>	13.90
<b>Term Loan</b>	<b>1,728.55</b>	535.92
[Due for repayment within one year <b>Rs. 1,200 crores</b> (previous year NIL)] [Secured by pledge of 6.35% Oil Marketing Companies GOI Special Bonds 2024 of Rs. 3000 crores]		
Collateralised Borrowing and Lending Obligation (CBLO) through Clearing Corporation of India Ltd. [Secured by Oil Marketing Companies GOI Special Bonds of <b>Rs. 1,400 crores</b> (previous year Rs. 1,300 crores)]	<b>500.00</b>	150.00
	<b>11,139.99</b>	4,199.90
<b>Share of interest in Joint Ventures</b>	<b>2,374.69</b>	2,481.44
	<b>13,514.68</b>	6,681.34
<b>Unsecured Loans</b>		
<b>Fixed deposits</b>	<b>0.24</b>	3.45
[Due for repayment within one year <b>Rs. 0.24 crores</b> (previous year Rs.3.01 crores)]		
<b>Short Term (From Banks)</b>		
Rupee Loans	<b>3,300.19</b>	12,855.14
Foreign Currency Loans	<b>6,274.24</b>	2,060.25
<b>Syndicated Loans from various banks (repayable in foreign currency)</b>	<b>1,255.48</b>	1,829.61
[Due for repayment within one year <b>Rs. Nil</b> (previous year Rs. 606.07 crores)]		
<b>Others</b>		
Oil Industry Development Board [Due for repayment within one year <b>Rs 134.61 crores</b> (previous year Rs. 211.11 crores)]	<b>961.26</b>	809.37
	<b>11,791.41</b>	17,557.82
<b>Share of interest in Joint Ventures</b>	<b>1,385.99</b>	-
	<b>13,177.40</b>	17,557.82
<b>Total</b>	<b>26,692.08</b>	24,239.16

## SCHEDULE 'D' - FIXED ASSETS (CONSOLIDATED)

PARTICULARS	GROSS BLOCK				DEPRECIATION AND AMORTISATION			NET BLOCK		
	AS AT 01-04-2009	ADDITIONS	DEDUCTIONS ON ACCOUNT OF RECLASSIFICATIONS	AS AT 31-03-2010	UPTO 31-03-2009	THIS YEAR	DEDUCTIONS ON ACCOUNT OF RECLASSIFICATIONS	UPTO 31-03-2010	AS AT 31-03-2010	AS AT 31-03-2009
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1. LAND										
(a) Freehold	417.99	56.20	1.07	473.12	-	-	-	-	473.12	417.99
(b) Leasehold	104.33	63.25	1.79	165.79	17.15	2.27	0.27	19.15	146.64	87.18
2. BUILDINGS	4,351.28	327.90	5.16	4,674.02	570.42	92.80	1.80	661.42	4,012.60	3,780.86
3. RAILWAY SIDINGS	252.56	58.47	2.75	308.28	123.80	12.99	2.61	134.18	174.10	128.76
4. PLANT and MACHINERY	8,944.20	878.56	26.21	9,796.55	3,917.08	447.11	14.08	4,350.11	5,446.44	5,027.12
5. TANKS and PIPELINES	4,138.38	944.38	0.69	5,082.07	2,040.57	261.87	4.47	2,297.97	2,784.10	2,097.81
6. FURNITURE and FITTINGS	175.67	16.26	1.97	189.96	77.30	11.82	1.74	87.38	102.58	98.37
7. VEHICLES	169.11	26.62	2.78	192.95	99.14	13.71	2.03	110.82	82.13	69.97
8. OTHER ASSETS										
(a) Dispensing Pumps	1,436.40	103.88	2.56	1,537.72	348.73	69.56	2.28	416.01	1,121.71	1,087.67
(b) LPG Cylinders and Allied Equipment	3,799.12	353.06	8.16	4,144.02	3,799.12	353.06	8.16	4,144.02	-	-
(c) Sundries	1,743.90	325.87	24.36	2,045.41	797.21	121.77	23.58	895.40	1,150.01	946.69
9. INTANGIBLE ASSETS (refer note 20 of Schedule 'X'B)	95.00	28.08	-	123.08	49.56	14.36	-	63.92	59.16	45.44
<b>TOTAL</b>	<b>25,627.94</b>	<b>3,182.53</b>	<b>77.50</b>	<b>28,732.97</b>	<b>11,840.08</b>	<b>1,401.32</b>	<b>61.02</b>	<b>13,180.38</b>	<b>15,552.59</b>	<b>13,787.86</b>
<b>Share of interest in Joint Ventures</b>	<b>726.63</b>	<b>743.18</b>	<b>0.50</b>	<b>1,469.32</b>	<b>208.26</b>	<b>64.08</b>	<b>0.35</b>	<b>271.98</b>	<b>1,197.34</b>	<b>518.37</b>
<b>GRAND TOTAL</b>	<b>26,354.57</b>	<b>3,925.71</b>	<b>78.00</b>	<b>30,202.29</b>	<b>12,048.34</b>	<b>1,465.40</b>	<b>61.37</b>	<b>13,452.36</b>	<b>16,749.93</b>	<b>14,306.23</b>
Total 2008-09	24,562.77	1,163.72	98.55	25,627.94	10,670.65	1,229.98	60.55	11,840.08	13,787.86	13,892.12
Share of interest in Joint Ventures	627.66	99.13	0.16	726.63	168.17	40.14	0.05	208.26	518.37	459.50
Grand Total 2008-09	25,190.43	1,262.85	98.71	26,354.57	10,838.82	1,270.12	60.60	12,048.34	14,306.23	14,351.62

### NOTES :

- 1) Land:-
  - a) Freehold land of the group includes **Rs. 149.10 crores** (previous year Rs. 99.07 crores) for which conveyance deed / registration / execution of title deeds / mutation are pending.
  - b) Leasehold land of the group includes gross block **Rs. Nil crores** (previous year Rs. 1.51 crores) which though in possession, the lease deeds are yet to be registered.
  - c) Freehold land of BPCL includes land costing **Rs. 2.13 crores** (previous year Rs. 2.13 crores) which is in the process of being surrendered to competent authority.
- 2) Buildings pertaining to BPCL include:-
  - a) Ownership flats of **Rs. 48.16 crores** (previous year Rs. 47.92 crores) in proposed / existing co-operative societies.
  - b) Residential flats and office complex which are in possession of BPCL and in respect of which the lease deeds are yet to be registered:- Gross Block **Rs. 30.31 crores** (previous year Rs. 30.87 crores), Net Block **Rs. 27.80 crores** (previous year Rs. 28.72 crores).
- 3) Land, Plant & Machinery, Tanks & Pipelines, Railway Sidings and Buildings jointly owned by BPCL in varying extent with other Oil Companies / Railways :- Gross Block **Rs. 192.35 crores** (previous year Rs. 192.41 crores), Cumulative Depreciation **Rs. 86.18 crores** (previous year Rs. 77.67 crores), Net Block **Rs. 106.17 crores** (previous year Rs. 114.74 crores).
- 4) Buildings, Plant & Machinery and Sundries includes **Rs. 19.71 crores** (previous year Rs. 19.71 crores) towards assets, ownership of which does not vest with the group. This amount has been amortised over a period of five years. The amount charged off as depreciation for the current year is **Rs. 1.51 crores** (previous year Rs. 1.92 crores).
- 5) Gross Block of the group includes **Rs. 20.55 crores** (previous year Rs. 6.62 crores) towards assets which are identified as held for disposal during the year in respect of which additional depreciation of **Rs. 6.06 crores** (previous year Rs. 4.13 crores) has been provided to recognise the expected loss on disposal.
- 6) Interest in Joint Venture includes **Rs. 1.49 crores** (previous year Rs. 1.49 crores) towards land obtained under perpetual lease for which the lease agreement is not yet executed.

## SCHEDULE 'E' — CAPITAL WORK-IN-PROGRESS (CONSOLIDATED)

	Rs. Crores	31/03/2009 Rs. Crores
<b>Capital work-in-progress (at Cost)</b>		
Work-in-progress	<b>3,168.91</b>	1,989.73
Capital Advances (Unsecured, Considered good )	<b>151.75</b>	125.08
Capital Stores including lying with contractors	<b>213.26</b>	299.64
Capital goods in transit	<b>33.95</b>	13.54
Intangible assets pending amortisation (refer note 21 of Schedule 'X'-B)	<b>2.62</b>	5.96
<b>Construction period expenses</b>		
Opening balance	<b>66.26</b>	23.48
Add : Expenditure during the year		
Establishment charges	<b>37.26</b>	24.77
Interest	<b>76.78</b>	14.02
Depreciation	-	0.69
Others	<b>27.41</b>	9.18
	<b>207.71</b>	72.14
Less: Allocated to assets capitalised during the year	<b>(95.95)</b>	(5.87)
Closing balance	<b>111.76</b>	66.27
<b>Share of interest in Joint Ventures</b>	<b>4,139.42</b>	3,672.43
<b>Total</b>	<b>7,821.67</b>	6,172.65

## SCHEDULE 'F' — INVESTMENTS (CONSOLIDATED)

	Rs. Crores	31/03/2009 Rs. Crores
<b>CURRENT</b>		
(Current Investments are valued at lower of cost or fair market value)		
<b>IN GOVERNMENT SECURITIES</b>		
NON TRADE - QUOTED @	11,240.67	7,667.64
Less : Provision for diminution in value of investment	<u>(1,117.00)</u>	<u>(288.03)</u>
	<u>10,123.67</u>	<u>7,379.61</u>
<b>LONG TERM</b>		
<b>IN GOVERNMENT SECURITIES</b>		
NON TRADE - QUOTED @	64.33	8,151.02
	<u>64.33</u>	<u>8,151.02</u>
<b>IN SHARES, DEBENTURES AND BONDS</b>		
TRADE - UNQUOTED	99.47	63.25
Less : Provision for diminution in value of investment	<u>(25.08)</u>	<u>(25.08)</u>
	<u>74.39</u>	<u>38.17</u>
<b>IN SHARES, DEBENTURES AND BONDS</b>		
TRADE - QUOTED	561.76	-
NON TRADE - UNQUOTED	0.01	0.01
	<u>0.01</u>	<u>0.01</u>
<b>IN ASSOCIATION OF PERSONS</b>		
NON TRADE - UNQUOTED		
Capital Contribution in Petroleum India International	10.00	10.00
Share in accumulated surplus of Petroleum India International	12.65	12.98
	<u>10,846.81</u>	<u>15,591.79</u>
<b>Share of interest in Joint Ventures - UNQUOTED **</b>	<u>442.76</u>	<u>106.75</u>
<b>Total</b>	<u>11,289.57</u>	<u>15,698.54</u>

@ Refer note 8 of Schedule 'X'-B

\*\* Includes investment made by Petronet LNG of 67,715,000 equity shares of Rs. 10 each in Adani

Petronet (Dahej) Port Pvt. Ltd. under lock in for a period of 5 years from the date of commercial operation of the investee company.

## SCHEDULE 'FA' — ADVANCE FOR INVESTMENTS (CONSOLIDATED)

	Rs. Crores	31/03/2009 Rs. Crores
<b>Share Application Money / Advance towards equity pending allotment</b>	642.71	701.46
<b>Total</b>	<u>642.71</u>	<u>701.46</u>

## SCHEDULE 'G' — INVENTORIES (CONSOLIDATED)

	Rs. Crores	31/03/2009 Rs. Crores
Stores and spares [Including in transit <b>Rs.15.87 Crores</b> (previous year Rs. 8.23 Crores)]	<b>264.08</b>	270.17
Raw materials [Including in transit <b>Rs.807.72 Crores</b> (previous year Rs. 547.71 Crores)]	<b>2,895.54</b>	1,730.39
Stock in process	<b>838.40</b>	572.36
Finished products [Including in transit <b>Rs.139.82 Crores</b> (previous year Rs. 78.40 Crores)]	<b>9,559.72</b>	5,218.11
Packages	<b>8.11</b>	6.01
	<b>13,565.85</b>	7,797.04
<b>Share of interest in Joint Ventures</b>	<b>543.38</b>	73.55
<b>Total</b>	<b>14,109.23</b>	7,870.59

## SCHEDULE 'H' - SUNDRY DEBTORS (CONSOLIDATED)

(Unsecured, Considered good unless otherwise stated)

	Rs. Crores	31/03/2009 Rs. Crores
<b>Debts outstanding for over six months :</b>		
Considered good *	<b>181.55</b>	198.60
Considered doubtful	<b>250.32</b>	183.97
	<b>431.87</b>	382.57
<b>Other debts</b>	<b>2,335.41</b>	1,216.69
	<b>2,767.28</b>	1,599.26
Less : Provision for doubtful debts	<b>(250.32)</b>	(183.97)
	<b>2,516.96</b>	1,415.29
<b>Share of interest in Joint Ventures</b>	<b>83.91</b>	90.56
<b>Total</b>	<b>2,600.87</b>	1,505.85

\* Includes **Rs. 25.81 crores** (previous year Rs. 19.86 crores) which are secured.

## SCHEDULE 'I' — CASH AND BANK BALANCES (CONSOLIDATED)

	Rs. Crores	31/03/2009 Rs. Crores
<b>Cash on Hand</b>	<b>99.56</b>	124.84
[Includes drafts and cheques on hand of <b>Rs. 82 crores</b> (previous year Rs.108 crores)]		
<b>With Scheduled banks :</b>		
In current accounts	<b>393.30</b>	323.05
In deposit accounts *	<b>1.04</b>	290.93
<b>Bank Balances outside India:</b>		
In current accounts	<b>7.50</b>	0.79
<b>Remittances in transit</b>	<b>0.07</b>	1.67
	<b>501.47</b>	741.28
<b>Share of interest in Joint Ventures</b>	<b>226.96</b>	607.28
<b>Total</b>	<b>728.43</b>	1,348.56

\* Includes deposit of **Rs. 0.80 crores** (previous year Rs. 0.80 crores) that have been pledged / deposited with local authorities.

## SCHEDULE 'J' — OTHER CURRENT ASSETS (CONSOLIDATED)

	Rs. Crores	31/03/2009 Rs. Crores
Interest accrued on investments	<b>142.30</b>	247.17
Interest accrued on bank deposits	<b>4.16</b>	1.51
Subsidy/Oil Marketing Companies GOI Special Bonds Receivable (refer note 2 of Schedule 'X'-B)	<b>2,894.26</b>	2,065.28
Deferred premium (foreign exchange forward contract)	<b>90.29</b>	123.22
Others (refer note 4 of Schedule 'X'-B)	<b>659.83</b>	659.10
	<b>3,790.84</b>	3,096.28
<b>Share of interest in Joint Ventures</b>	<b>10.35</b>	6.28
<b>Total</b>	<b>3,801.19</b>	3,102.56

## SCHEDULE 'K' - LOANS AND ADVANCES (CONSOLIDATED)

(Unsecured, Considered good unless otherwise stated)

	Rs. Crores	31/03/2009 Rs. Crores
<b>Loans (Secured) :</b>		
To companies		
Considered doubtful	0.10	0.10
Less:Provision for doubtful loans	(0.10)	(0.10)
To staff	656.68	660.15
<b>Material given on Loan</b>	0.46	0.46
Less : Deposits Received	(0.46)	(0.46)
	<u>656.68</u>	<u>660.15</u>
<b>Loans:</b>		
To companies		
Considered good	1,435.74	829.77
Considered doubtful	2.81	2.81
Less:Provision for doubtful loans	(2.81)	(2.81)
To others	45.00	40.75
Interest accrued on loans	22.55	16.88
	<u>1,503.29</u>	<u>887.40</u>
<b>Advances:</b>		
Advances recoverable in cash, or in kind or for value to be received	271.58	354.69
Advances considered doubtful	4.51	4.99
Less : Provision for doubtful advances	(4.51)	(4.99)
	<u>271.58</u>	<u>354.69</u>
<b>Dues from Petroleum Planning &amp; Analysis Cell - Government of India</b>	29.10	29.91
<b>Claims :</b>		
Considered good	355.76	365.05
Considered doubtful	65.07	58.71
Less : Provision for doubtful claims	(65.07)	(58.71)
	<u>355.76</u>	<u>365.05</u>
Advance Income Tax ( Net of provision for taxation)	161.53	200.76
<b>Deposits :</b>		
With Customs/Excise/Port Trust etc.	105.61	126.37
Others	93.71	91.05
	<u>199.32</u>	<u>217.42</u>
	<u>3,177.26</u>	<u>2,715.38</u>
<b>Share of interest in Joint Ventures</b>	469.52	262.86
<b>Total</b>	<u>3,646.78</u>	<u>2,978.24</u>

## SCHEDULE 'L' — LIABILITIES (CONSOLIDATED)

	Rs. Crores	31/03/2009 Rs. Crores
<b>Current Liabilities :</b>		
<b>Sundry creditors</b>		
Total outstanding dues of micro and small enterprises	1.35	0.73
Total outstanding dues of creditors other than micro and small enterprises	9,095.56	6,733.68
Deposits from Customers	25.81	22.99
Deposits for Containers	3,755.66	3,343.98
Unclaimed Dividend *	3.11	3.18
Unclaimed Deposits *	0.28	0.37
Unclaimed Interest on Deposits *	0.09	0.21
Other liabilities	2,558.68	1,722.97
Interest on loans (accrued but not due)	93.96	63.69
	<b>15,534.50</b>	<b>11,891.80</b>
<b>Share of interest in Joint Ventures</b>	<b>557.18</b>	<b>383.26</b>
<b>Total</b>	<b>16,091.68</b>	<b>12,275.06</b>

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

## SCHEDULE 'M' — PROVISIONS (CONSOLIDATED)

	Rs. Crores	31/03/2009 Rs. Crores
Provision for Taxation (Net of Tax paid)	822.28	493.72
Proposed dividend *	548.48	295.40
Corporate Dividend Tax on proposed dividend	91.52	50.20
Provision for employee / retirement benefits	1,294.05	974.74
	<b>2,756.33</b>	<b>1,814.06</b>
<b>Share of interest in Joint Ventures</b>	<b>8.83</b>	<b>6.83</b>
<b>Total</b>	<b>2,765.16</b>	<b>1,820.89</b>

\* Includes **Rs. 42.32 crores** (previous year Rs. 42.32 crores) being the share of Minority Interest in the proposed dividend of Numaligarh Refinery Limited.

## SCHEDULE 'N' — SALE OF PRODUCTS (CONSOLIDATED)

	Rs. Crores	2008-09 Rs. Crores
Sales	125,839.56	129,246.01
Subsidy on LPG (Domestic) & SKO (PDS) (As per the existing scheme of the Government Of India)	590.85	566.21
Subsidy/Oil Marketing Companies GOI Special Bonds (refer note 2 of Schedule 'X'-B)	5,265.03	16,216.38
	<b>131,695.44</b>	<b>146,028.60</b>
<b>Share of interest in Joint Ventures</b>	<b>2,053.66</b>	<b>1,308.22</b>
<b>Total</b>	<b>133,749.10</b>	<b>147,336.82</b>

## SCHEDULE 'O' — MISCELLANEOUS INCOME (CONSOLIDATED)

	Rs. Crores	2008-09 Rs. Crores
<b>Interest on bank deposits and others *</b>	<b>289.21</b>	<b>188.42</b>
Tax deducted at source - <b>Rs.33.17 crores</b> ( previous year Rs. 21.47 crores)		
<b>Income from Investments</b>		
<b>Current</b>		
Interest on Oil Marketing Companies GOI Special Bonds	316.24	422.96
Interest - Others	-	9.73
Dividend	-	2.01
<b>Long Term</b>		
Interest	448.55	89.87
Dividend	10.76	0.84
Income from AOP (Petroleum India International)	0.04	1.24
	<b>775.59</b>	<b>526.65</b>
Profit on sale/write off of fixed assets (net)	4.07	-
Write back of liabilities no longer required (net)	-	17.58
Foreign Exchange fluctuations (net)	556.87	-
Other income #	444.38	680.73
	<b>2,070.12</b>	<b>1,413.38</b>
<b>Share of interest in Joint Ventures</b>	<b>295.08</b>	<b>22.40</b>
<b>Total</b>	<b>2,365.20</b>	<b>1,435.78</b>

\* Includes interest received from Income tax authorities **Rs.1.34 crores** (previous year Rs. 10.85 crores)

# Includes amortisation of capital grants **Rs.0.09 Crores** (previous year Rs. 0.09 Crores)

## SCHEDULE 'P' — INCREASE/(DECREASE) IN INVENTORY (CONSOLIDATED)

	Rs. Crores	2008-09 Rs. Crores
<b>Value of closing stock of</b>		
Finished goods	9,559.72	5,218.12
Stock in process	838.40	572.36
	<b>10,398.12</b>	<b>5,790.48</b>
Less :		
<b>Value of opening stock of</b>		
Finished goods	5,218.12	6,660.33
Stock in process	572.36	679.55
	<b>5,790.48</b>	<b>7,339.88</b>
	<b>4,607.64</b>	<b>(1,549.40)</b>
<b>Share of interest in Joint Ventures</b>	<b>495.46</b>	<b>0.16</b>
<b>Total</b>	<b>5,103.10</b>	<b>(1,549.24)</b>

## SCHEDULE 'Q' - RAW MATERIALS CONSUMED (CONSOLIDATED)

	Rs. Crores	2008-09 Rs. Crores
Opening Stock	1,730.39	3,943.19
Add : Purchases	58,277.04	58,760.20
Less: Closing Stock	(2,895.54)	(1,730.39)
	<b>57,111.89</b>	<b>60,973.00</b>
<b>Share of interest in Joint Ventures</b>	<b>1,208.10</b>	<b>922.03</b>
<b>Total</b>	<b>58,319.99</b>	<b>61,895.03</b>

## SCHEDULE 'R' — CONSUMPTION OF STORES, SPARES AND MATERIALS (CONSOLIDATED)

		2008-09
	<b>Rs. Crores</b>	Rs. Crores
Stores, spares and materials	<b>272.16</b>	278.05
Less : Charged to other revenue accounts	<b>(180.07)</b>	(162.74)
	<b>92.09</b>	115.31
<b>Share of interest in Joint Ventures</b>	<b>0.91</b>	0.81
<b>Total</b>	<b>93.00</b>	116.12

## SCHEDULE 'S' — POWER AND FUEL (CONSOLIDATED)

		2008-09
	<b>Rs. Crores</b>	Rs. Crores
Power and Fuel	<b>2,744.23</b>	2,996.59
Less: Consumption of fuel out of own production	<b>(2,507.08)</b>	(2,929.39)
	<b>237.15</b>	67.20
<b>Share of interest in Joint Ventures</b>	<b>7.68</b>	6.44
<b>Total</b>	<b>244.83</b>	73.64

## SCHEDULE 'T' — EMPLOYEES' REMUNERATION AND OTHER BENEFITS (CONSOLIDATED)

		2008-09
	<b>Rs. Crores</b>	Rs. Crores
Salaries and wages (refer note 7 of Schedule 'X'-B)	<b>1,686.56</b>	1,093.32
Contribution to provident fund	<b>106.21</b>	68.69
Contribution to gratuity fund	<b>101.47</b>	216.10
Contribution to other funds	<b>18.08</b>	9.71
Welfare expenses	<b>333.34</b>	583.63
	<b>2,245.66</b>	1,971.45
<b>Share of interest in Joint Ventures</b>	<b>6.49</b>	9.85
<b>Total</b>	<b>2,252.15</b>	1,981.30

## SCHEDULE 'U' — INTEREST (CONSOLIDATED)

		2008-09
	<b>Rs. Crores</b>	Rs. Crores
On Debentures	<b>142.37</b>	31.76
On Fixed Loans	<b>148.58</b>	295.65
Others	<b>802.95</b>	1,874.10
	<b>1,093.90</b>	2,201.51
<b>Share of interest in Joint Ventures</b>	<b>30.76</b>	202.81
<b>Total</b>	<b>1,124.66</b>	2,404.32

## SCHEDULE 'V' — OTHER OPERATING AND ADMINISTRATION EXPENSES (CONSOLIDATED)

	2008-09 Rs. Crores	2008-09 Rs. Crores
<b>Repairs and maintenance :</b>		
Machinery	405.17	382.85
Building	26.98	23.95
Others	111.03	120.76
	<u>543.18</u>	<u>527.56</u>
Insurance	33.04	29.89
Rent	231.47	128.00
Rates and taxes	33.79	33.32
Charities and donations	5.42	4.25
Remuneration to auditors	0.48	0.31
Utilities	134.21	129.77
Write off :		
Bad debts and Claims	0.01	0.02
Others	6.01	12.29
Provision for :		
Doubtful debts and advances	72.24	4.17
Diminution in value of investments	828.98	(33.88)
Loss on sale of current Investments	221.07	515.42
Loss on sale / write off of Fixed Assets(net)	0.39	1.83
Charges paid to other oil companies	108.51	95.87
Travelling and conveyance	110.49	120.60
Telephone, Telex, Cables, Postage etc.	25.12	27.02
Foreign Exchange fluctuations (net)	-	1,300.02
Other expenses	756.19	615.44
	<u>3,110.60</u>	<u>3,511.90</u>
<b>Share of interest in Joint Ventures</b>	<b>53.87</b>	<b>48.45</b>
<b>Total</b>	<b><u>3,164.47</u></b>	<b><u>3,560.35</u></b>

## SCHEDULE 'W' - PRIOR PERIOD INCOME/(EXPENSES) (NET) (CONSOLIDATED)

	2008-09 Rs. Crores	2008-09 Rs. Crores
Sale of products	17.01	(12.93)
Miscellaneous Income	4.22	1.59
Purchase of product for resale	10.26	1.11
Raw Materials Consumed	8.14	1.78
Duties taxes etc. and other product charges	(2.71)	0.94
Transportation	1.63	(6.19)
Consumption of stores spares and materials	0.86	0.99
Rent, Rates & Taxes	(2.68)	(1.38)
Employees' remuneration and other benefits	(72.00)	(1.47)
Other operating and administration expenses	(9.49)	(6.61)
Interest	(1.94)	8.38
Interest income	0.09	-
Depreciation	(0.60)	5.29
	<u>(47.21)</u>	<u>(8.50)</u>
<b>Share of interest in Joint Ventures</b>	<b>(30.51)</b>	<b>-</b>
<b>Total</b>	<b><u>(77.72)</u></b>	<b><u>(8.50)</u></b>

SCHEDULE 'X' — STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2010 (CONSOLIDATED)

**A. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**1. BASIS OF CONSOLIDATION:**

The Consolidated Financial Statements relate to Bharat Petroleum Corporation Limited (“the Company” or “BPCL”), its subsidiary companies and the interest of the Company in joint ventures, in the form of jointly controlled entities.

(a) Basis of accounting:

- (i) The Financial Statements of the subsidiary companies and the joint venture companies (JVCs) used in the preparation of the Consolidated Financial Statements are drawn upto the same reporting date as that of the Company i.e. 31st March, 2010 except for Matrix Bharat Marine Services Pte. Ltd., VB (Brazil) Petroleo Private Ltda and IBV (Brazil) Petroleo Ltda. whose accounts are drawn for the period ended 31<sup>st</sup> December 2009.
- (ii) The Consolidated Financial Statements have been prepared in accordance with the mandatory Accounting Standards notified by the Companies (Accounting Standards) Rules 2006 and generally accepted accounting principles.

(b) Principles of Consolidation:

The Consolidated Financial Statements have been prepared on the following basis:-

- (i) The Financial Statements of the Company and its subsidiary companies (which are not in the nature of joint ventures) have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. The intra group balances and intra group transactions and unrealised profits or losses resulting from intra group transactions are fully eliminated.
- (ii) The Consolidated Financial Statements include the interest of the Company in JVCs, which has been accounted for using the proportionate consolidation method of accounting and reporting whereby the Company's share of each of the assets, liabilities, income and expenses of a jointly controlled entity is considered as separate line items in the Consolidated Financial Statements.
- (iii) The share of equity in the subsidiary company (NRL) as on the date of investment, being in excess of the cost of investment of the Company, the difference is recognised as “Capital Reserve on Acquisition of Subsidiaries” and shown under the head “Reserves and Surplus” in the Consolidated Financial Statements.  
The share of equity in the subsidiary company (BPRL International B.V.) as on the date of investment, being less than the cost of investment of BPRL, the difference is recognised as “Goodwill on Consolidation”.
- (iv) Minority interest in the Net Asset of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders as on the dates on which investments are made by the Company in the subsidiary companies and further movements in their share in the equity subsequent to the dates of investments as stated above.

(c) The subsidiary companies and the JVCs which are included in consolidation and the percentage of ownership interest therein of the Company as on 31st March 2010 are as under :

	Percentage of ownership interest as on		Country of Incorporation
	31/03/2010	31/03/2009	
<b>Subsidiaries</b>			
Numaligarh Refinery Limited (NRL)	<b>61.65</b>	61.65	India
Bharat PetroResources Limited (BPRL)	<b>100.00</b>	100.00	India
Bharat PetroResources JPDA Limited (Note i)	<b>100.00</b>	100.00	India
BPRL International BV (Note i)	<b>100.00</b>	100.00	Netherlands
BPRL Ventures BV (Note ii)	<b>100.00</b>	100.00	Netherlands
BPRL Ventures Mozambique BV (Note ii)	<b>100.00</b>	100.00	Netherlands
BPRL Ventures Indonesia BV (Note ii)	<b>100.00</b>	-	Netherlands

## SCHEDULE 'X' — (CONSOLIDATED) (CONTD.)

	Percentage of ownership interest as on		Country of Incorporation
	31/03/2010	31/03/2009	
<b>Joint Venture Companies (JVC)</b>			
Indraprastha Gas Limited	<b>22.50</b>	22.50	India
Petronet CCK Limited	<b>49.00</b>	49.00	India
Petronet LNG Limited	<b>12.50</b>	12.50	India
Bharat Oman Refineries Limited (BORL)	<b>50.00</b>	50.00	India
Central UP Gas Limited	<b>22.50</b>	22.50	India
Maharashtra Natural Gas Limited	<b>22.50</b>	22.50	India
Sabarmati Gas Limited	<b>25.00</b>	25.00	India
Bharat Stars Services Private Limited	<b>50.00</b>	50.00	India
Bharat Renewable Energy Limited	<b>33.33</b>	33.33	India
Matrix Bharat Marine Services Pte Ltd.	<b>50.00</b>	50.00	Singapore
Delhi Aviation Fuel Facility Pvt. Ltd	<b>37.00</b>	—	India

### Notes:

- (i) Bharat PetroResources JPDA Limited and BPRL International BV are 100% subsidiaries of BPRL.
- (ii) BPRL Ventures BV, BPRL Ventures Mozambique BV and BPRL Ventures Indonesia BV are wholly owned subsidiaries of BPRL International BV.
- (iii) In addition to the above, BPRL holds 50% equity in joint venture company VB (Brazil) Petroleo Private Ltda. VB (Brazil) Petroleo Private Ltda. has a wholly owned subsidiary company IBV (Brazil) Petroleo Ltda. VB (Brazil) Petroleo Private Ltda. and IBV (Brazil) Petroleo Ltda are incorporated in Brazil.
- (iv) Proportionate consolidation in respect of Investment in Petronet India Limited, Petronet CI Limited and Petroleum Infrastructure Limited have not been considered in the preparation of Consolidated Financial Statements as the Management has provided for full diminution in the value of Investment.
- (v) The accounts of Central UP Gas Limited, Sabarmati Gas Limited, Bharat Renewable Energy Limited and Maharashtra Natural Gas Limited are yet to be audited and hence the unaudited accounts have been considered for the purpose of preparation of Consolidated Financial Statements.
- (vi) BPCL ownership in Central UP Gas Limited has been considered at 22.50% as per the Joint Venture Agreement. The actual percentage of Share Capital as on 31<sup>st</sup> March 2010 held by BPCL is marginally higher. The management is of the opinion that it is a temporary phase and the other joint venture partner will contribute their share of the equity capital as per the Joint Venture Agreement. This excess contribution by BPCL in the Equity Share Capital amounting to **Rs. 0.34 crores** (previous year Rs. 0.68 crores) is included in "Advances Recoverable in cash or in kind or for value to be received" - Schedule K.

BPCL ownership in Maharashtra Natural Gas Limited has been considered at 22.50% as per the Joint Venture Agreement. The actual percentage of Share Capital as on 31<sup>st</sup> March 2010 held by BPCL is marginally higher. The management is of the opinion that it is a temporary phase and the other joint venture partner will contribute their share of the equity capital as per the Joint Venture Agreement. This excess contribution by BPCL in the Equity Share Capital amounting to **Rs. 1.12 crores** (previous year Rs. Nil) is included in "Advances Recoverable in cash or in kind or for value to be received" - Schedule K.

## 2. BASIS FOR PREPARATION

The financial statements are prepared under historical cost convention to comply in all material aspects with the mandatory Accounting Standards notified by the Companies (Accounting Standards) Rules 2006 and the provisions of the Companies Act, 1956, adopting accrual system of accounting unless otherwise stated.

## SCHEDULE 'X' — (CONSOLIDATED) (CONTD.)

### 3. USE OF ESTIMATES

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Differences between actual amounts and estimates are recognised in the period in which they materialise.

### 4. FIXED ASSETS

#### 4.1 LAND

Land acquired on lease where period of lease exceeds 99 years is treated as freehold.

#### 4.2 FIXED ASSETS OTHER THAN LAND

4.2.1 Fixed Assets are stated at cost of acquisition (including incidental expenses) less accumulated depreciation.

4.2.2 Expenditure on assets, other than plant and machinery, LPG cylinders and pressure regulators, not exceeding Rs.1,000 per item is charged to revenue.

4.2.3 Machinery spares that are specific to a fixed asset are capitalised along with the fixed asset. Replacement of such spares is charged to revenue.

#### 4.3 EXPENDITURE DURING CONSTRUCTION PERIOD

Direct expenses including borrowing cost incurred during construction period on capital projects are capitalised. Indirect expenses of the project group which are allocated to projects costing Rs. 5 crores and above are also capitalised. Crop compensation expenses incurred in the process of laying pipelines are capitalised.

#### 4.4 INTANGIBLE ASSETS

4.4.1 Cost of right of way that is perennial in nature are not amortised.

4.4.2 Expenditure incurred for creating/acquiring other intangible assets of Rs. 0.50 crores and above, from which future economic benefits will flow over a period of time, is amortised over the estimated useful life of the asset or five years, whichever is lower, from the time the intangible asset starts providing the economic benefit.

4.4.3 In other cases, the expenditure is charged to revenue in the year the expenditure is incurred.

4.4.4 Expenditure incurred on intangible assets is capitalised and amortised over a period of 5 years by Indraprastha Gas Limited, Central UP Gas Limited and over 3 years in case of Petronet LNG Limited.

### 5. IMPAIRMENT OF ASSETS

The values of fixed assets in respect of Cash Generating Units are reviewed by the management for impairment at each Balance Sheet date if events or circumstances indicate that the carrying values may not be recoverable. If the carrying value is more than the net selling price of the asset or present value, the difference is recognized as an impairment loss.

### 6. BORROWING COSTS

Borrowing costs attributable to acquisition, construction or production of qualifying asset are capitalised as part of the cost of that asset, till the month in which the asset is ready for use. Other borrowing costs are recognised as an expense in the period in which these are incurred.

### 7. DEPRECIATION

7.1 Depreciation on fixed assets is provided under the straight line method, at rates prescribed under Schedule XIV to the Companies Act, 1956, except in following cases:

7.1.1 Premium paid for acquiring leasehold land for lease period not exceeding 99 years, is amortised over the period of lease.

7.1.2 LPG cylinders, pressure regulators and other fixed assets costing not more than Rs 5,000 each are depreciated @ 100 percent in the year of capitalisation.

7.1.3 Assets not owned by the Corporation are amortised over a period of five years from the year of capitalisation.

7.1.4 Computer equipments and peripherals, and mobile phones are depreciated over a period of four years. Furniture provided at the residence of management staff is depreciated over a period of seven years.

## SCHEDULE 'X' — (CONSOLIDATED) (CONTD.)

- 7.2 Indraprastha Gas Limited - Depreciation in case of the following assets has been provided using the straight line method over the useful life of the assets:
- (a) Mother compressors, Online compressors and Booster compressors – 7 years
  - (b) Bunkhouses – 5 years
  - (c) Signages - 10 years
- 7.3 Bharat Stars Services Private Limited - Depreciation has been provided under written down value method and assets upto gross value of Rs. 10,000 are depreciated at 100%. Depreciation is provided at full year basis on additions upto 30<sup>th</sup> September and at 50% on assets after 30<sup>th</sup> September.
- 7.4 Maharashtra Natural Gas Limited: Depreciation in case of the following assets has been provided using the straight line method over the useful life of the assets:
- (a) Mother compressors, Online compressors and Booster compressors – 7 years
  - (b) Computer and Mobile Phones- 4 years
- 7.5 Bharat Renewable Energy Limited - Depreciation has been provided under written down value method.
- 7.6 Depreciation is charged on addition / deletion on pro-rata monthly basis including the month of addition / deletion.

### 8. INVESTMENTS

- 8.1 Current investments are valued at lower of cost or fair market value.
- 8.2 Long-term investments are valued at cost. Provision for diminution is made to recognise a decline, other than of temporary nature, in the value of such investments.

### 9. INVENTORY

- 9.1 Raw material and Intermediates are valued at cost or net realisable value whichever is lower. Cost is determined as follows:
- 9.1.1 Raw materials on weighted average cost. Purchased raw materials in transit are carried at cost.
  - 9.1.2 Intermediate Stocks at raw material cost plus cost of conversion.
- 9.2 Finished products are valued at weighted average cost or at net realisable value, whichever is lower. In case of Indraprastha Gas Limited, Maharashtra Natural Gas Limited and Central UP Gas Limited the cost is determined on first-in-first-out basis. In case of Matrix Bharat Marine Services Pte. Ltd. inventories are valued at fair value less cost to sell.
- 9.3 Stores are valued at weighted average cost except in case of Maharashtra Natural Gas Limited and Petronet CCK Limited where the valuation is on the basis of first-in-first-out. Obsolete stores are valued at Re. Nil. Slow moving stores/ other materials identified as surplus and no longer usable are valued at Re. Nil.
- 9.4 Packages are valued at weighted average cost or at net realisable value, whichever is lower.

### 10. REVENUE RECOGNITION

- 10.1 Sales are net of trade discounts and include, inter alia, excise / customs duties / claim from Petroleum Planning and Analysis Cell, Government of India and other elements allowed by the Government from time to time.
- 10.2 Claims/Surrenders including subsidy on LPG and SKO on/to Petroleum Planning and Analysis Cell, Government of India are booked on 'in principle acceptance' thereof on the basis of available instructions/clarifications subject to final adjustments after necessary audit, as stipulated. Adjustments if any, on completion of audit are recognised.
- 10.3 Revenue on sale of PNG is recognised based on consumption by the customer and revenue on sale of CNG is recognised on sale of gas to customers from CNG stations.
- 10.4 Revenue from transportation of products is recognised on the basis of actual quantities transported and received at the receiving terminals.
- 10.5 Other claims are booked when there is a reasonable certainty of recovery. Claims are reviewed on a periodical basis and if recovery is uncertain, provision is made in the accounts.
- 10.6 Income from sale of scrap is accounted for on realisation.

## SCHEDULE 'X' — (CONSOLIDATED) (CONTD.)

### 11. CLASSIFICATION OF INCOME/EXPENSES

- 11.1 Expenditure on Research, other than capital expenditure, is charged to revenue in the year the expenditure is incurred.
- 11.2 Income/expenditure upto Rs. 0.05 crores in each case pertaining to prior years is charged to the current year by the parent company Bharat Petroleum Corporation Limited and Numaligarh Refinery Limited. No such policy exists in other group companies.
- 11.3 Prepaid expenses upto Rs. 0.05 crores in each case, are charged to revenue as and when incurred by the parent company Bharat Petroleum Corporation Limited and Numaligarh Refinery Limited and upto Rs.10,000 by Bharat PetroResources Limited. No such policy exists in other group companies.
- 11.4 Deposits placed with Government agencies/ local authorities which are perennial in nature are charged to revenue in the year of payment except in case of Petronet LNG Limited, Petronet CCK Limited, Central UP Gas Limited, Sabarmati Gas Limited, Delhi Aviation Fuel Facility Private Limited and Bharat Stars Services Private Limited wherein no such policy exists.

### 12. EMPLOYEE BENEFITS

- 12.1 Contributions to Provident Fund for the year are recognised in the Profit & Loss Account.
- 12.2 The liability towards gratuity, leave encashment, post retirement benefits and other long term benefits are provided for in the accounts based on actuarial valuation as at the end of the year. To determine the present value of the defined benefit obligations and the current and past service costs, the Projected Unit Credit Method is used. Actuarial gains and losses are recognised in the Profit and Loss Account as income or expense.

### 13. DUTIES ON BONDED STOCKS

- 13.1 Customs duty on Raw materials/Finished goods lying in bond are provided for at the applicable rates except where liability to pay duty is transferred to consignee.
- 13.2 Excise duty on Finished stocks lying in bond is provided for, at the assessable value applicable at each of the locations at maximum rates based on end use.

### 14. FOREIGN CURRENCY & DERIVATIVE TRANSACTIONS

- 14.1 Transactions in foreign currency are accounted at the exchange rate prevailing on the date of transaction.
- 14.2 Monetary items denominated in foreign currency are converted at exchange rates prevailing on the date of Balance Sheet.
- 14.3 Foreign Exchange differences arising at the time of translation or settlement are recognised as income or expense in the Profit & Loss Account either under foreign exchange fluctuation or interest as the case may be. Premium/discount arising at the inception of the forward exchange contracts entered into to hedge foreign currency risks are amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the Profit & Loss account.
- 14.4 All the subsidiaries and joint ventures incorporated outside India are considered to be “non integral foreign operations” in terms of Accounting Standard 11 “The Effects of Changes in Foreign Exchange Rates”. Consequently, the assets and liabilities, both monetary and non-monetary of such subsidiaries and joint ventures have been translated at the closing rates. Income and expense items of the non-integral foreign operation are translated at average exchange rate prevailing during the period.
- 14.5 Gains / losses arising on settlement of Derivative transactions entered into by the Corporation to manage the commodity price risk and exposures on account of fluctuations in interest rates and foreign exchange are recognised in the Profit and Loss Account. Provision for losses in respect of outstanding contracts as on balance sheet date is made based on mark to market valuations of such contracts.

### 15. GOVERNMENT GRANTS

- 15.1 In case of depreciable assets, the cost of the asset is shown at gross value and grant thereon is taken to Capital Reserve as deferred income, which is recognised in the Profit and Loss Account over the useful life of the asset.
- 15.2 Government grants of the nature of promoters' contributions are credited to Capital Reserve and treated as part of Shareholders' Funds.

## SCHEDULE 'X' — (CONSOLIDATED) (CONTD.)

### 16. PROVISIONS, CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

- 16.1 Provision is recognised when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.
- 16.2 Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Corporation.
- 16.3 Capital commitments and Contingent liabilities disclosed are in respect of items which exceed Rs. 0.05 crores by Bharat Petroleum Corporation Limited and Numaligarh Refinery Limited and Rs. 100,000 by Bharat PetroResources Limited, Central UP Gas Limited and Petronet LNG Limited. No such policy exists in other group companies.
- 16.4 Contingent liabilities are considered only on conversion of show cause notices issued by various Government authorities into demand.

### 17. TAXES ON INCOME

- 17.1 Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.
- 17.2 Deferred tax on account of timing difference between taxable and accounting income is provided using the tax rates and tax laws enacted or substantively enacted by the Balance Sheet date.
- 17.3 Deferred tax assets are not recognised unless, in the management judgement there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

### 18. OIL & GAS EXPLORATION ACTIVITIES

- 18.1 BPRL follows the "Full Cost Method" of accounting for its oil and natural gas exploration and production activities. Accordingly, all acquisition, exploration and development costs are treated as capital work-in-progress and are accumulated in a cost centre. The cost centre is not normally smaller than a country except where warranted by major difference in economic, fiscal or other factors in the country. When any well in a cost centre is ready to commence commercial production, these costs are capitalised from capital work-in-progress to the gross block of assets regardless of whether or not the results of specific costs are successful. Depletion is charged on all capitalised costs according to the unit of production method.
- 18.2 Surrender of field / disposal of participation interest  
If BPRL were to surrender a field, the accumulated acquisition, exploration and development costs in respect of such a field are deemed to be fully depreciated. If the remainder of the wells in the cost centre continue to produce oil or gas, gain or loss is recognised only when the last well in the cost centre ceases to produce and the entire cost centre is abandoned. Also, in the event BPRL assigns or farms out the whole or any part of its participating interest, the corresponding carrying value of the capitalised amount is adjusted against the consideration and the net amount is credited or, as the case may be, is charged to the Profit and Loss Account in the year in which BPRL's participating interest is assigned or farmed out.
- 18.3 Depletion  
Depletion charge is calculated on the capitalised cost according to the unit of production method. The depreciation charge or the unit of production (UOP) charge for all costs within a cost centre is calculated by multiplying the UOP rate with the production for the period. The unit of production rate is arrived at by dividing the depreciation base of the cost centre by the Proved Oil and Gas Reserves. The depreciation base of a cost centre includes gross block of the cost centre, estimated future development expenditure and estimated site restoration expenditure and is reduced by the accumulated depreciation and accumulated impairment charge of the cost centre. The estimates of proved reserves used are based on the latest technical assessment available with BPRL.

### 19. MISCELLANEOUS EXPENDITURE

Share-issue expenses of Bharat Oman Refineries Limited would be written-off in the year the company commences commercial production. Other preliminary / pre-incorporation expenses of JVCs / subsidiaries is charged to Profit and Loss Account.

## SCHEDULE 'X' — (CONSOLIDATED) (CONTD.)

### B. NOTES FORMING PART OF ACCOUNTS

1. In respect of sharing of under-recoveries on sensitive petroleum products viz. MS, HSD, LPG (Domestic) and SKO (PDS), as advised by the Ministry of Petroleum & Natural Gas, a part of the under-recovery suffered by BPCL during the year was compensated by ONGC and GAIL by offering discount on price of Crude Oil, SKO and LPG purchased from them. Accordingly, BPCL has accounted the discount as follows:
  - a) **Rs.2,927.27 crores** (previous year Rs. 6,709.94 crores) discount on crude oil purchased from ONGC has been adjusted against raw material cost; and
  - b) **Rs. 702.57 crores** (previous year Rs. 846.50 crores) discounts on SKO and LPG purchased from ONGC/GAIL has been adjusted against "Purchase of products and crude oil for resale".
2. In lieu of the under-recoveries on sale of petroleum products during 2009-10, based on the approval of Government of India, BPCL has accounted for the subsidy amounting to **Rs.5,265.03 crores** (previous year Rs.16,216.38 crores of Oil Marketing Companies GOI Special Bonds were accounted). Out of the above an amount of **Rs.2,894.26 crores** (previous year Oil Marketing Companies GOI Special Bonds amounting to Rs.2065.28 crores) receivable as on 31<sup>st</sup> March 2010 from Government of India is shown as Other Current Assets in Schedule J.
3. Debentures:
  - a. BPCL had allotted redeemable non-convertible 10.35% Debentures of face value of Rs.1,000 crores on 12<sup>th</sup> December 2008. These are secured by English mortgage, on first pari passu charge basis, by way of a Registered Debenture Trust Deed over the fixed assets of the Company, viz., a Flat at Mumbai and the Plant and Machinery in respect of Hydrocracker Unit and Aromatic Recovery Unit of the Mumbai Refinery. In order to maintain the security cover of 1.25 times, all future immovable properties including Land, Plant & Machinery and Fixtures & Fittings shall be a part of the Premises and Plant & Machinery which are mortgaged. These Debentures are redeemable at par on 11<sup>th</sup> June 2010.
  - b. BPCL has allotted redeemable non-convertible 7.73% Debentures of face value of Rs.1,000 crores on 12<sup>th</sup> October 2009. These are secured by first legal mortgage in English form by way of a Registered Debenture Trust Deed over the fixed assets of the Company, viz., a Flat at Mumbai and the Plant and Machinery in respect of Refinery Modernisation Project Crude Distillation Unit / Vacuum Distillation Unit, Catalytic Cracking Unit, Fluid Catalytic Cracking Unit, Diesel Hydro Desulphurisation Unit and Naptha Hydro Desulphurisation Unit of the Mumbai Refinery. In order to maintain the security cover of 1.25 times, all future immovable properties including Land, Plant & Machinery and Fixtures & Fittings shall be a part of the Premises and Plant & Machinery which are mortgaged. These Debentures are redeemable at par on 9<sup>th</sup> October 2012.
4. As per the scheme of Amalgamation of the erstwhile Kochi Refineries Limited with BPCL approved by the Government of India, 3,37,28,738 equity shares of BPCL were allotted (in lieu of the shares held by BPCL in the erstwhile Kochi Refineries Limited) to a trust for the benefit of BPCL in the financial year 2006-07. Accordingly the cost of the original investment of Rs.659.10 crores is reflected as 'Others' in Schedule 'J' - Other Current Assets. The income distributed by the trust during the year 2009-10 amounting to **Rs. 23.61 crores** (previous year Rs. 13.49 crores) has been included in 'Other income' in Schedule 'O' - Miscellaneous Income.

One shareholder of erstwhile KRL has challenged the amalgamation before Delhi High Court, which is pending adjudication.
5. Provision for taxation in the Profit and Loss Account includes **Rs.1.86 crores** (previous year Rs. 1.68 crores) towards wealth tax.
6. BPCL and Numaligarh Refinery Limited have numerous transactions with other oil companies, which are reconciled on an ongoing basis and are subject to confirmation. Adjustments, if any, arising therefrom are not likely to be material.
7. BPCL has made a provision of **Rs.463 crores** (previous year Rs.114 crores for management staff) towards balance liability on revision in emoluments of management staff and pending pay-revision of all non-management staff on an estimated basis. Further consequential increase in actuarial valuations has been effected.
8. BPCL has reclassified the entire portfolio of long term investments in 6.35% Oil Marketing Companies GOI Special Bonds 2024 - Rs.3,099.96 crores and 6.90% Oil Marketing Companies GOI Special Bonds 2026 - Rs.4,986.71 crores to current investments during the year, considering the future funds requirement. Accordingly an amount of Rs. 1,086.50 crores has been provided for the diminution in value of these investments based on mark to market as on 31.3.2010.

## SCHEDULE 'X' — (CONSOLIDATED) (CONTD.)

### 9. Impairment of Assets

Determination as to whether and how much an asset is impaired involve Management estimates of highly uncertain matters such as international prices of crude oil and products, duty structure and Government policies. It is assumed that suitable mechanism would be in place, in line with earlier/ current year(s), to provide compensation towards under-recoveries of margin, if any, on account of sale of sensitive petroleum products in subsequent years. Hence, future cash flows have been worked out based on the desired margins for deciding on impairment of related Cash Generating Units. No impairment is therefore considered as at 31st March 2010.

### 10. Related Party Disclosures as per Accounting Standard 18

- i) **Key Management Personnel** (Whole Time Directors) M/s. Ashok Sinha (Chairman & Managing Director), S. Mohan (Director HR), S. Radhakrishnan (Director Marketing), S. K. Joshi (Director Finance), R. K. Singh (Director Refineries)
- ii) Remuneration to key management personnel: **Rs. 1.49 crores** (previous year Rs. 1.31 crores).

### 11. Earnings per share

		2009-10	2008-09
Profit after Tax	Rs. Crores	<b>1,632.36</b>	633.76
Weighted average shares outstanding during the year	Core nos.	<b>36.15</b>	36.15
Basic earnings per share	Rs.	<b>45.15</b>	17.53
Diluted earnings per share	Rs.	<b>45.15</b>	17.53

### 12. Deferred Tax Liability

As per the requirement of the Accounting Standard 22 - "Accounting for Taxes on Income" the net deferred tax liability credited to Profit during the year is **Rs. 301.27 crores** excluding Rs.76.69 crores credited as part of earlier year adjustment.(previous year deferred tax asset debited Rs. 285.11 crores). The year end position of Deferred Tax Liability and Assets is given below :

	Rs. Crores	31/03/2009 Rs. Crores
<b>DEFERRED TAX LIABILITY</b>		
Depreciation	<b>2,228.32</b>	2,194.59
Share of Interest in Joint Ventures	<b>49.74</b>	40.91
<b>Total</b>	<b>2,278.06</b>	2,235.50
<b>DEFERRED TAX ASSETS</b>		
Disallowances u/s 43B of Income Tax Act,1961	<b>611.73</b>	451.63
Provisions for doubtful debts, claims, employee benefits, etc.	<b>517.92</b>	257.73
Share of Interest in Joint Ventures	<b>0.71</b>	0.49
<b>Total</b>	<b>1,130.36</b>	709.85
<b>Net Deferred Tax Liability</b>	<b>1,147.70</b>	1,525.65

In the absence of virtual certainty regarding sufficient future profits required for taking credit, deferred tax asset has not been recognised in respect of unabsorbed depreciation / business losses of Bharat PetroResources Limited and Petronet CCK Limited.

## SCHEDULE 'X' — (CONSOLIDATED) (CONTD.)

13. In compliance with Accounting Standard - 17, "Segment Reporting" issued by the Institute of Chartered Accountants of India, the segment information is as under:

I The group is engaged in the following business segments:

- Downstream petroleum i.e. Refining and Marketing of Petroleum Products
- Exploration and Production of Hydrocarbons

Segments have been identified taking into account the nature of activities and the nature of risks and returns.

II There are no geographical segments.

III Segment-wise details are as follows:

	Year ended 31st March 2010			Year ended 31st March 2009		
	Downstream Petroleum	E&P	Total	Downstream Petroleum	E&P	Total
(Rs. Crores)						
<b>Revenue</b>						
External Revenue #	125,116.22	0.90	125,117.12	137,277.83	-	137,277.83
Inter Segment Revenue	-	-	-	-	-	-
<b>Total Revenue</b>	<b>125,116.22</b>	<b>0.90</b>	<b>125,117.12</b>	<b>137,277.83</b>	<b>-</b>	<b>137,277.83</b>
<b>Result</b>						
Segment Results	3,955.38	(73.34)	3,882.04	3,326.67	(21.31)	3,305.36
Unallocated Corporate Expenses	-	-	-	-	-	-
<b>Operating profit</b>	<b>3,955.38</b>	<b>(73.34)</b>	<b>3,882.04</b>	<b>3,326.67</b>	<b>(21.31)</b>	<b>3,305.36</b>
Add:						
Interest / Dividend Income			1,064.80			715.07
Less:						
Interest Expenditure			1,124.66			2,404.32
Loss on sale of Current Investments			221.07			515.42
Diminution in value of Investments			828.98			(33.88)
Income Tax (including Deferred Tax)			1,052.15			410.44
<b>Profit after Tax</b>			<b>1,719.98</b>			<b>724.13</b>
<b>Other Information</b>						
Segment Assets	48,268.40	1,397.23	49,665.63	35,795.54	1,014.73	36,810.27
Unallocated Corporate Assets			12,113.50			17,263.16
<b>Total Assets</b>			<b>61,779.13</b>			<b>54,073.43</b>
Segment Liabilities	15,999.62	92.06	16,091.68	12,238.14	36.92	12,275.06
Unallocated Corporate Liabilities			30,604.94			27,585.70
<b>Total Liabilities</b>			<b>46,696.62</b>			<b>39,860.76</b>
Capital Expenditure	5,195.95	378.78	5,574.73	4,556.28	437.87	4,994.15
Depreciation/ Amortisation	1,444.18	0.38	1,444.56	1,261.47	0.24	1,261.71
Non-cash expenses other than depreciation	-	-	-	1.37	2.01	3.38

# Segment Revenue comprises of Turnover (net of excise duties), Subsidy received from the Government of India and other income (excluding dividend, interest income and investment income).

### 14. Miscellaneous Expenditure (to the extent not written-off)

	Rs. Crores	31/03/2009 Rs. Crores
Pre-incorporation / Share Issue Expenses	-	2.02
Less: Written off during the year	-	2.02
	-	-
Share of Interest in Joint Ventures	3.30	3.30
<b>Total</b>	<b>3.30</b>	<b>3.30</b>

## SCHEDULE 'X' — (CONSOLIDATED) (CONTD.)

15. As indicated in Significant Accounting Policies, certain accounting policies of JVCs towards Depreciation, Inventory Valuation, Employee Benefits and Classification of Income/ Expenses are not in line with that followed by BPCL. However, considering the nature of transactions and amounts involved, the impact is not expected to be material had the accounting policy of BPCL been followed.
16. Capital Reserve on acquisition of subsidiaries includes Rs. 61.65 crores being the share of the group out of grant of Rs. 100 crores received by Numaligarh Refinery Limited from the Government of India during the project period.
17. In respect of certain Subsidiaries and JVCs, the following notes to accounts are disclosed:

### **Numaligarh Refinery Limited**

- a) Pending finalization of the Crude Oil Sales Agreement (COSA) purchases of Crude Oil from Oil India Limited (OIL) and Oil and Natural Gas Corporation Limited (ONGC) have been accounted for as per the Benchmark price of crude oil in the financial year 2009-10 in line with FY 2008-09.

Further, as per directive of the Ministry of Petroleum and Natural Gas (MOP&NG), an amount of **Rs.259.94 crores** (previous year Rs.282.99 crores) has been provided and charged to the cost of crude towards Sales Tax and Pipeline Transportation Charges payable to OIL/ONGC for the financial year 2009-10.

To augment crude availability of the four refineries in Assam, Ravva crude is brought in to IOCL Bongaigaon Refinery and the transportation cost and other incidentals thereof is to be shared by all four refineries as per the directive of MOP&NG. NRL's share of the transportation cost and other incidentals thereof has been included in the crude price and is also considered for valuation of the closing stock. Transportation cost for the Haldia-Barauni Crude Pipeline is being provided as per tariff rates prescribed by Ministry vide letter dated 28th May 2008.

- b) An amount of Rs. 194.53 crores towards Assam Entry Tax for the period November 2006 to May 2008, though provided in the books of NRL, is disputed against which NRL has filed a Writ Petition (Civil) before the Hon'ble Supreme Court of India. Based on the Writ Petition, the Court had directed the Assessing Authority to assess the liability for the aforesaid period. Assessing Authority had assessed the liability at Rs.194.53 crores. The Court vide interim Order dated 04.02.2010 has directed NRL to pay under protest a sum of Rs.50 crores. Accordingly NRL has deposited Rs.50 crores under protest.
- c) An amount of **Rs.111.20 crores** (previous year Rs. 143.10 crores) has been charged to Profit & Loss Account towards under-recovery of CST on petroleum products.
- d) Provision towards Pay revision of Management Staff amounting to **Rs.4.71 crores** (previous year Rs.17.53 crores) is made in accordance with the Pay Revision Committee's recommendation as per guidelines received from Department of Public Enterprises.
- e) Pending finalisation of Long Term Settlement in respect of revision of wages of workmen, provision has been made to the extent of **Rs.20.99 crores** (previous year Rs.3.18 crores) on estimated basis.
- f) The pension scheme of the company is under finalisation in line with the guideline issued by Department of Public Enterprises vide Office Memorandums dtd.26.11.2008 and 02.04.2009. Pending finalisation of the scheme a sum of **Rs.5.73 crores** (previous year Rs.NIL) has been charged to Profit and Loss account.

### **Bharat PetroResources Limited**

- g) BPRL along-with an Indian partner (equal share) has acquired IBV Brazil Petroleo Ltda erstwhile Encana Brazil Petroleo Ltda, a subsidiary of Encana Canada holding participating interest in 4 exploratory concessions in Brazil in the previous financial year. Funding for this acquisition (BPRL's share) has been done partly by BPRL through Equity and partly through loan taken by BPRL Ventures B.V. (100% step-down subsidiary of BPRL). This loan is obtained from Standard Chartered Bank, London. The shares (Quotas) of Joint Venture (VB Brazil Petroleo Ltda.) and BPRL Ventures B.V. (100% subsidiary of BPRL International B.V.) have been pledged as collateral for obtaining loan from Standard Chartered Bank.
- h) The shareholders of VB (Brazil) Petroleo Ltda acknowledge that if at any time after the Purchase Agreement effective date there is a commercial discovery then the shareholders shall, in ten business days after such commercial discovery, pay to the vendors US\$ 10 million. Unless and until a commercial discovery occurs, the shareholders have no obligation to make any payment.

On September 30, 2008 it was announced a pre-salt discovery at the Wahoo prospect offshore Brazil in the Campos Basin. The 1-APL-1-ESS well is located on block BM-C-30 in approximately 4,650 feet of water approximately 25 miles southeast and syncline separated from Petrobras' previously announced

## SCHEDULE 'X' — (CONSOLIDATED) (CONTD.)

pre-salt discoveries at the giant Jubarte field. Preliminary results at Wahoo, based on wireline logs, indicate at least 195 feet of net pay with similar characteristics to the nearby Jubarte 1-ESS-103A well, which is Brazil's first producing pre-salt field having recently achieved reported initial rates of approximately 18,000 barrels per day of light oil. The discovery notification was sent to the Brazilian National Petroleum Agency (ANP).

- i) The financial statements of BPRL International BV are drawn for the 15 months ended 31<sup>st</sup> March, 2010.
- j) In case of blocks located outside India, the reporting period is generally different. Also, in case of blocks located in India, the financial statements of the jointly controlled assets for the period ending 31<sup>st</sup> March 2010 are not available as at the date of finalisation of accounts. Therefore, unaudited financial/ billing statements for the year ended 31<sup>st</sup> December 2009 are being used for the purpose of reporting share of interest in jointly controlled assets for blocks in India and outside India.

### **Bharat Oman Refineries Limited**

- k) Interest earned, on mobilization advances given to contractors for capital projects, aggregating to **Rs. 7.3 crores** (previous year Rs. 6.8 crores) has been adjusted against the value of the projects under "Capital work-in-progress".
- l) As per the terms of the Memorandum of Understanding entered between the Company and Government of Madhya Pradesh, in lieu of cost of government land that has been transferred to the Company, the Company has to allot equity shares worth Rs.269,000,000 to Government of Madhya Pradesh, at a price not more than the price at which the shares have been allotted to the promoters. As the shares have not been allotted to the Government of Madhya Pradesh as at 31<sup>st</sup> March 2010, this amount has been disclosed as "Share Application Money".
- m) Based on the opinion of the Expert Advisory Committee of the Institute of Chartered Accountants of India, taken by BORL during the year, in respect of accounting of foreign exchange variation, the company has drawn up "Profit and Loss Account" for the year even though BORL has not commenced commercial operations, at its refinery at Bina, Madhya Pradesh. Accordingly,
  - a. Expenses and Incomes not relating to the project, which hitherto were accounted for as "Pre-operative expenditure pending capitalization", have now been transferred to "Profit and Loss Account" as prior period expenses/incomes.
  - b. Expenses and Incomes relating to the project are classified as "Pre-operative expenditure pending capitalization".

### **Petronet LNG Limited**

- n) Petronet LNG Limited has an option to claim deduction under Section 80IA of the Income Tax Act, 1961 in respect of Power Generation and Port Undertaking and also under Section 80IB in respect of its Regasification Undertaking. However, provision for income-tax has been made without considering the aforesaid deductions. The company will review the option at the time of filing its income tax return.
- o) Customs duty on import of Project material / equipment has been assessed provisionally (current and previous years) and additional liability, if any, on this account will be prepared on final assessment.

### **Central UP Gas Limited**

- p) CUGL had been sanctioned term loan facility of Rs. 65 crores against the charge on immovable and movable assets, both present and future, of the Company by commercial banks, though during the year the Company has not availed or utilized the facility.

### **Bharat Renewable Energy Limited**

- q) BREL has entered into a 15 year buyback agreement with farmers / Gram Panchayats for purchase of Jatropha seeds, to be planted in **28856 acres** (approx.) (previous year 945.21 acres) of wasteland under 'Jeevan Jyoti Paryojana Scheme' of UP State Government. The Jatropha Seeds purchase price will be at the Minimum Support Price declared by the Government of UP or at 20% value of the retail price of Biodiesel, whichever is higher. Out of the above, plantation has been done in 750 acres during the year.

### **Matrix Bharat Marine Services Pte. Ltd.**

- r) Matrix Bharat Marine Services Pte. Ltd. was incorporated on 20th May 2008. The company follows the calendar year as its accounting period and hence accounts are prepared for the period ending 31<sup>st</sup> December 2009.

## SCHEDULE 'X' — (CONSOLIDATED) (CONTD.)

### Delhi Aviation Fuel Facility Private Limited

s) Delhi Aviation Fuel Facility Private Limited was incorporated on 11th August, 2009 and the first accounts have been prepared for the period ended March 31, 2010.

t) Delhi Aviation Fuel Facility Private Limited is in the process of setting up a project "Aviation Fuel Facility" at Indira Gandhi International Airport, New Delhi.

18. The following Oil and Gas blocks are held by Bharat PetroResources Limited / its subsidiaries and joint ventures:

Name	Company	Country	Participating Interest of the Group	
			31.3.2010	31.3.2009
<b>NELP – IV</b>				
KG/DWN/2002/1	BPRL	India	10.00%	10.00%
MN/DWN/2002/1	BPRL	India	10.00%	10.00%
CY/ONN/2002/2	BPRL	India	40.00%	40.00%
<b>NELP – VI</b>				
KG/DWN/2004/2	BPRL	India	10.00%	10.00%
KG/DWN/2004/5	BPRL	India	10.00%	10.00%
CY/ONN/2004/1	BPRL	India	20.00%	20.00%
CY/ONN/2004/2	BPRL	India	20.00%	20.00%
RJ/ONN/2004/1	BPRL	India	11.11% (a)	11.11%
<b>NELP – VII</b>				
RJ/ONN/2005/1	BPRL	India	25.00% (b)	25.00%
<b>Blocks outside India</b>				
Block No 56	BPRL	Oman	12.50% (c)	12.50%
WA/388/P	BPRL	Australia	14.00%	14.00%
AC/P32	BPRL	Australia	20.00%	20.00%
48/1b & 2c – North Sea	BPRL	U.K.	25.00%	25.00%
JPDA 06-103	BPR JPDA	Australia / Timor	20.00% (d)	25.00%
<b>Sergipe and Alagoas</b>				
SEAL-M-349	IBV (Brazil) Petroleo Ltda.	Brazil	40.00%	40.00%
SEAL-M-426	IBV (Brazil) Petroleo Ltda.	Brazil	40.00%	40.00%
SEAL-M-497	IBV (Brazil) Petroleo Ltda.	Brazil	40.00%	40.00%
SEAL-M-569	IBV (Brazil) Petroleo Ltda.	Brazil	40.00%	40.00%
<b>Espirito Santo</b>				
ES-24-588	IBV (Brazil) Petroleo Ltda.	Brazil	30.00%	30.00%
ES-24-661	IBV (Brazil) Petroleo Ltda.	Brazil	30.00%	30.00%
ES-24-663	IBV (Brazil) Petroleo Ltda.	Brazil	30.00%	30.00%
<b>Campos</b>				
C-M-30-101	IBV (Brazil) Petroleo Ltda.	Brazil	25.00%	25.00%
<b>Portiguar</b>				
POT-16-663	IBV (Brazil) Petroleo Ltda.	Brazil	20.00%	20.00%
POT-16-760	IBV (Brazil) Petroleo Ltda.	Brazil	20.00%	20.00%
Mozambique Rovuma Basin	BPRL Ventures Mozambique B.V.	Mozambique	10.00%	10.00%
Nunukan PSC, Tarakan Basin	BPRL Ventures Indonesia B.V.	Indonesia	12.50%	-

(a) The deed of assignment for Oil and Gas Block RJ/ONN/2004/1 has not been executed in the name of BPRL for which application is pending with Management Committee and Directorate General of Hydrocarbons (DGH).

(b) The Board of Directors of BPRL at its meeting held on 19th January, 2010 has resolved to increase its Participating Interest in RJ-ONN-2005/1 Block under NELP VII from existing 25% upto 37.5%. Based on Operating Committee resolution dated 24th March, 2010 it was agreed that BPRL, Hindustan Oil Exploration Company Limited and IMC Limited will share equally the participating interest of defaulting party in accordance with the provisions of PSC and JOA. Accordingly, Participating Interest of BPRL would be 33.33% subject to approval from Directorate General of Hydrocarbons and Ministry of Petroleum & Natural Gas.

## SCHEDULE 'X' — (CONSOLIDATED) (CONTD.)

- (c) As per Board resolution of BPRL, expenditure incurred in Block Oman 56 has been charged off / written off during the year. Any expenditure incurred in future for completing the formalities relating to relinquishment of block will also be charged off as and when incurred.
- (d) During the year, BPR JPDA has farmed out 5% Participating Interest in the Block to Pan Pacific Petroleum (PPP). The Board of Directors of BPR JPDA at its meeting held on 2nd September, 2009 have approved the farm-out. Farm out agreement dated 25.09.09 has been signed. In accordance with the agreement, BPR JPDA has received total Farm-out consideration of USD 2,750,000, which includes USD 950,000 as reimbursement of past cost incurred up to 31st July, 2009 and USD 1,800,000 pertaining to Carry (3.33%) accordingly CWIP has been reduced. Net Amount of Capital Work in Progress as on 31st March, 2010 is Rs. 79.69 crores.

### 19. Interests in Joint Ventures

The Group's interest in Joint Ventures, accounted for using proportionate consolidation are:

	As at 31/03/2010	As at 31/03/2009
		(Rs. in Crores)
<b>I ASSETS</b>		
1. Fixed Assets		
- Gross Block	<b>1,469.32</b>	726.63
- Less: Depreciation	<b>271.98</b>	208.26
- Net Block	<b>1,197.34</b>	518.37
2. Capital work-in-progress	<b>4,139.42</b>	3,672.43
3. Investments	<b>442.76</b>	106.75
4. Current Assets, Loans and Advances		
a) Inventories	<b>543.38</b>	73.55
b) Sundry Debtors	<b>83.91</b>	90.56
c) Cash and Bank Balances	<b>226.96</b>	607.28
d) Other Current Assets	<b>10.35</b>	6.28
e) Loans & Advances	<b>469.52</b>	262.86
5. Miscellaneous Expenditure to the extent not written off or adjusted	<b>3.30</b>	3.30
<b>II LIABILITIES</b>		
1. Shareholders Funds – Reserves & Surplus	<b>299.31</b>	260.52
2. Loan Fund		
a) Secured Funds	<b>2,374.69</b>	2,481.44
b) Unsecured Funds	<b>1,385.99</b>	-
3. Deferred Tax – Liability	<b>49.03</b>	40.42
4. Current Liabilities & Provisions		
a) Liabilities	<b>557.18</b>	383.26
b) Provisions	<b>8.83</b>	6.83

## SCHEDULE 'X' — (CONSOLIDATED) (CONTD.)

	(Rs. in Crores)	
	<u>2009-10</u>	<u>2008-09</u>
<b>III INCOME</b>		
1. Sales and related income	<b>2,053.66</b>	1,308.22
Excise Duty	<b>(34.86)</b>	(28.81)
	<b>2,018.80</b>	1,279.41
2. Miscellaneous Income	<b>295.08</b>	22.40
3. Increase/(Decrease) in Inventory	<b>495.46</b>	0.16
<b>IV EXPENSES</b>		
1. Purchase of Products for Resale	<b>317.37</b>	57.57
2. Raw Material Consumed	<b>1,208.10</b>	922.03
3. Consumption of stores, spares and materials	<b>0.91</b>	0.81
4. Power and Fuel	<b>7.68</b>	6.44
5. Employees' remuneration and other benefits	<b>6.49</b>	9.85
6. Interest	<b>30.76</b>	202.81
7. Other operating and administration expenses	<b>53.87</b>	48.45
8. Depreciation / Amortisation	<b>48.22</b>	37.98
9. Miscellaneous Expenditure Written off	-	1.37
10. Prior Period Income/ (Expenses) (Net)	<b>(30.51)</b>	-
11. Profit before Taxation	<b>1,166.45</b>	(14.66)
12. Provision for Taxation		
a) Current Tax	<b>46.50</b>	54.23
b) Fringe Benefit Tax	-	0.25
c) Deferred Tax (Net)	<b>8.58</b>	0.66
d) Short / (Excess) provision for Taxation in earlier years provided for	<b>19.35</b>	-
13. Profit after Taxation	<b>1,092.02</b>	(69.80)
		(Rs. in Crores)
	<b>As at</b>	As at
	<b>31/03/2010</b>	<b>31/03/2009</b>
<b>V OTHER MATTERS</b>		
1. Contingent Liabilities	<b>433.99</b>	100.10
2. Capital Commitments	<b>1,664.94</b>	2,580.94

## SCHEDULE 'X' — (CONSOLIDATED) (CONTD.)

### 20. INTANGIBLE ASSETS

In accordance with Accounting Standard 26, details of Intangible Assets recognised and amortised during the year are given below:

a) Intangible assets - being amortised

PARTICULARS	USEFUL LIFE (NO. OF MONTHS)	GROSS AMOUNT			AMORTISATION			NET AMOUNT			
		AS AT 01-04- 2009	ADDITIONS	DELETIONS/ RECLASSI- FICATION	AS AT 31-03- 2010	THIS YEAR	DELETIONS/ RECLASSI- FICATION	UPTO 31-03- 2010	AS AT 31-03- 2010	AS AT 31-03- 2009	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1. RIGHT OF WAY	Perennial	18.63	8.29	-	26.92	-	-	-	-	26.92	18.63
2. SOFTWARE	36	11.86	-	-	11.86	11.52	0.22	-	11.74	0.12	0.34
3. SOFTWARE	48	1.18	-	-	1.18	0.25	0.30	-	0.55	0.63	0.93
4. SOFTWARE	60	23.78	16.65	-	40.43	12.14	5.83	-	17.97	22.46	11.64
5. DEVELOPMENT RIGHTS	60	1.50	-	-	1.50	1.27	0.23	-	1.50	-	0.23
6. PROCESS LICENSE	60	38.05	3.14	-	41.19	24.38	7.78	-	32.16	9.03	13.67
<b>TOTAL</b>		<b>95.00</b>	<b>28.08</b>	-	<b>123.09</b>	<b>49.56</b>	<b>14.36</b>	-	<b>63.92</b>	<b>59.17</b>	<b>45.44</b>
Share of Interest in Joint Venture		10.78	229.04	-	239.82	1.25	8.22	-	9.47	230.35	9.53
<b>Grand Total</b>		<b>105.78</b>	<b>257.12</b>	-	<b>362.90</b>	<b>50.81</b>	<b>22.58</b>	-	<b>73.39</b>	<b>289.51</b>	<b>54.97</b>
Previous Year		91.06	3.94	-	95.00	36.64	12.92	-	49.56	45.44	54.42
Share of Interest in Joint Venture 2008-09		10.62	0.16	-	10.78	0.84	0.41	-	1.25	9.53	9.78
Grand Total 2008-09		101.68	4.10	-	105.78	37.48	13.33	-	50.81	54.97	64.20

Rs. Crores

b) Intangible Assets- pending amortisation\*

PARTICULARS	USEFUL LIFE (NO. OF MONTHS)	GROSS AMOUNT			AMORTISATION			NET AMOUNT			
		AS AT 01-04- 2009	ADDITIONS	CAPITALISA- TIONS	AS AT 31-03- 2010	THIS YEAR	DELETIONS/ RECLASSI- FICATION	UPTO 31-03- 2010	AS AT 31-03- 2010	AS AT 31-03- 2009	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1. SOFTWARE		5.96	2.53	5.87	2.62	-	-	-	-	2.62	5.96
<b>TOTAL</b>		<b>5.96</b>	<b>2.53</b>	<b>5.87</b>	<b>2.62</b>	-	-	-	-	<b>2.62</b>	<b>5.96</b>
Previous Year		-	5.96	-	5.96	-	-	-	-	5.96	-

Rs. Crores

\* To be amortised from the time the Intangible Asset starts providing economic benefits

Note: There are no internally generated Intangible Assets

## SCHEDULE 'X' — (CONSOLIDATED) (CONTD.)

31/03/2009

### 21. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES :

	Rs. Crores	Rs. Crores
<b>21.1 Capital Commitments :</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for	<b>2,432.45</b>	3,433.64
Share of interest in Joint Ventures	<b>1,664.94</b>	2,580.94
<b>Total</b>	<b>4,097.39</b>	<b>6,014.57</b>
<b>21.2 Contingent Liabilities :</b>		
(a) In respect of taxation	<b>286.06</b>	291.51
(b) Other Matters :		
i) Surety bonds executed on behalf of other oil companies for excise/ customs duties for which BPCL has signed as surety	<b>195.30</b>	166.33
ii) Claims against the Corporation not acknowledged as debts :		
(a) Excise and customs matters	<b>1,190.86</b>	253.84
(b) Sales tax matters	<b>2,668.30</b>	2,412.98
(c) Others*	<b>585.58</b>	471.78
<p>These include <b>Rs. 751.55 crores</b> (previous year Rs. 668.14 crores) against which the Corporation has a recourse for recovery and <b>Rs. 29.41 crores</b> (previous year Rs. 30.80 crores) on capital account.</p> <p>* In respect of lands acquired, land owners have claimed higher compensation before various Authorities / Courts, which are yet to be settled. The estimated contingent liability of <b>Rs.54.63 crores</b> (previous year Rs. 54.42 crores) in such cases is included above.</p>		
iii) Claims on account of wages, bonus/ex-gratia payments in respect of pending court cases.	<b>4.55</b>	1.10
iv) Guarantees given on behalf of Subsidiaries/JV's	<b>3,786.18</b>	696.75
(c) Share of interest in Joint Ventures	<b>433.99</b>	63.20
<b>22. 22.1</b> Foreign exchange losses amounting to <b>Rs. 37.42 crores</b> including <b>Rs. Nil</b> pertaining to share of interest in joint ventures (previous year Rs. 375.58 crores including Rs.181 crores pertaining to share of interest in joint ventures) are regarded as adjustment to Interest cost and debited to Interest expenditure.		
<b>22.2</b> The deferred premium amounting to <b>Rs. 90.29 crores</b> including <b>Rs. Nil</b> pertaining to share of interest in joint ventures (previous year Rs.123.21 Crores including Rs. Nil pertaining to share of interest in joint ventures) in respect of forward exchange contract will be recognised in the Profit and Loss Account of one or more subsequent accounting periods.		

**23.** Figures have been regrouped wherever necessary.

## CASH FLOW STATEMENT (CONSOLIDATED)

For the year ended 31st March

	Notes	2010 Rs. Crores	2009 Rs. Crores
<b>A Cash Flow from Operating Activities</b>			
Net Profit Before tax and prior period items		2,849.85	1,143.07
<i>Adjustments for :</i>			
Depreciation		1,444.56	1,261.70
Interest		1,124.66	2,387.82
Foreign Exchange Fluctuations	Note 3	(274.51)	631.45
(Profit) / Loss on Sale of fixed assets		(3.55)	1.70
(Profit) / Loss on Sale of investments		221.07	515.42
Income from Investments		(1,181.08)	(745.86)
Dividend Received		(13.29)	(2.85)
Other Non-Cash items		932.59	(37.59)
Interest Income		(0.43)	(4.05)
<b>Operating Profit before Working Capital Changes</b>		<b>5,099.87</b>	<b>5,150.81</b>
<i>(Invested in) / Generated from :</i>			
Trade Receivables		(1,244.06)	480.55
Other receivables		(742.56)	792.40
Inventory		(6,257.77)	3,644.69
Current Liabilities & Payables		4,013.74	(2,471.97)
<b>Cash generated from Operations</b>		<b>869.22</b>	<b>7,596.48</b>
Direct Taxes paid		(1,046.86)	(567.65)
<b>Cash flow before prior period items</b>		<b>(177.64)</b>	<b>7,028.83</b>
Prior Period Items		(47.21)	(8.50)
Non Cash Items		0.60	(2.48)
<b>Net Cash from Operating Activities</b>		<b>(224.25)</b>	<b>7,017.85</b>

## CASH FLOW STATEMENT (CONSOLIDATED)(CONTD.)

For the year ended 31st March	Notes	2010 Rs. Crores	2009 Rs. Crores
<b>B Net Cash Flow from Investing Activities</b>			
Purchase of fixed assets		(5,176.99)	(4,485.08)
Adjustment for retirement/reclassification of Fixed Assets		-	(2.82)
Sale of fixed assets		11.95	3.79
Adjustments to Pre Operating Expenses		(16.87)	(79.08)
<i>(Investment)/Sale of Investment in JVC's</i>			
Premier Oil Cachar BV		0.10	-
Sabarmati Gas Ltd.		(39.95)	-
Maharashtra Natural Gas Ltd.		(22.48)	-
Bharat Star Services Private Ltd.		(5.00)	(1.60)
Delhi Aviation Fuel Facility Private Ltd.		#	-
VI eTrans Private Ltd.		-	0.01
Bharat Renewable Energy Ltd.		-	(1.00)
Matrix Bharat Marine Services Pte Ltd.		-	(8.41)
DNP Ltd.		-	(24.16)
Brahmaputra Cracker Polymer Ltd.		-	(28.29)
<i>Investment in Subsidiary Companies</i>			
Bharat PetroResources Ltd.		(200.00)	-
Advance for Investments		-	(400.38)
Purchase of Investment		(3,785.02)	(20,235.70)
Sale of Investments		7,243.42	11,853.61
Income from Investment		1,193.40	585.66
Dividend Received		13.29	2.85
Interest Received		4.03	4.05
<b>Net Cash Flow on Investing Activities</b>		<u>(780.12)</u>	<u>(12,816.56)</u>
<b>C Net Cash Flow on Financing Activities</b>			
Equity Investment		234.95	613.33
Long term Borrowings		3,145.08	3,445.57
Repayment of loans		(337.09)	(1,229.92)
Interest paid		(1,372.21)	(2,343.94)
Dividend Paid		(297.65)	(203.22)
Corporate Dividend Tax		(52.99)	(36.55)
Exchange difference on forward contracts		(160.52)	(159.63)
<b>Net Cash Flow on Financing Activities</b>		<u>1,159.58</u>	<u>85.64</u>
<b>D Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)</b>		<u>155.21</u>	<u>(5,713.07)</u>
# Value Rs.37,000			

## CASH FLOW STATEMENT (CONSOLIDATED)(CONTD.)

For the year ended 31st March	Notes	2010 Rs. Crores	2009 Rs. Crores
<b>Cash and Cash equivalents as at 31st March</b>		<b>2009</b>	<b>2008</b>
Cash in Hand		124.92	396.20
Cash at Bank		1,220.72	1,183.34
Cash in transit		2.00	9.18
Cash Credit from scheduled banks		(2,497.70)	(930.12)
CBLOs		(150.00)	(1,000.00)
Unsecured loans from scheduled banks / ICDs / CPs		(14,915.25)	(10,171.14)
Cash & Cash Equivalents on A/c of acquisition of Business of IBV (Brazil) Petroleo Ltda. by VB Brazil Petroleo Pvt Ltda.		0.00	10.30
		<u>(16,215.31)</u>	<u>(10,502.24)</u>
<b>Cash and Cash equivalents as at 31st March</b>		<b>2010</b>	<b>2009</b>
Cash in Hand		98.88	124.92
Cash at Bank		628.26	1,220.72
Cash in transit		1.29	2.00
Cash Credit from scheduled banks		(6,714.29)	(2,497.70)
Unsecured loans from scheduled banks / ICDs / CPs		(9,574.24)	(14,915.25)
CBLOs		(500.00)	(150.00)
		<u>(16,060.10)</u>	<u>(16,215.31)</u>
<b>Net change in Cash and Cash equivalents</b>		<b>155.21</b>	<b>(5,713.07)</b>

### Explanatory Notes to Cash Flow Statement

- The Cash Flow Statement is prepared in accordance with the format prescribed by Securities and Exchange Board of India and as per Accounting Standard 3 as notified by the Central Government.
- In Part-A of the Cash Flow Statement, figures in brackets indicate deductions made from the Net Profit for deriving the net cash flow from operating activities. In Part-B and Part-C, figures in brackets indicate cash outflows.
- The net profit / loss arising due to conversion of current assets / current liabilities / receivable / payable in foreign currency is furnished under the head "Foreign Exchange Fluctuations".
- "Other Non-Cash items" include excess provisions written back, foreign exchange adjustments, diminution in value of investment, transfer to Capital reserve, Bad debts and materials written off and miscellaneous adjustments not affecting cash flow.
- Figures of the previous year have been regrouped wherever necessary, to conform to current year's presentation.

For and on behalf of the Board of Directors

Sd/-  
**ASHOK SINHA**  
Chairman and Managing Director

As per our attached report of even date

For and on behalf of  
**B. K. KHARE & CO.**  
Chartered Accountants  
FR No: 105102W

Sd/-  
**PADMINI KHARE KAICKER**  
Partner  
Membership No. 44784

For and on behalf of  
**K. VARGHESE & CO.**  
Chartered Accountants  
FR No: 004525S

Sd/-  
**K. VARGHESE**  
Partner  
Membership No. 20674

Place : Mumbai  
Dated : 27th May, 2010

## ANNEXURE TO THE DIRECTORS' REPORT

### ANNEXURE F

#### STATEMENT PURSUANT TO EXEMPTION RECEIVED UNDER SECTION 212(8) OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

Rs. Crores

Sr. No.	Name of the Subsidiary Company	Extent of holding	Reporting Currency	Capital	Reserves	Total Assets	Total Liabilities	Investment (except in case of Subsidiary Company)	Turnover	Profit / (Loss) before tax	Provision for tax	Profit / (Loss) after tax	Proposed Dividend	Country of Incorporation
1	Numaligarh Refinery Limited	61.65%	INR	735.63	1,714.41	4,206.26	1,756.22	118.20	7,874.09	358.11	129.63	228.48	110.34	India
2	Bharat PetroResources Limited	100%	INR	702.55	(58.03) *	974.79	330.26	-	-	(35.72)	-	(35.72)	-	India
3	Bharat PetroResources JPDA Limited	100%	INR	0.05	(5.40) *	111.41	116.76	-	-	(3.07)	0.32	(3.39)	-	India
4	BPRL International B.V.	100%	USD	656.93	(90.18) *	567.12	0.37	566.63	-	(66.33)	-	(66.33)	-	Netherlands
5	BPRL Ventures Indonesia BV	100%	USD	11.39	(0.14) *	11.35	0.09	-	-	-	-	-	-	Netherlands
6	BPRL Ventures B.V.	100%	USD	455.11	(59.85) *	924.03	528.77	0.00	-	(24.77)	-	(24.77)	-	Netherlands
7	BPRL Ventures Mozambique B.V.	100%	USD	189.27	(29.16) *	160.39	0.27	-	-	(29.02)	-	(29.02)	-	Netherlands

\* Represents negative Reserves.

#### Notes:

- (i) Numaligarh Refinery Limited and Bharat PetroResources Limited are direct subsidiaries of Bharat Petroleum Corporation Limited.
- (ii) Bharat PetroResources JPDA Limited, and BPRL International B.V. are subsidiaries of Bharat PetroResources Limited.
- (iii) BPRL Ventures BV, BPRL Ventures Mozambique BV and BPRL Ventures Indonesia BV are wholly owned subsidiaries of BPRL International BV
- (iv) The first accounts of BPRL Ventures Indonesia BV is prepared for the period 21st August 2009 to 31st March 2010.
- (v) The financial statements of BPRL International BV are drawn for the 15 months ended 31st March, 2010
- (vi) Indian Rupees (INR) equivalent of the figures of subsidiary companies whose Reporting Currency is US Dollar (USD) is based on exchange rates as on 31st March 2010. (USD 1 = INR 45.14).

## STATEMENT REGARDING SUBSIDIARY COMPANIES PURSUANT TO SECTION 212(1)(e) OF THE COMPANIES ACT, 1956

Name of the Subsidiary Companies	Financial Year ending of the Subsidiary Companies	No. of shares held as on 31.3.2010	Extent of holding by holding company	The net aggregate amount of the Subsidiary Company's Profit/(Loss) so far as it concerns the members of the Holding Company and not dealt with in the accounts of the Holding Company (Except to the extent dealt within Col.7 & 8)	The net aggregate amount of the Subsidiary Company's Profit/(Loss) so far as it concerns the members of the Holding Company and dealt with in the accounts of the Holding Company.	For the Previous Financial Year ended 31.3.2010 (Rs. In Crores)	For the Previous Financial Years since it became a Subsidiary Company (Rs. In Crores)
1. Numaligarh Refinery Ltd (NRL) (w.e.f. 31.3.2001)	31.3.2010	453545998 shares of Rs.10/- each fully paid up	61.65%	143.08	1,047.51	68.03	472.75
2. Bharat PetroResources Ltd. (BPRL) (w.e.f. 17.10.2006)	31.3.2010 (Refer Note 1)	702552610 shares of Rs.10/- each fully paid up	100%	(35.72)	(21.31)	-	-
3. Bharat PetroResources JPDA Ltd. (w.e.f. 28.10.2006) (subsidiary of BPRL)	31.3.2010 (Refer Note 1)	49940 shares of Rs.10/- each fully paid up	100%	(3.39)	(2.00)	-	-
4. BPRL International BV (w.e.f. 26.3.2008) (subsidiary of BPRL)	31.3.2010 (Refer Note 2 & 3)	106880846 shares of Euro 1 each fully paid up	100%	(70.60)	(24.09)	-	-
5. BPRL Ventures BV (w.e.f. 26.3.2008) (subsidiary of BPRL International BV)	31.3.2010 (Refer Note 2)	74135411 shares of Euro 1 each fully paid up	100%	(26.36)	(35.35)	-	-
6. BPRL Ventures Mozambique BV (w.e.f. 23.7.2008) (subsidiary of BPRL International BV)	31.3.2010 (Refer Note 2)	30593078 shares of Euro 1 each fully paid up	100%	(30.88)	(0.16)	-	-
7. BPRL Ventures Indonesia BV (w.e.f. 21.8.2009) (subsidiary of BPRL International BV)	31.3.2010 (Refer Note 2)	1860027 shares of Euro 1 each fully paid up	100%	(0.15)	-	-	-

Notes : 1. In addition to the shares held by holding company, six individuals, who are nominees of BPCL, each hold ten shares of Rs.10 each of the Company.  
 2. In respect of BPRL International BV, BPRL Ventures BV, BPRL Ventures Mozambique BV and BPRL Ventures Indonesia BV the figures are converted from USD to Indian Currency.  
 3. Loss of BPRL International BV is consolidated loss i.e. including losses of BPRL Ventures BV, BPRL Ventures Mozambique BV and BPRL Ventures Indonesia BV.

For and on behalf of the Board of Directors

Sd/-

**Ashok Sinha**

Chairman & Managing Director

Sd/-

**S.K.Joshi**

Director(Finance)

Sd/-

**S.V.Kulkarni**

Company Secretary

Place : Mumbai

Date : 27th May, 2010



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Expanding Horizons for a Brighter Future