

Bharat Petroleum Corporation Limited  **Twenty Eighth Annual Report 1980-81**



BHARAT PETROLEUM CORPORATION LIMITED

Board of Directors

U. M. KINI
Chairman and Managing Director

DR. A. K. GANGULY

S. L. KHOSLA

R. J. MATTHAI

PROF. B. D. TILAK

R. VASUDEVAN

P. K. VISWANATHAN
Director (Marketing)

Secretary

P. J. KISHINCHANDANI

Joint Auditors

BATLIBOI & PUROHIT

K. S. AIYAR & CO.

Registered Office

BHARAT BHAVAN
4 & 6 CURRIMBHOY ROAD
BALLARD ESTATE
BOMBAY - 400 038.

BHARAT PETROLEUM CORPORATION LIMITED

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NOTICE

NOTICE is hereby given that the Twenty-eighth Annual General Meeting of Bharat Petroleum Corporation Limited will be held at 17, Aurangzeb Road, New Delhi-110 011 on Saturday, 26th September 1981, at 12.30 p.m. to transact the following business :

1. To receive and adopt the Directors' Report and audited Profit and Loss Account for the year ended 31st March 1981 and the Balance Sheet as at that date.
2. To declare dividend.

Bombay,
21st September, 1981.

By order of the Board

P. J. Kishinchandani
Secretary

NOTE : A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.

BHARAT PETROLEUM CORPORATION LIMITED

DIRECTORS' REPORT

TO THE SHAREHOLDERS

Your Directors have pleasure in presenting their Twenty-eighth Annual Report together with the audited Statement of Accounts of the Corporation for the year ended 31st March 1981.

FINANCIAL RESULTS

	(Rupees in lakhs)	
	1980-81	1979-80
2. Profit before depreciation amounted to	3562.83	3253.01
Deducting therefrom depreciation	1251.38	770.96
Profit before tax amounted to	2311.45	2482.05
Deducting therefrom provision for taxation	1267.00	1505.00
Profit after tax is	1044.45	977.05
Adding thereto		
(a) Transfer from Development Rebate Reserve	1.15	20.80
(b) Transfer from Investment Allowance Reserve	0.01	—
(c) Excess provision for taxation in earlier years written back	32.33	111.46
(d) Balance of profit from previous year after payment of dividend	0.99	0.64
Amount available for disposal is	1078.93	1109.95
which the Directors have appropriated as under		
(a) Investment Allowance Reserve	130.00	84.50
(b) General Reserve	745.00	850.00
(c) Proposed Dividend	203.54	174.46
	1078.54	1108.96
Leaving a balance of	0.39	0.99
Carried to Balance Sheet		

DIVIDEND

3. Your Directors recommend a dividend @ 14% on Equity Shares amounting to Rs. 2,03,53,669 for the year ended 31st March 1981, as against 12% amounting to Rs. 1,74,46,002 for the previous year.

FINANCES

4. The Corporation did not take any term loans during the year under report. On the other hand, short term borrowings from banks stood at Rs. 69.11 crores as at 31st March 1981 compared to Rs. 7.73 crores as at 31st March 1980. Internal cash generation amounted to Rs. 21.23 crores as against Rs. 16.85 crores last year.

NET WORTH

5. The net worth of the Corporation increased by Rs. 8.73 crores from Rs. 55.59 crores as at 31st March 1980 to Rs. 64.32 crores as at 31st March 1981. The paid up share capital remained unaltered at Rs. 14.54 crores.

REFINING

6. **Crude Consumption:** Crude consumption during the year under report was 4.87 million tonnes (inclusive of 3.60 million tonnes of Bombay High crude) as against 4.84 million tonnes (including 3.54 million tonnes of BH crude) in the previous year. It may be of interest to note that during the month of January 1981, 512,321 tonnes of crude were processed, the highest ever in any month so far. Twelve different crudes (including Sirri from Iran, El Morgan from Egypt and Romashkinskaya from Russia for the first time) were processed during the year.
7. **Production:** (a) Total production of refined products during the year was 4.63 million tonnes as compared to 4.62 million tonnes in the previous year. LPG production at 78,886 tonnes was slightly lower as compared to the previous year's production of 80,569 tonnes. However, motor gasoline production rose from 299,958 tonnes in the previous year to 358,754 tonnes this year, registering an increase of 19.6%. ATF production also rose from 26,410 tonnes last year to 51,201 tonnes this year. This was made possible mainly on account of certain operational changes including blending of

Bombay High ATF component with ATF produced from Middle East crudes. Similarly, production of low sulphur heavy stock (LSHS) increased by 4.6% from 624,226 tonnes in the previous year to 652,666 tonnes during the year under report. Also, hexane production at 15,391 tonnes (from own as well as HPC feedstock) was the highest ever made. Packed production of 'brandless' 80/100 bitumen has been started during the year.

(b) The yield of middle distillates at 52.9% by weight on crude this year was lower than the corresponding figure of 54.7% in the previous year mainly due to operational problems.

(c) The Refinery fuel and loss (excluding product transfer loss) during the year was higher at 4.92% by weight on crude processed as compared to 4.68% in the previous year. This was mainly due to additional losses incurred in the boilover incident of LSHS tank in July 1980 and the major emergency while processing imported crude with very high water content present in the form of an emulsion in February 1981.

(d) A major scheduled shutdown of the crude distillation complex was carried out lasting 34 days. During this shutdown, all the three heaters were extensively repaired including replacement of their tubes, crude distiller pumphouse was gunited, certain electrical cables were replaced and york mat and strip lining in the feed prep column were repaired/renewed as necessary.

8. **Facilities for processing Bombay High Crude including inter-refinery optimisation:** With the commissioning of package boiler and crude desalter in July 1980 and January 1981 respectively, most of the work on facilities for processing of 4.6 million tonnes per annum of Bombay High crude neat and operational integration of the Corporation's refinery with HPCL refinery has been completed. Main items remaining are the package heater for VTB and HP steam boiler.

9. **Facilities for Storage and Filling of LPG:**

(a) **At Refinery:** New LPG filling plant with a capacity of 75,000 tonnes/year on two-shift basis was commissioned during the year under report. Depending on off-take, we have been able to achieve, on three-shift basis, a filling

rate of over 23,000 cylinders/day, which would work out to a filling rate of over 100,000 tonnes/year. New road and rail loading gantries were also completed during the year.

(b) **At Shakurbasti:** Work on the two new LPG spheres has been completed. Phase I expansion of the bottling plant, raising the filling capacity to 24,000 tonnes/year on two shift basis, is expected to be completed by August 1981.

10. **Safety:** Four million manhours without lost time accident (LTA) were achieved during the year. Incidentally, the whole of the calendar year 1980 was without any LTA.

11. **Environmental Improvement:** Stress on environmental improvement was continued during the year. The main thrust has been on —

(i) conservation of energy used in the refinery, thereby reducing quantum of flue gases released to the atmosphere; and

(ii) reducing leakage of oil to/improving recovery of oil from waste water.

Many other measures, such as modifications to crude preheat train, provision of chemical cleaning kit for heat exchangers, improved type of burners for Boiler House towards this end have been implemented or are under implementation.

12. **Energy Audit:** In 1961, the BPCL Refinery became the first refinery in India to set up a Technical Cell to continuously monitor energy consumption and hydrocarbon losses in the Refinery with a view to finding ways and means for their reduction.

Fuel and electricity consumed and physical losses of hydrocarbons constitute by far the major share of the cost of refining petroleum. For this purpose, Technical Audit continuously monitors fuel consumption in various process units, offsite facilities, etc., and these findings are reviewed by a higher level committee periodically. These reviews lead to generation of new ideas for energy conservation and reduction in losses and these ideas, where economically justified, are implemented. During the past years, a large number of schemes recommended by Technical Audit have been implemented. These

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include provision of additional heat exchangers, improvement in burners, floating roofs in place of cone roofs, mechanical seals in place of gland seals, etc. These have resulted in significant savings of both direct and indirect cost of energy consumed and reduction in losses of hydrocarbons.

Since energy required varies from refinery to refinery, depending on refinery complexity, types of crudes processed, levels of activity in secondary processing facilities etc., it is not possible to directly compare energy consumption in two refineries as also in a refinery in various years. For example, lighter Bom-

bay High crude would need a higher amount of fuel per unit for its processing than heavier Iranian crude. Therefore, corrected energy consumption and loss (CEL) index is used to assess overall performance in respect of energy consumption and hydrocarbon losses. Using this index, performance of two refineries as also a given refinery year-wise can be compared.

Fuel, hydrocarbon loss and CEL Index figures for the past few years, as given below, stand out as a good barometer of energy conservation efforts at BPCL :

Year	No. of crudes processed	Total crude intake '000 mt/a	Bombay High crude % wt.	Fuel & Hydrocarbon loss % wt. on crude	CEL index
1976	10	3750.2	4.2	5.75	100.6
1977	10	4469.3	26.2	5.36	97.2
1978/79	9	4692.7	61.9	5.00	95.9
1979/80	11	4821.1	73.0	4.70	95.1
1980/81	12	4900.7	74.2	4.94	103.4

Higher CEL Index in 1980/81 was due to more number of off stream days for various units and increased hydrocarbon loss due to plant upsets/emergencies owing to receipt of water/sludge through the crude.

MARKETING

13. Your Corporation has had yet another year of satisfactory results. Total sales rose by 6.4% from 4.97 million tonnes in the previous year to 5.29 million tonnes in the year under report. The Corporation's market participation stood at 17.2% as against 16.7% last year. The turnover increased from Rs. 936.18 crores in the previous year to Rs. 1,214.13 crores during the year under report. Foreign exchange earnings through international aviation and bunker sales at Rs. 86.08 crores were also higher by Rs. 18.09 crores as compared to last year.

14. The total number of retail outlets at the end of March 1981 stood at 3311 as against 3302 on 31st March 1980. Multi-purpose Distribution Centres and Farm Fuel Outlets increased in number from 69 and 31 last year to 74 and 34 respectively during the year under review.

15. During the year, the Corporation imported 44,845 tonnes of LPG to cover the Industry's shortfall in the indigenous production. Similarly, to supplement the indigenous availability, 7336 tonnes of wax were imported.

DISTRIBUTION

16. At the end of the year, the Corporation had 5 Port Installations, 2 Lubricating Oil Blending Plants and 57 bulk depots with total tankage of 6.55 lakh kls. The throughput of products handled rose by 5.3% from 164.78 lakhs kl in 1979-80 to 173.45 lakhs

kl in 1980-81. During the year under review, your Corporation has added 21 new Company-owned and operated tank lorries for use at Depots and Installations as well as 3 new LPG tank lorries for transporting LPG in bulk ex the Corporation's Refinery at Bombay.

MAJOR PROJECTS

17. **Additional Secondary Processing Facilities :** It was reported last year that Government approval had been received for debottlenecking of primary crude distillation unit to raise the crude distilling capacity to 6 million t/a for any combination of BH and ME crudes and for providing matching secondary processing facilities with the necessary auxiliary facilities. Universal Oil Products Inc. (UOP) of USA have been selected as the process licensor for FCC and Merox Units and the Licence and Engineering Agreements have already been signed with them. Engineers India Ltd. (EIL) will provide process know-how and basic engineering for CDU and HVU. The services of EIL have also been retained for the total scope of the project (viz. detailed engineering, procurement, work contracting and construction supervision) excluding off site facilities which will be executed departmentally. Critical equipments for the project have been identified and ordering commenced. Infrastructural facilities at site are in an advanced stage of construction. The project is scheduled for completion by October 1984. At the time when detailed process design and engineering was being done by UOP and EIL, it was found that certain changes in the scope of work envisaged in the original report along with certain additions would be necessary. Taking into account the above changes as well as the escalations which have since taken place, a Revised Feasibility Report has been submitted to the Government for approval. According to this report, the project is estimated to cost Rs. 110.31 crores with a foreign exchange component of Rs. 24.75 crores.
18. **Sulphur Recovery Plant :** In the last year's report, it was mentioned that with a view to improving environment a Feasibility Report for installation of a plant at the Refinery to recover 5,700 tonnes per annum of sulphur from sulphur dioxide had been submitted to

the Government. The Government approval has since been received. Comprimo b.v. Netherlands has been selected as process licensor and the services of EIL have been retained for detailed engineering, procurement, work contracting and construction supervision. Due to escalation, the project cost estimate has been revised from Rs. 3.18 crores having a foreign exchange component of Rs. 0.23 crores to Rs. 4.5 crores with a foreign exchange component of Rs. 0.28 crores and a Revised Feasibility Report submitted to Government for approval. This project is also scheduled for completion by October 1984.

19. **Aromatics from Bombay High Naphtha :** An agency for process licence package for this approved project for manufacture of 61,000 tonnes per annum of benzene and 16,000 tonnes per annum of toluene is under finalisation.
20. **Marketing of LPG :** (a) Phase I of this project covers provision of facilities for the marketing of the Corporation's share of 84,000 TPA out of a production of 168,000 TPA of LPG ex Bombay High Associated Gas. Most of the facilities at the Refinery and Shakurbasti have been completed/are in advanced stage of completion and the balance activities relate mainly to procurement of cylinders, pressure regulators, tank wagons and tank lorries for which orders have been/are being placed and supplies are being received. This project is expected to be completed by 1982-83. Out of the total estimated cost of Rs. 38.19 crores, actual expenditure incurred upto 31st March 1981 amounted to Rs. 19.40 crores. Under this Scheme, 5.7 lakh new domestic customers are to be enrolled by the Corporation. It is planned to release 3 lakh new connections between February 1981 and March 1982. During the period February-June 1981, some 1.05 lakh connections have been released.
- (b) The Corporation has submitted to Government for approval a Feasibility Report (Phase II) for marketing additional quantity of 42,000 TPA of LPG, which is the Corporation's share of incremental LPG from Mathura and Koyali FCCU. Under this phase a new bottling plant is proposed to be set up at Coimbatore in Tamil Nadu. The total project cost is estimated at Rs. 23.58 crores.

BHARAT PETROLEUM CORPORATION LIMITED

This project, when completed in 1983-84, will enable the Corporation to enrol approximately 3 lakh customers.

OUTLOOK

- 21. Under the Sales Plan for 1981-82, your Corporation's entitlement has been fixed at 5.95 million tonnes as against the last year's Sales Plan of 5.88 million tonnes.

PERSONNEL

- 22. Industrial relations continued to be generally cordial, though there were moments of stress and strain at different establishments. There was a short strike in our Calcutta Industrial Area establishments, a "go-slow" agitation in Wadilube Installation and a partial strike by some skilled workmen at the Refinery, Bombay.

Negotiations for a Long Term Settlement in Delhi Region have reached an advanced stage. In Bombay Region/Refinery, it continues to be our endeavour to arrive at an acceptable Long Term Settlement with the concerned unions.

- 23. During the course of the year, the terms and conditions of service of all management staff belonging to erstwhile Burmah-Shell Companies were modified on the basis of Pay Rationalisation Scheme as approved by the Government.
- 24. Training and development of personnel continued to receive high priority. Besides imparting training at the Corporation's Training Centres and "on the job" training, employees were sent to outside training courses and seminars.
- 25. The total number of foreign tours undertaken by the officers during the year was 7 and the total expenditure incurred amounted to Rs. 1.30 lakhs.
- 26. Prior to the take over of the Corporation by Government in January 1976, there were very few SC/ST employees. With recruitment taking place after the take over and the Corporation making efforts to fulfil the obligations, there has been gradual increase in the number of SC/ST employees. The position of SC/ST personnel in employment of the Corporation as at 30th December 1980

as per the report submitted to the Government is as follows :—

Group	No. of employees			Total shortfall	
	Total	SC	ST	SC	ST
Management	1077	25	2	17	19
Clerical	1598	31	16	5	14
Labour (excluding sweepers)	3096	262	88	1	8
Sweepers	37	30	—	—	—

PROGRESSIVE USE OF HINDI

- 27. The progress achieved in the use of Hindi during the year under review is given in Annexure I.

PARTICULARS OF EMPLOYEES

- 28. Particulars of employees under Section 217(2-A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, are set out in Annexure II to this report.

SUBSIDIARY COMPANY

- 29. At present, the Corporation has only one subsidiary company, viz. Burmah-Shell Properties Pvt. Limited. An application has been made to the Registrar of Companies, Bombay to strike the name of this company off the Register under Section 560 of the Companies Act, 1956.

DIRECTORS

- 30. Shri R. N. Bhatnagar, who had been the Chairman and Managing Director of the Corporation since 4th April, 1977, resigned with effect from 15th December, 1980.

Shri M. P. Modi was appointed as Director of the Corporation with effect from 26th March, 1981 and he resigned from the Board with effect from 24th June, 1981.

Shri S. Narayanaswamy resigned from the Board with effect from 14th April, 1981.

Directors place on record their appreciation of the valuable services rendered by Shri R. N. Bhatnagar, Shri M. P. Modi and Shri S. Narayanaswamy to the Corporation.

Shri U. M. Kini, Finance Director has been appointed as Chairman and Managing Director with effect from 4th June, 1981.

Dr. A. K. Ganguly and Shri R. Vasudevan have been appointed as Directors for 1980-81 and 1981-82 with effect from 4th and 24th June 1981 respectively.

AUDITORS

31. The present Auditors of the Corporation, M/s. Batliboi & Purohit and M/s. K. S. Aiyar & Co., will retire at the conclusion of the Annual General Meeting. Auditors for the year 1981-82 will be appointed by the Central Government under Section 619(2) of the Companies Act, 1956.

ACKNOWLEDGEMENT

32. The Directors express their thanks for the guidance and support received from the Government of India and the various State Governments. The Directors also wish to place on record their appreciation of the sincere and devoted services rendered by the employees of the Corporation.

For and on behalf of the
Board of Directors
U. M. KINI
Chairman

New Delhi,
13th August, 1981.

ANNEXURE I TO THE DIRECTORS' REPORT FOR 1980-81

PROGRESS ACHIEVED IN THE USE OF HINDI

1. **Rajbasha Implementation Committees :** Hindi Implementation Committee was constituted in the Corporation's Head Office at Bombay (CO) in October 1976. Since then, such Committees have also been constituted in Delhi, Madras, Bombay Area offices and also in the Refinery. The Committees meet, on an average, once a quarter to review the progress made and to chalk out the programmes for the future.
2. **Hindi Staff :** Besides one Hindi Officer appointed in March 1978 at CO, there are two Hindi typists — one each in CO and Delhi Area Office. The number of Hindi typewriters is three — one each in CO, Refinery and Delhi Area Office.
3. **Bilingual Introduction :** Name of the Company (viz. "Bharat Petroleum") appears both in Hindi and English on CO's buildings, Corporation's own tank lorries, tanks and retail outlets in Regions A & B. All sign boards of the Corporation and name plates of officers in CO, Delhi Area Office and Refinery are in Hindi and English. Letter heads and files have been printed bilingually. 15 forms have been made bilingual and printed/cyclostyled. Annual Reports of the Corporation are printed bilingually. The House Journal also contains a Hindi section.
4. **Hindi Teaching :** The first Hindi class, under Hindi Teaching Scheme of the Government of India, was started in CO in July, 1978. At present, Parbodh, Praveen and Pragya classes are held in CO and Prabodh and Praveen classes in the Refinery. In these classes, about 60 employees are learning Hindi, while 70 employees have till date passed their various examinations held by the Official Languages Department.

From this year, in Induction Courses held at the Corporation's Training Centre at Juhu, 30 minutes have been allotted for talk on "Use of Hindi as per Official Languages Act".

Data has been collected from all the employees regarding their knowledge of Hindi.

5. **Incentives and facilities :** Facilities of course books and stationery and learning Hindi during office hours are provided to the employees. In addition, dictionaries and other useful books in Hindi valued at about Rs. 5,000 have been purchased for circulation. Cash awards are also given to the employees on their passing Hindi examinations. Besides, prizes of Hindi books are given to the successful employees in Good Handwriting and Hindi Essay competitions held every year.
6. **Functions Organised :** Two inaugural functions of Hindi classes — one at CO and the other at the Refinery — were organised, which were attended by the Chairman and Managing Director and other Senior Officers of the Corporation as well as Deputy/Assistant Directors of Official Languages Department, Bombay. Also a function to distribute cash awards to successful employees in Hindi examinations was held in CO.

"Premchand Janma Shatabdee Samaroh" and "Hindi Day" were also celebrated at the CO and lectures by eminent Hindi Scholars were arranged.

BHARAT PETROLEUM CORPORATION LIMITED

BALANCE SHEET AS AT 31ST MARCH, 1981

	Schedule	Rs.	Rs.	Rs.	1980 Rs.
I. SOURCES OF FUNDS					
(1) Shareholders' Funds :					
(a) Share Capital	.. A		14,53,83,350		14,53,83,350
(b) Reserves & Surplus	.. B		49,78,53,174		41,05,29,419
				64,32,36,524	55,59,12,769
(2) Loan Funds :					
(a) Secured Loans	.. C		30,00,00,000		—
(b) Unsecured Loans	.. C		39,66,37,737		7,72,55,465
				69,66,37,737	7,72,55,465
Total				133,98,74,261	63,31,68,234
II. APPLICATION OF FUNDS					
(1) Fixed Assets :					
(a) Gross Block	.. D		79,73,57,900		60,52,54,904
(b) Less : Depreciation	.. D		49,17,46,886		37,23,22,932
(c) Net Block	.. D		30,56,11,014		23,29,31,972
(d) Capital Work-in-Progress (At Cost) (includes materials at site and advance payments)			16,51,52,810		13,27,91,421
				47,07,63,824	36,57,23,393
(2) Investments	.. E			11,55,571	11,36,900
(3) Current Assets, Loans & Advances :					
(a) Inventories	.. F	226,78,76,240			158,53,92,996
(b) Sundry Debtors	.. G	46,34,80,360			22,81,88,740
(c) Cash & Bank Balances	.. H	28,95,46,337			33,95,45,358
(d) Other Current Assets	.. I	9,46,938			40,59,580
(e) Loans & Advances	.. J	8,66,68,300			14,82,47,458
			310,85,18,175		230,54,34,132
Less : Current Liabilities & Provisions :					
(a) Liabilities	.. K	213,52,19,223			200,48,92,526
(b) Provisions	.. L	10,53,44,086			3,42,33,665
			224,05,63,309		203,91,26,191
Net Current Assets				86,79,54,866	26,63,07,941
Total				133,98,74,261	63,31,68,234
Capital Commitments and Contingent Liabilities	.. M				
Notes forming Part of Accounts	.. U				

U. M. KINI
Chairman & Managing Director

DR. A. K. GANGULY
Director

P. J. KISHINCHANDANI
Secretary

New Delhi, 13th August, 1981.

As per our Report attached

For and on behalf of
BATLIBOI & PUROHIT
Chartered Accountants

N. T. DALAL
Partner

Bombay, 14th August, 1981.

For and on behalf of
K. S. AIYAR & CO.
Chartered Accountants

ARJUN K. S. AIYAR
Partner

SHARAT PETROLEUM CORPORATION LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1981

	Schedule	Rs.	Rs.	1980 Rs.
INCOME :				
Sale of Products		1214,13,24,907		936,17,66,707
Miscellaneous Income	N	9,51,03,591		9,79,76,845
Increase in Inventory of Finished Products	O	78,41,19,602		32,74,58,052
			1302,05,48,100	978,72,01,604
EXPENDITURE & CHARGES :				
Purchase of Products for Resale		215,76,55,470		97,57,27,477
Raw Materials Consumed		635,03,44,521		422,84,71,751
Packages Consumed		11,05,75,007		9,72,67,548
Duties etc. & Other Charges applicable to Products		322,58,58,971		347,97,59,099
Transportation		33,17,51,783		28,56,71,779
Stores, Spares & Materials	P	12,46,57,310		10,90,50,008
Fuel & Power	Q	2,32,01,905		1,98,71,351
Employees' Remuneration & Other Benefits	R	13,76,54,020		12,40,67,964
Other Operating & Administration Expenses	S	20,33,28,627		15,41,42,588
Depreciation		12,51,38,424		7,70,96,157
			1279,01,66,038	955,11,25,722
Profit			23,03,82,062	23,60,75,882
Prior Years' Income/(Expenses) Net	T		7,62,620	1,21,28,846
Profit before Tax			23,11,44,682	24,82,04,728
Provision for Taxation		12,67,00,000		15,05,00,000
Investment Allowance Reserve		1,30,00,000		84,50,000
			13,97,00,000	15,89,50,000
Profit after Tax			9,14,44,682	8,92,54,728

BHARAT PETROLEUM CORPORATION LIMITED

	Schedule	Rs.	Rs.	1980 Rs.
Profit after Tax brought down			9,14,44,682	8,92,54,728
Balance from Last Account			99,391	64,320
			9,15,44,073	8,93,19,048
Transfer from Development Rebate Reserve No. 1		1,15,000		20,80,000
Excess Provision for Taxation in earlier years written back		32,32,742		1,11,46,345
Transfer from Investment Allowance Reserve		1,297		—
			33,49,039	1,32,26,345
Disposable Profit			9,48,93,112	10,25,45,393
Appropriations : Proposed Dividends		2,03,53,669		1,74,46,002
Transfer to General Reserve		7,45,00,000		8,50,00,000
			9,48,53,669	10,24,46,002
Balance carried to Balance Sheet			39,443	99,391
Notes forming part of Accounts	U			

U. M. KINI
Chairman & Managing Director
 DR. A. K. GANGULY
Director
 P. J. KISHINCHANDANI
Secretary
 New Delhi, 13th August, 1981.

As per our Report attached

For and on behalf of BATLIBOI & PUROHIT <i>Chartered Accountants</i> N. T. DALAL <i>Partner</i> Bombay, 14th August, 1981.	For and on behalf of K. S. AIYAR & CO. <i>Chartered Accountants</i> ARJUN K. S. AIYAR <i>Partner</i>
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BHARAT PETROLEUM CORPORATION LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 1981

	Rs.	Rs.	1980 Rs.
SCHEDULE A			
SHARE CAPITAL			
(i) Authorised :			
2,00,000 Preference Shares of Rs. 100 each		2,00,00,000	<u>2,00,00,000</u>
11,50,000 'A' Ordinary Shares of Rs. 100 each	11,50,00,000		<u>11,50,00,000</u>
11,50,000 'B' Ordinary Shares of Rs. 100 each	11,50,00,000		<u>11,50,00,000</u>
		<u>23,00,00,000</u>	<u>23,00,00,000</u>
		<u>25,00,00,000</u>	<u>25,00,00,000</u>
(ii) Issued and Subscribed :			
11,50,000 'A' Ordinary Shares of Rs. 100 each	11,50,00,000		<u>11,50,00,000</u>
11,50,000 'B' Ordinary Shares of Rs. 100 each	11,50,00,000		<u>11,50,00,000</u>
		<u>23,00,00,000</u>	<u>23,00,00,000</u>
(iii) Paid up :			
2,500 'A' Ordinary Shares of Rs. 100 each fully called up and paid in cash	2,50,000		<u>2,50,000</u>
11,47,500 'A' Ordinary Shares of Rs. 100 each called up at Rs. 63.13 and paid in Cash	7,24,41,675		<u>7,24,41,675</u>
		<u>7,26,91,675</u>	<u>7,26,91,675</u>
2,500 'B' Ordinary Shares of Rs. 100 each fully called up and paid in Cash	2,50,000		<u>2,50,000</u>
11,47,500 'B' Ordinary Shares of Rs. 100 each called up at Rs. 63.13 and paid in Cash	7,24,41,675		<u>7,24,41,675</u>
		<u>7,26,91,675</u>	<u>7,26,91,675</u>
		<u>14,53,83,350</u>	<u>14,53,83,350</u>

BHARAT PETROLEUM CORPORATION LIMITED

	Rs.	Rs.	1980
			Rs.
SCHEDULE B			
RESERVES AND SURPLUS			
(i) Capital Reserve :			
As per last Balance Sheet	16,65,49,927		16,59,57,714
Add : Transfer from Development Rebate Reserve No. 2	4,75,697		5,92,213
		16,70,25,624	16,65,49,927
(ii) Development Rebate Reserve No. 1 :			
As per last Balance Sheet	22,82,210		43,62,210
Less : Transfer to Profit & Loss Account	1,15,000		20,80,000
		21,67,210	22,82,210
(iii) Development Rebate Reserve No. 2 :			
As per last Balance Sheet	15,12,904		21,05,117
Less : Transfer to Capital Reserve	4,75,697		5,92,213
		10,37,207	15,12,904
(iv) General Reserve :			
As per last Balance Sheet	22,53,56,161		14,03,56,161
Add : Transfer from Profit & Loss Account	7,45,00,000		8,50,00,000
		29,98,56,161	22,53,56,161
(v) Investment Allowance Reserve :			
As per last Balance Sheet	1,47,28,826		62,78,826
Add : Transfer from Profit & Loss Account	1,30,00,000		84,50,000
	2,77,28,826		1,47,28,826
Less : Transfer to Profit & Loss Account	1,297		—
		2,77,27,529	1,47,28,826
(vi) Profit & Loss Account		39,443	99,391
		49,78,53,174	41,05,29,419

SCHEDULE C

LOANS

(i) Secured :			
From Scheduled Banks secured by hypothecation of stock in trade		30,00,00,000	—
(ii) Unsecured :			
From Scheduled Banks		39,66,37,737	7,72,55,465
		69,66,37,737	7,72,55,465

BHARAT PETROLEUM CORPORATION LIMITED

**SCHEDULE D
FIXED ASSETS**

(1)	COST			
	Gross Block As at 31-3-1980	Additions	Deductions including Reclassification	Gross Block As at 31-3-1981
	(2) Rs.	(3) Rs.	(4) Rs.	(5) Rs.
1. Land—including Advance Payments :				
(a) Freehold/Long Leasehold	186,32,108	—	—	186,32,108
(b) Leasehold on which premia are being written off over lease period	4,88,228	1,60,148	—	6,48,376
2. Buildings	855,71,945	180,58,960	1,43,027	1034,87,778
3. Railway Sidings	20,32,156	—	—	20,32,156
4. Plant & Machinery	1741,58,799	430,05,674	6,69,318	2164,95,155
5. Tanks & Pipelines	1081,04,195	122,53,321	80,194	1202,77,322
6. Furniture & Fittings	47,14,095	11,27,125	28,272	58,12,948
7. Vehicles	224,19,924	151,86,726	4,61,416	371,45,234
8. Other Assets :				
(a) Dispensing Pumps	211,98,784	59,26,269	86,796	270,38,257
(b) LPG Cylinders & Allied Equipment	1213,40,620	983,26,537	46,06,711	2150,60,446
(c) Sundries	465,94,050	43,03,880	1,69,810	507,28,120
TOTAL	6052,54,904	1983,48,540	62,45,544	7973,57,900
<i>Previous Year</i>	<i>5046,63,679</i>	<i>1045,18,121</i>	<i>39,26,896</i>	<i>6052,54,904</i>

- Notes :**
- (i) The Title Deeds in respect of a portion of Land (900 Sq. Yards) at Refinery Site for which transfer has been finalised by the State Government are yet to be received.
 - (ii) Freehold/Leasehold Land : Includes cost of Leasehold Land aggregating to Rs. 1,15,035/- acquired by the Bombay Municipality prior to 1964 for which no compensation has been fixed. Pending settlement of the compensation amount, no adjustments have been put through the Books of Account in respect of acquisition of the above Leasehold Land.

BHARAT PETROLEUM CORPORATION LIMITED

DEPRECIATION					
As at 31-3-1980	This Year	Deductions on account of Retirement/ Reclassification	As at 31-3-1981	Net Block As at 31-3-1981	Net Block As at 31-3-1980
(6) Rs.	(7) Rs.	(8) Rs.	(9) Rs.	(10) Rs.	(11) Rs.
—	—	—	—	186,32,108	186,32,108
1,44,005	38,045	—	1,82,050	4,66,326	3,44,223
255,10,531	32,87,378	29,700	287,68,209	747,19,569	600,61,414
12,91,484	66,494	—	13,57,978	6,74,178	7,40,672
1171,46,720	72,12,385	5,45,807	1238,13,298	926,81,357	570,12,079
596,83,948	51,17,596	28,698	647,72,846	555,04,476	484,20,247
16,25,945	4,66,978	16,388	20,76,535	37,36,413	30,88,150
101,88,369	60,28,354	3,05,621	159,11,102	212,34,132	122,31,555
77,05,810	29,05,775	40,754	105,70,831	164,67,426	134,92,974
1213,40,620	983,26,537	46,06,711	2150,60,446	—	—
276,85,500	16,88,882	1,40,791	292,33,591	214,94,529	189,08,550
<u>3723,22,932</u>	<u>1251,38,424</u>	<u>57,14,470</u>	<u>4917,46,886</u>	<u>3056,11,014</u>	<u>2329,31,972</u>
2986,88,758	770,96,157	34,61,983	3723,22,932	2329,31,972	

- (iii) Buildings include unquoted fully paid shares at cost, Hill Top Co-operative Housing Society Limited — 10 Shares Rs. 500/-. Meherabad Co-operative Housing Society Limited — 7 Shares Rs. 700/-. Simla House Co-operative Housing Society Limited — 5 Shares Rs. 250/-. Twin Star Venus Co-operative Housing Society Limited — 10 Shares Rs. 500/-. Ajanta Bandra Co-operative Housing Society Limited — 5 Shares Rs. 250/-.

BHARAT PETROLEUM CORPORATION LIMITED

	No.	Face Value	Book Value	1980	
		Rs.	Rs.	Rs.	Rs.
SCHEDULE E					
INVESTMENTS					
(i) Quoted :					
Government Securities At Cost — (Market Value Rs. 9,53,189 — 1980 Rs. 9,64,339)					
4% Loan 1970	1,000	985		985
3% Loan 1986	7,000	6,851		6,851
5½% Loan 1992	2,98,300	3,01,445		3,01,445
5½% Loan 1995	2,13,700	2,13,716		2,13,716
5½% Loan 1999	31,500	31,510		31,510
5½% Loan 2000	5,800	5,787		5,787
5½% Madras Loan 1980	—	—		2,943
5½% Maharashtra State Dev. Loan 1980	17,000	16,966		16,966
5½% Loan 2001	1,38,800	1,38,692		1,38,692
5½% M. D. Loan 2001	10,100	10,092		10,092
5½% Loan 2002	35,000	31,932		10,008
6% Loan 1998	2,90,000	2,82,872		2,82,872
		<u>10,48,200</u>		<u>10,40,848</u>	<u>10,21,867</u>
(Securities of the Face Value of Rs. 10,14,300 (1980 Rs. 10,14,300) deposited with Local Authorities etc.)					
(ii) Unquoted — At Cost :					
(a) National Savings Certificate (Certificate of the Face Value of Rs. 18,030 (1980 Rs. 18,350) deposited with Local Authorities etc.)					
		18,540	18,540		18,850
(b) Debentures (Fully Paid) —					
(i) 6½% Irredeemable Debentures of Bengal Chamber of Commerce & Industry					
	15	15,000	15,000		15,000
(ii) 2½% Debentures of Lady Ampthill Nurses Institute & S. I. N. Association					
	1	9,982	9,982		9,982

BHARAT PETROLEUM CORPORATION LIMITED

	No.	Face Value Rs.	Book Value Rs.	Rs.	1980 Rs.
(iii) Interest Free Debentures of Lady Ampthill Nurses Institute & S. I. N. Association	1	7,000	7,000		7,000
(iv) 5% Non-redeemable Debentures of East India Clinic Limited	1	60,000	60,000		60,000
(c) Ordinary Shares (Fully Paid) — Sindhu Resettlement Corporation Limited	4	4,000	4,000		4,000
Ordinary Shares in wholly owned Subsidiary Company Fully Paid — Burmah-Shell Properties (Private) Limited	2	200	200		200
		1,14,722		1,14,722	1,15,032
(iii) Unquoted — At Book Value 6% Debentures of Sholapur Spinning & Weaving Mills Limited (In Liquidation)	578	57,800		1	1
				11,55,571	11,36,900

	Rs.	Rs.	1980 Rs.
CURRENT ASSETS, LOANS AND ADVANCES			

SCHEDULE F

INVENTORIES

(Certified as to quantity and value by a Director)

(i) Raw Materials (At Cost)*			
Value		41,75,24,310	59,15,24,096
Charges		1,70,09,151	1,44,14,347
(ii) Finished Products (At Cost or Net Realisable Value whichever is lower)**			
Value		152,00,44,106	73,59,24,504
Charges		10,96,38,747	8,34,22,329

BHARAT PETROLEUM CORPORATION LIMITED

1980

	Rs.	Rs.	Rs.
(iii) Packages (At Cost or Net Realisable value whichever is lower)	2,78,19,050		2,68,84,830
(iv) Stores and Spares (At Cost)	17,58,40,876		13,32,22,890
		<u>226,78,76,240</u>	<u>158,53,92,996</u>
* Includes materials given on loan Rs. 6,68,68,537 (Net) 1980 — Rs. 30,50,12,513 (Net)			
** Includes Rs. 90,95,23,589 (Net) for products given on loan : 1980 — Rs. 53,07,88,399 (Net)			

SCHEDULE G

SUNDRY DEBTORS (UNSECURED)

Over 6 months :			
Considered Good		3,87,70,956	3,10,33,823
Considered Doubtful	26,74,583		30,45,266
Less : Provision for Doubtful Debts	26,74,583		30,45,266
		<u>—</u>	<u>—</u>
		3,87,70,956	3,10,33,823
Other Debts :			
Considered Good		42,47,09,404	19,71,54,917
Considered Doubtful	11,24,700		93,252
Less : Provision for Doubtful Debts	11,24,700		93,252
		<u>—</u>	<u>—</u>
		42,47,09,404	19,71,54,917
		<u>46,34,80,360</u>	<u>22,81,88,740</u>

SCHEDULE H

CASH AND BANK BALANCES

Cash in hand and in transit	17,56,78,544	11,28,60,684
With Scheduled Banks :		
On Current Accounts	11,34,72,939	5,13,44,181
On Deposit Accounts	3,94,854	17,53,40,493
	<u>28,95,46,337</u>	<u>33,95,45,358</u>

BHARAT PETROLEUM CORPORATION LIMITED

	Rs.	Rs.	1980 Rs.
SCHEDULE I			
OTHER CURRENT ASSETS			
Interest accrued on Investments, Bank Deposits and Loans		9,46,938	40,59,580
SCHEDULE J			
LOANS AND ADVANCES (Unsecured)			
(i) Advances recoverable in cash or in kind or for value to be received (Considered Good) (including due by officers Rs. 32,32,770 : 1980 — Rs. 10,78,615 maximum during the year Rs. 32,32,770 — 1980 Rs. 10,78,615)	3,48,49,219		7,24,38,415
(ii) Considered Doubtful	—		750
Less : Provision	—		750
	3,48,49,219		7,24,38,415
(iii) Loans to Companies (Considered Good)	2,07,92,085		3,80,00,000
	5,56,41,304		11,04,38,415
(iv) Deposit with Customs, Excise, Port Trust etc. (Considered Good)	1,90,80,949		2,95,98,924
(v) Other Deposits (Considered Good)	1,19,46,047		82,10,119
	3,10,26,996		3,78,09,043
(vi) Deposits Considered Doubtful	1,04,224		96,094
Less : Provision	1,04,224		96,094
	3,10,26,996		3,78,09,043
		8,66,68,300	14,82,47,458

BHARAT PETROLEUM CORPORATION LIMITED

			1980
	Rs.	Rs.	Rs.
CURRENT LIABILITIES AND PROVISIONS			
SCHEDULE K			
LIABILITIES			
Interest accrued but not due on Loans ..	1,12,445		23,69,313
Sundry Creditors	203,37,51,259		191,09,40,457
Unclaimed Debentures (Redeemed)	55,000		91,026
Unclaimed Interest on Debentures	17,392		17,392
Deposits by Agents, Dealers and Customers ..	10,12,83,127		9,14,74,338
		<u>213,52,19,223</u>	<u>200,48,92,526</u>

SCHEDULE L

PROVISIONS

Unfunded Retirement Benefits Net of Tax .. (Gross Rs. 2,62,12,035 — 1980 : Rs. 2,58,74,073)	1,07,14,169		1,05,76,027
Proposed Dividends	2,03,53,669		1,74,46,002
Taxation less Payments	7,42,76,248		62,11,636
		<u>10,53,44,086</u>	<u>3,42,33,665</u>

SCHEDULE M

CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

(i) Outstanding Commitments in respect of Capital Expenditure	8,50,78,715	6,66,70,000
(ii) Contingent Liabilities —		
(a) In respect of taxation matters of prior years	15,22,18,000*	15,67,57,000*
(b) Other matters :		
(i) Surety Bonds executed on behalf of other Oil Companies for Excise/Custom Duties	26,11,43,550	21,52,64,228
(ii) Guarantees to Banks for Bills Purchased	1,80,46,083	3,99,36,264
(iii) Claims against the Corporation not acknowledged as debts (includes Rs. 55,04,000 against which the Corporation has a recourse for recovery — 1980 Rs. 55,04,000)	3,44,32,674	2,01,17,260

* If these contingent liabilities materialise either in part or whole, they are recoverable from third parties.

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT

				1980	
SCHEDULE N					
MISCELLANEOUS INCOME					
	Rs.	Rs.	Rs.	Rs.	Rs.
(i) Bank and other Interest (Gross) (Tax deducted at source Rs. NIL — 1980 Rs. NIL)		87,01,260		2,74,58,362	
(ii) Income from Investments (Gross) (Tax deducted at source Rs. 16,626 — 1980 Rs. 11,877)		62,953		63,404	
(iii) Profit on Sale of Assets (Net)		15,01,580		29,25,951	
(iv) Other Income :					
Rental and Hire Charges	2,31,80,234		2,03,87,066		
Service Charges	1,42,81,830		65,78,210		
Sale of Scrap etc.	1,05,52,791		1,15,71,149		
Others	3,68,22,943		2,89,92,703		
		<u>8,48,37,798</u>		<u>6,75,29,128</u>	
		<u>9,51,03,591</u>		<u>9,79,76,845</u>	
<hr/>					
SCHEDULE O					
INCREASE IN INVENTORY OF FINISHED PRODUCTS					
Value of Closing Stocks of Finished Products		152,00,44,106		73,59,24,504	
Less : Value of Opening Stocks of Finished Products		<u>73,59,24,504</u>		<u>40,84,66,452</u>	
		<u>78,41,19,602</u>		<u>32,74,58,052</u>	
<hr/>					
SCHEDULE P					
STORES, SPARES AND MATERIALS					
Stores, Spares & Materials		15,99,55,695		14,73,44,366	
Less : Charged to Other accounts		<u>3,52,98,385</u>		<u>3,82,94,358</u>	
		<u>12,46,57,310</u>		<u>10,90,50,008</u>	
<hr/>					
SCHEDULE Q					
FUEL AND POWER					
Fuel and Power		23,25,86,709		15,54,59,103	
Less : Fuel of Own Production Consumed (Estimated)		<u>20,93,84,804</u>		<u>13,55,87,752</u>	
		<u>2,32,01,905</u>		<u>1,98,71,351</u>	

BHARAT PETROLEUM CORPORATION LIMITED

**SCHEDULE R
EMPLOYEES' REMUNERATION & OTHER BENEFITS**

	Rs.	Rs.	Rs.	1980 Rs.
Salaries, Wages and Other Benefits (Less Amounts recovered Rs. 18,56,621 : 1980 Rs. 16,21,454)		11,05,35,994		10,09,69,544
Contributions to Provident & Other Funds		1,29,05,134		1,17,51,415
Welfare Expenses		1,42,12,892		1,13,47,005
		<u>13,76,54,020</u>		<u>12,40,67,964</u>

**SCHEDULE S
OTHER OPERATING AND ADMINISTRATION EXPENSES**

Remuneration to Directors (See Note 7)		1,12,557		95,228
Repairs to Machinery		4,96,94,114		5,25,89,857
Repairs to Buildings		41,54,392		32,18,643
Insurance		52,37,867		44,81,187
Rent		1,98,28,402		1,77,94,083
Rates & Taxes		91,44,449		68,95,072
Charities & Donations		2,03,205		1,93,826
Audit Fees :				
As Auditors	1,20,000		1,20,000	
For Other Services				
Out of Pocket Expenses	<u>65,235</u>		<u>22,556</u>	
		1,85,235		1,42,556
Interest :				
On Fixed Loans				
On Other Loans	3,78,46,372		46,03,908	
		3,78,46,372		46,03,908
Bad Debts		14,430		4,349
Excise Duty on Drums		86,77,351		70,75,372
Provision for Doubtful Debts		6,68,146		3,74,142
Charges paid to Other Oils Cos.		91,66,546		85,50,382
Travelling Expenses		85,20,725		67,87,162
Telephone, Telex, Cables, Postages etc.		50,07,336		46,92,646
BPT Pumping/Pipeline Charges		11,88,675		9,79,002
Other Expenses		4,36,78,825		3,56,65,173
		<u>20,33,28,627</u>		<u>15,41,42,588</u>

**SCHEDULE T
PRIOR YEARS' INCOME/(EXPENSES) NET**

Sale of Products	4,57,40,984	3,02,347	
Miscellaneous Income	8,36,475	(6,82,073)	
Purchase of Product for Resale	6,18,124	30,09,696	
Raw Materials Consumed	(4,63,22,829)	—	
Duties etc. and Other Charges applicable to Products	25,93,794	35,76,485	
Transportation	(68,64,321)	(6,55,479)	
Stores, Spares & Materials	1,40,222	33,28,210	
Employees' Remuneration & Other Benefits	1,53,800	(24,905)	
Other Operating & Administration Expenses	38,66,371	32,74,565	
		<u>7,62,620</u>	<u>1,21,28,846</u>

SCHEDULE U

NOTES FORMING PART OF ACCOUNTS

1. (a) Accounts include balances aggregating to Rs. 118,79,11,810 (Credit) in 2 Pool Accounts and to Rs. 263,94,855 (Debit) in 2 Pool Accounts for which statements are subject to audit by a firm of Chartered Accountants. Transactions relating to certain Pool Accounts are on provisional basis and are subject to adjustments on the basis of final approval of the Central Government.
- (b) Sale of products is after deduction of (a) Surrender (Net) to Industry Pool Accounts Rs. 287,82,29,557 and (b) for Temperature Variation Allowance Rs. 97,00,930 — 1980 Rs. 126,19,72,650 and Rs. 55,86,695 respectively.
- (c) Raw materials consumed are net of Surrender to/Reliefs from Industry Pool Accounts.
2. In accordance with Notification No. GSR 309 dated 20th February, 1978 of Government of India, provisions of Section 370 of the Companies Act, 1956, do not apply to Government Companies and therefore information regarding debts due from and advances to Government Companies is not separately disclosed.
3. Confirmation for amounts due from/due to Other Oil Companies (including old items of past years) are not available with the Corporation.
4. Adjustments for certain Inter Company Oil transactions have been carried out on a provisional basis, pending finalisation of detailed terms and conditions.
5. Raw Material (Crude only) costs have been incorporated at provisional rates pending finalisation of costs, freight, other charges etc.
6. Managerial Remuneration :

	For the year ended 31st March, 1981 Rs.	<i>For the year ended 31st March, 1980 Rs.</i>
Salary and Allowances	95,329	84,675
Contribution to Provident and other Funds	6,289	6,900
Other Benefits	10,939	3,653

7. (1) Licensed Capacity, Installed Capacity (As certified by the Management) Actual Production in respect of Goods Manufactured :

(a) (i) Fuel Refinery :

Our Refinery operates at the level prescribed by Government each month —

(i) Crude Processed during the year	M.T.	48,70,776	M.T.	48,41,499
(ii) Installed Capacity	M.M.T. p.a.	5.25	M.M.T. p.a.	6.00
(iii) Licensed Capacity	M.M.T. p.a.	2.09	M.M.T. p.a.	2.09
(ii) Actual Production*				
(i) Light Distillates	KL	12,82,081	KL	12,59,623
(ii) Middle Distillates	KL	32,11,007	KL	32,62,387
(iii) Others	KL	12,76,375	KL	12,27,733

* Excludes production out of Feedstocks purchased from HPCL/NOCIL

(b) Lubricants :

(i) (a) Licensed capacity on single shift basis for manufacturing at Bombay (3,57,600 Barrels of 44 Gallons each and 5,96,000 Tins of 1 I.G. per annum)	M.T.p.a.	66,384	M.T.p.a.	66,384
(b) Licensed capacity on double shift basis for manufacturing at Calcutta	M.T.p.a.	30,000		—
(ii) Installed capacity of Bombay and Calcutta	M.T.p.a.	1,80,000	M.T.p.a.	1,80,000
(iii) Production	M.T.	60,813	M.T.	56,831
	KL	67,746	KL	63,311

N.B. : Applicable conversion factors have been used in converting licensed capacity and production in Metric Tons.

(c) Pesticides :

Licensed and Installed capacity on Double Shifts basis in terms of Technical Material. The blending operation is carried out on behalf of an outside party for a fee included under Service Income

M.T.p.a. 373 M.T.p.a. 373

(d) Drum Plant : Number of Drums —

(i) Licensed capacity per annum		17,70,000		17,70,000
(ii) Installed Capacity on triple shift basis per annum		27,00,000		27,00,000
(iii) Actual Production		14,50,808		15,74,365

(2) Raw Materials Consumed (on derived basis)

	Unit	Quantity	Value Rs.	Quantity	Value Rs.
(i) Crude Oil (Net of surrenders to/reliefs from Industry Pool Accounts)	M.T.	48,70,776	614,25,08,992	48,41,499	408,28,66,389
(ii) Base Oils	KL	85,421	20,78,35,529	82,242	14,56,05,362
			<u>635,03,44,521</u>		<u>422,84,71,751</u>

8. Class of goods purchased, sold and stocked :

	Opening Stock		Purchases		Sales		Closing Stock	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
		Rs.		Rs.		Rs.		Rs.
(i) Petroleum Products :								
(a) Light Distillates :								
Current Year	KL 90,046	7,76,11,781	7,81,026	83,03,95,302	13,74,035	337,67,79,979	1,05,625	13,93,14,748
Previous Year	KL 55,031	3,55,51,347	6,15,112	48,05,72,361	13,90,969	299,68,64,703	90,046	7,76,11,781
(b) Middle Distillates :								
Current Year	KL 6,74,948	62,19,82,204	10,50,395	141,62,71,613	35,25,764	588,49,60,660	9,11,535	127,52,00,607
Previous Year	KL 4,69,216	31,75,43,534	5,38,977	53,23,03,243	34,09,954	439,52,92,360	6,74,948	62,19,82,204
(c) Others :								
Current Year	KL 17,701	3,63,30,519	6,69,232	88,28,96,487	15,73,485	287,95,84,268	54,901	10,55,28,751
Previous Year	KL 72,041	5,53,71,571	4,04,879	44,01,24,836	13,35,085	196,96,09,644	17,701	3,63,30,519
(ii) Crude Oil :								
Current Year	MT 3,86,285	55,23,18,913	46,92,322	591,05,67,946**			2,07,831	32,03,77,867
Previous Year	MT 1,34,785	9,19,40,167	50,92,999)	454,32,45,135**			3,86,285	55,23,18,913
			40)*					
(iii) Base Oils :								
Current Year	KL 20,066	3,92,05,183	1,00,664	24,55,52,583			35,335	9,71,46,443
Previous Year	KL 10,957	1,69,58,812	91,351	16,42,81,433			20,066	3,92,05,183
(iv) Packages & Containers :								
Current Year	KL	2,68,84,830		11,18,18,881				2,78,19,050
Previous Year	KL	1,89,99,048		10,54,26,122				2,68,84,830

NOTES :

- (i) Purchases exclude Inter Product Transfers.
- (ii) Applicable conversion factors are used to convert quantities in M. Tons to Kilolitres for products purchased/sold by weight.
- (iii) Stocks include products given on loan basis to Other Oil Companies and exclude stocks received on loan basis from Other Oil Companies.
- (iv) Purchases of Petroleum Products :
 - (a) Exclude Processing Fees and Other charges Rs. 119,51,968 (1980 Rs. 1,08,83,688).
 - (b) Include Refined Products transferred to other Oil Companies Rs. 117,82,11,140 (1980 Rs. 48,81,54,496) and Products for own use Rs. 1,37,01,521.
- (v) Crude Oil and Other Petroleum Feedstocks are refined to Petroleum Products and accordingly these Refined Products are excluded from Purchases of Petroleum Products.

* Other Feedstocks.

** Net of surrenders to/reliefs from Industry Pool Accounts.

BHARAT PETROLEUM CORPORATION LIMITED

			1980
9. (a) Number of Employees who were in employment throughout the year and were in receipt of remuneration during the year which in the aggregate was not less than Rs. 36,000		667	561
Expenditure thereon under the following heads :			
Salaries, Wages and Other Benefits	Rs.	2,39,37,280	2,16,98,469
Contribution to Provident and Pension Funds	Rs.	29,49,868	42,20,392
(b) Number of Employees who were in employment for part of the year and were in receipt of remuneration amounting in the aggregate to Rs. 3,000 or more per mensem		33	17
Expenditure thereon under the following heads :			
Salaries, Wages and Other Benefits	Rs.	5,74,968	3,78,470
Contribution to Provident and Pension Funds	Rs.	59,630	67,603
10. VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS			
(a) Crude Oil and Other Petroleum Products	Rs.	251,51,67,610**	231,58,24,470**
(b) Components and Spare Parts	Rs.	73,62,591	26,82,589
(c) Capital goods	Rs.	2,11,53,867	2,20,03,553

Notes :

1. Includes Local Insurance Rs. 60,51,700 (1980 Rs. 19,85,003).
2. ** Includes Crude Oil purchases from IOC/HPC (canalised agents) Rs. 217,76,60,796 (1980 Rs. 213,57,06,107*).
3. Excludes Technical Materials imported for blending pesticides on behalf of an outside party.
4. The above figure of purchases is prior to adjustment of surrenders to/reliefs from Industry Pool Accounts.
5. In the case of purchases of products canalised through Government Undertakings, the Invoice amounts, and in the case of Base Oils from IOC, the ex-Refinery Prices as Invoiced, have been taken as CIF Value Rs. 20,13,99,849 (1980 Rs. 11,55,18,043).

* Includes Rs. 2,86,937 relating to previous year.

BHARAT PETROLEUM CORPORATION LIMITED

		1980	
		Rs.	Rs.
11. EXPENDITURE IN FOREIGN CURRENCY :			
(i) Royalty — Net of Tax	16,81,160	—
(ii) Knowhow	17,09,370	—
(iii) Professional Consultation Fees	—	—
(iv) Interest	—	—
(v) Other Matters	1,20,579	54,655

12. VALUE OF RAW MATERIALS, SPARE PARTS & COMPONENTS CONSUMED (ON DERIVED BASIS) :

	Raw Materials		Spare parts and Components *		Raw Materials		Spare parts and Components *	
	Value Rs.	%	Value Rs.	%	Value Rs.	%	Value Rs.	%
Imported	250,90,63,933	52.91	27,47,460	3.62	170,09,92,782	47.36	26,08,351	4.37
Indigenous	223,32,49,241	47.09	731,99,130	96.38	189,04,55,717	52.64	5,70,37,299	95.63
	474,23,13,174	100.00	759,46,590	100.00	359,14,48,499	100.00	5,96,45,650	100.00

NOTES :

1. Imported Crude and Base Oils are taken at C.I.F. Value.
 2. Purchases from canalising agencies have been considered as imports.
 3. The above figures of consumption are prior to adjustment of surrenders to/reliefs from Industry Pool Account.
- * Excludes direct charge materials.

BHARAT PETROLEUM CORPORATION LIMITED

	Rs.	1980 Rs.
13. EARNINGS IN FOREIGN EXCHANGE ON ACCOUNT OF —		
(a) Export of goods on F.O.B. basis :		
(i) On Own Account	—	—
(ii) As agents (hence not reflected in Profit & Loss Account)	—	—
(b) Other Matters (including tanker agency commission)	73,180	20,560
14. Other expenses under Other Operating and Administration Expenses include an amount of Rs. 1,83,520 (1980 Rs. 1,62,040) being entertainment expenses incurred by the Corporation.		
15. Expenditure incurred on Public Relations and Publicity during the year is Rs. 5,32,551 (1980 Rs. 4,96,714). Remuneration to Staff employed for Public Relations work during the year is Rs. 1,26,576 (1980 Rs. 2,02,263).		
16. Figures of the previous year have been regrouped wherever necessary.		

Signatures to Schedules A to U.

U. M. KINI
Chairman & Managing Director
 DR. A. K. GANGULY
Director
 P. J. KISHINCHANDANI
Secretary
 New Delhi, 13th August, 1981.

As per our Report attached

For and on behalf of BATLIBOI & PUROHIT <i>Chartered Accountants</i> N. T. DALAL <i>Partner</i> Bombay. 14th August, 1981.	For and on behalf of K. S. AIYAR & CO. <i>Chartered Accountants</i> ARJUN K. S. AIYAR <i>Partner</i>
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AUDITORS' REPORT

TO THE SHAREHOLDERS

We have audited the attached Balance Sheet of BHARAT PETROLEUM CORPORATION LIMITED, as at 31st March, 1981, and also the annexed Profit and Loss Account of the Corporation for the year ended on that date, and report that :

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
2. In our opinion, proper books of account as required by law have been kept by the Corporation, so far as appears from our examination of those books.
3. The Balance Sheet and Profit and Loss Account dealt with by the report are in agreement with the books of account.
4. In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to and 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 :
 - (i) in the case of the Balance Sheet, of the state of affairs of the Corporation as at 31st March, 1981,
 - and
 - (ii) in the case of the Profit and Loss Account of the Profit for the year ended on that date.
5. As required by the Manufacturing and Other Companies (Auditors' Report) Order, 1975 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956 and on the basis of such checks of the books and records as we considered appropriate and the information and explanations given to us in the course of audit and to the best of our knowledge and belief ; we further report that :—
 - (i) As regards the Marketing Division, the Corporation has prepared, at the end of the year, proper records showing full particulars, including quantitative details of assets except that details of assets below Rs. 750/- of

Plant and Machinery are listed in a separate memoranda. The Corporation follows a phased programme of two yearly cycle, as regards verification of the said assets. No serious discrepancies have been noticed on verification so done during the year.

As regards the Refining Division, this work is in progress. In view of this, the discrepancies, if any, between the physical verification and the book records could not be determined.

- (ii) None of the fixed assets of the Corporation have been revalued during the year.
- (iii) Physical verification has been conducted by the Management during the year in respect of finished goods, stores, spare parts and raw materials, other than those with third parties and in transit. In our opinion, the frequency of verification is reasonable. No significant discrepancies have been noticed on such verification as compared to book records. In our opinion, the valuation of the stock is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the previous year.
- (iv) The Corporation has not obtained any loans from Companies, firms or other parties listed in the registers maintained under Section 301 and Section 370(1-C) of the Companies Act, 1956.
- (v) The Corporation has given a loan repayable on demand to a company which is a Government Undertaking ; interest thereon is being regularly recovered. The Corporation has also given loans and advances to its employees who are by and large repaying the principal with interest as stipulated.
- (vi) In our opinion, there is an adequate internal control procedure commensurate with the size of the Corporation and the nature of its business

BHARAT PETROLEUM CORPORATION LIMITED

for the purchase of stores, raw materials, plant and machinery and other assets.

- (vii) According to the information given to us, there are no purchases during the year of stores and raw materials exceeding Rs. 10,000 in value for each type thereof from the subsidiaries, firms, companies, or other parties in which the Directors are interested as listed in the register maintained under Section 301 of the Companies Act, 1956.
- (viii) The Corporation has a procedure for determining damaged and unserviceable stores and raw materials. Provision for loss in respect thereof has been made in the accounts.
- (ix) The Corporation has not accepted deposits from the public, within the meaning of the Companies (Acceptance of Deposit) Rules, 1975.

- (x) In our opinion, reasonable records have been maintained by the Corporation for the sale and disposal of scrap.
- (xi) The Corporation has an adequate internal audit system which, in our opinion, is commensurate with the size and nature of its business.
- (xii) The maintenance of cost records has not been prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956, for the year under review for any of the products of the Corporation.
- (xiii) Provident Fund dues have been regularly deposited during the year with the appropriate authorities.
- (xiv) In respect of the trading activities carried on by the Corporation, it has determined the damaged goods. The value of such goods is not significant.

For and on behalf of the
BATLIBOI & PUROHIT
Chartered Accountants

N. T. DALAL
Partner

For and on behalf of the
K. S. AIYAR & CO.
Chartered Accountants

ARJUN K. S. AIYAR
Partner

Bombay,
14th August, 1981.

BHARAT PETROLEUM CORPORATION LIMITED

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, BOMBAY FOR THE YEAR ENDED 31ST MARCH, 1981

BALANCE SHEET

SCHEDULE D. FIXED ASSETS:

- (1) 1. Land — including Advance Payments:
(a) Freehold/Long Leasehold Rs. 186,32,108
Includes Rs. 12,23,759 being excess deposit towards cost of land.

SCHEDULE F

- (2) (i) Raw Materials (At Cost)
Value Rs. 41,75,24,310
Includes Rs. 6,81,407 being the value of ocean losses, in excess of 0.5%, which should have been charged off as loss. Profit for the year is overstated correspondingly.
- (3) (iv) Stores and Spares (At Cost) Rs. 17,58,40,876
Includes Rs. 56,87,715.25 being value of stores given on loan.

Para 5 (v) of the Report of the Statutory Auditors :

- (4) This does not mention the fact that a loan of Rs. 2.3 crores repayable on demand was not refunded by the loanee Company despite specific request in March 1980 (balance as at the end of March 1981 — Rs. 2.07 crores after adjustment against supplies) as also the position of default in payment of interest due (Rs. 8.67,844.60) to end of March 1981.

K. N. MURTHI

Member, Audit Board and Ex-Officio
Director of Commercial Audit
(Petroleum and Oil)

Madras
17-9-1981

ADDENDUM TO THE DIRECTORS' REPORT DATED 13TH AUGUST, 1981
REPLIES TO THE COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

- (1) The amount represents excess of deposits totalling Rs. 60,93,790, made between January, 1953 to April 1963 with Maharashtra Government for acquisition of land for Refinery and Staff Quarters, over disbursements amounting to Rs. 48,70,031 by the Government as per available records with the Corporation. Having regard to the age of deposits, adjustment, if any, will be made after receipt of full details of payments made by the State Government.
- (2) Necessary adjustment will be carried out during 1981-82.
- (3) This has been correctly included and is consistent with the accounting practice followed by the Corporation.
- (4) The Statutory Auditors, M/s. Batliboi & Purohit and M/s. K. S. Aiyar & Co. have made the following observations in reply:

"In view of the acceptance of an enhanced rate of interest by the loanee Company (wholly owned by the Central Government) there has been no demand by the Corporation for the repayment of this loan during 1980-81. Hence no comment was considered necessary.

As regards payment of interest, the loanee company had paid Rs. 3.85 lacs in April, 1981 and had further advised the Corporation to the effect that they had instructed their bankers to deposit an additional amount of Rs. 7.45 lacs to discharge their interest liability upto the year-end i.e., upto 31-3-1981. In view of this no further comment was called for."

For and on behalf of the
Board of Directors
U. M. KINI
Chairman

Bombay,
21st September, 1981.

BHARAT PETROLEUM CORPORATION LIMITED

ANNEXURE TO THE DIRECTORS REPORT DATED 13TH AUGUST, 1981

REVIEW OF THE ACCOUNTS OF BHARAT PETROLEUM CORPORATION LIMITED FOR THE YEAR ENDED 31ST MARCH, 1981, BY INDIAN AUDIT AND ACCOUNTS DEPARTMENT

1. Financial Position:

The table below summarises the financial position of the Company under broad headings for the last three years:

	(Rupees in lakhs)		
	1978-79	1979-80	1980-81
Liabilities:			
(a) Paid up capital	1453.83	1453.83	1453.83
(b) Reserves and surplus	3191.24	4105.29	4978.53
(c) Borrowings (from Bank)	338.28	772.55	6966.38
(d) Trade dues and other liabilities (including provisions)	12303.40	20391.26	22405.63
Total	<u>17286.75</u>	<u>26722.93</u>	<u>35804.37</u>
Assets:			
(e) Gross Block	5046.64	6052.55	7973.58
(f) Less : Depreciation	2986.89	3723.23	4917.47
(g) Net fixed assets	<u>2059.75</u>	<u>2329.32</u>	<u>3056.11</u>
(h) Capital work-in-progress (including unallocated expenses)	765.44	1327.91	1651.53
(i) Investments	11.39	11.36	11.55
(j) Current assets, loans and advances	14450.17	23054.34	31085.18
Total	<u>17286.75</u>	<u>26722.93</u>	<u>35804.37</u>
Capital employed	4315.86	5098.16	11842.80
Net worth	4645.07	5559.12	6432.36

Notes: 1. Capital employed represents net fixed assets plus working capital.

2. Net worth represents paid up capital plus reserves and surplus less intangible assets.

2. Reserves and Surplus:

The reserves and surplus amounted to:

- (a) 13.9 per cent of the total liabilities in 1980-81 as against 15.4 per cent in 1979-80 and 18.5 per cent in 1978-79.
- (b) 342.4 per cent of equity capital in 1980-81 as against 282.4 per cent in 1979-80 and 219.5 per cent in 1978-79.

3. Liquidity and Solvency:

- (a) The proportion of current assets (including investments) to total net assets increased from 83.7 per cent in 1978-79 to 86.3 per cent in 1979-80 and 86.9 per cent in 1980-81.
- (b) The percentage of current assets (including investments) to current liabilities (including provisions) varied from 117.5 per cent in 1978-79 to 113.1 per cent in 1979-80 and 138.8 per cent in 1980-81.
- (c) The percentage of quick assets (sundry debtors, advances, cash and bank balances) to current liabilities (excluding provisions) varied from 55.7 per cent in 1978-79 to 33.8 per cent in 1979-80 and 37.9 per cent in 1980-81.

4. Working Capital:

The working capital (current assets, loans and advances less trade dues and current liabilities excluding provisions for unfunded retirement benefits) of the Company at the close of the three years ending 31st March, 1981 amounted to Rs. 2256.11 lakhs, Rs. 2768.84 lakhs and Rs. 8786.69 lakhs respectively and represented 0.4, 0.3 and 0.8 month's value of business at cost (excluding depreciation) during these years. The working capital as on 31.3.1981 was financed through loans from bank (Rs. 6966.38 lakhs) and balance from internal sources (Rs. 1820.31 lakhs).

5. Sources and Uses of Funds:

Funds amounting to Rs. 2778.58 lakhs from internal resources (Reserves and Surplus, Depreciation and Provisions) and Rs. 7497.09 lakhs from other sources were utilised in 1980-81 as under:

	(Rs. in lakhs)
Gross Block including capital work-in-progress	2244.65
Other Assets (Net)	8031.02

BHARAT PETROLEUM CORPORATION LIMITED

6. Working Results:

The working results of the Company for the last three years are tabulated below:

	(Rupees in lakhs)		
	1978-79	1979-80	1980-81
(i) Profit before tax	2457.11	2360.76	2303.82
(ii) Tax provision	1589.00	1505.00	1267.00
(iii) Profit after tax	868.11	855.76	1036.82
Percentage of Profit before tax:			
(a) To sales	3.2	2.5	1.9
(b) To Gross Fixed Assets	48.7	39.0	28.9
(c) To Capital employed	56.9	46.3	19.5
Percentage of Profit after tax:			
(a) To net worth	18.7	15.4	16.1
(b) To equity capital	59.7	58.9	71.3
(c) To capital employed	20.1	16.8	8.8

7. Cost Trends:

The table below indicates the percentage of cost of sales during the last three years:

	(Rupees in lakhs)		
	1978-79	1979-80	1980-81
Sales	77712.38	93617.67	121413.25
Less: Profit before tax	2457.11	2360.76	2303.82
Cost of sale	75255.27	91256.91	119109.43
Percentage of cost of sales to sales	96.8	97.5	98.1

8. Business Performance:

The value of business during the last three years is worked out below:

	(Rupees in lakhs)		
	1978-79	1979-80	1980-81
1. Sales	77712.38	93617.67	121413.25
2. Closing stock of raw materials, finished goods and stock-in-process	6089.03	14252.85	20642.16
3. Opening stock of raw materials, finished goods and stock-in-process	5481.51	6089.03	14252.85
4. Value of business (1 + 2) — (3)	78319.90	101781.49	127802.56

The percentage of value of business to net worth increased from 1686.1 in 1978-79 to 1830.9 in 1979-80 and 1986.9 in 1980-81. The percentage of value of business to total net assets decreased from 453.1 in 1978-79 to 380.9 in 1979-80 and 357.0 in 1980-81.

BHARAT PETROLEUM CORPORATION LIMITED

9. Inventory and Production:

The following table indicates the comparative position of the inventory and its distribution at the close of the last three years:

	(Rupees in lakhs)		
	1978-79	1979-80	1980-81
(i) Stores and spare parts (including in transit)	1109.23	1332.23	1758.41
(ii) Stock-in-trade (including raw materials and stock-in-process)	6089.03	14252.85	20642.16
(iii) Stock of empty barrels and tins	189.99	268.85	278.19
	7388.25	15853.93	22678.76

Stock-in-trade represented 2.0 months' sale in 1980-81, 1.8 months' sale in 1979-80 and 0.9 month's sale in 1978-79.

10. Sundry Debtors and Turnover:

The following table indicates the volume of book debts and sales for the last three years:

As on	Total book debts		Sales	Percentage of debtors to sales
	Considered good	Considered doubtful		
	31st March, 1979	704.15		
31st March, 1980	2281.89	31.38	93617.67	2.5
31st March, 1981	4634.80	37.99	121413.25	3.9

Sundry debtors represented about 0.1 month's turnover in 1978-79, 0.3 month's turnover in 1979-80 and 0.5 month's turnover in 1980 81.

K. N. MURTHI
Member, Audit Board and Ex-Officio
Director of Commercial Audit
(Petroleum and Oil)

Madras
17-9-1981

BHARAT PETROLEUM CORPORATION LIMITED

STATEMENT PURSUANT TO SECTION 212(1) (e) OF THE COMPANIES ACT, 1956

	No. of Shares	Paid up value	Book Value		For the Financial year ended 31st March 1981	Previous Financial year - cumulative Total
		(Rs.)	(Rs.)		Rs.	Rs.
1. Shares in the subsidiary company were registered in the names of the nominees of the Company as indicated :				2. Net aggregate amount of the Profit of the subsidiary company not dealt with in the Company's account so far as it concerns the members of the Company is		
As at 31st March 1981				Burmah-Shell Properties Private Limited	—	—
Burmah-Shell Properties Private Limited	2	200	200			

U. M. KINI
Chairman & Managing Director

Dr. A. K. GANGULY
Director

P. J. KISHINCHANDANI
Secretary

New Delhi.
13th August, 1981.

BURMAH-SHELL PROPERTIES PRIVATE LIMITED

DIRECTORS' REPORT

TO THE SHAREHOLDERS

Gentlemen,

The Report for the year ended 31st March, 1981 alongwith the Balance Sheet of the Company as at that date is submitted. No Profit and Loss Account has been prepared since the Company did not carry on any activity during the year.

The Company continued to act as the Trustees of certain properties of Bharat Petroleum Corporation Limited.

Messrs Batliboi & Purohit and K. S. Aiyar & Company were appointed auditors of the Company by the Central Government for the year 1980-81.

Bombay,
6th August, 1981.

P. K. VISHWANATHAN }
R. K. GAJREE } Directors

BURMAH-SHELL PROPERTIES PRIVATE LIMITED

BALANCE SHEET AS

31-3-1980 Rs.		Rs.	Rs.
	LIABILITIES		
	Capital :		
20,000	(a) Authorised — 200 Ordinary Shares of Rs. 100/- each	20,000	
200	(b) Issued, subscribed and fully paid in cash — * 2 Ordinary Shares of Rs. 100/- each		200
200			200

* All the above shares are held by the nominees of Bharat Petroleum Corporation Limited, the holding Company. No Profit and Loss account prepared since there have been no income/expenditure during the year as well as the preceding year.

Auditors' Report to the Shareholders :

We report that we have audited the above Balance Sheet and in our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet gives a true and fair view of the state of the Company's affairs as at 31st March, 1981.

We have obtained all the information and explanations which were necessary for the purposes of our audit and proper books of account have been kept so far as appears from our examination of these books. In our opinion the Balance Sheet is in agreement with the books, and gives in the manner prescribed, the information required by the Companies Act, 1956.

As required by the Manufacturing and other Companies (Auditor's Report) Order, 1975 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and as per the information and explanations given to us, we further state that since the Company did not carry on any activities during the year and since there were no assets, fixed or current, excepting the balance in Current Account with a Scheduled Bank and no outside liabilities, none of the matters specified in the abovementioned Order are applicable to this Company for the year under audit.

For and on behalf of
BATLIBOI & PUROHIT
Chartered Accountants

For and on behalf of
K. S. AIYAR & CO.
Chartered Accountants

Bombay,
6th August, 1981.

N. T. DALAL
Partner

ARJUN K. S. AIYAR
Partner

BURMAH-SHELL PROPERTIES PRIVATE LIMITED

AT 31ST MARCH, 1981

31-3-1980
Rs.

Rs.

ASSETS

Current Assets, Loans and Advances:

200	Cash at Bank — in Current Account with a Scheduled Bank	200
<u>200</u>		<u>200</u>

Bombay,
6th August, 1981.

P. K. VISHWANATHAN }
R. K. GAJREE } Directors

BURMAH-SHELL PROPERTIES PRIVATE LIMITED

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER
SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF
BURMAH SHELL PROPERTIES PRIVATE LIMITED, BOMBAY FOR THE
YEAR ENDED 31ST MARCH, 1981**

I am to state that the Comptroller and Auditor General of India has decided not to review the Report of the Auditors for the year ended 31st March, 1981 and that accordingly he has no comments to make under Section 619(4) of the Companies Act, 1956.

K. N. MURTHI
Member, Audit Board and Ex-Officio
Director of Commercial Audit
(Petroleum and Oil)

Madras,
29th August, 1981.