

BPCL net profit rises to ₹8,243.55 cr as marketing margins improves

NEW DELHI: STATE-owned Bharat Petroleum Corporation Ltd (BPCL) reported a consolidated net profit of ₹8,243.55 crore for in July-September quarter of FY24 as compared to a loss of ₹338.49 crore in the same period a year back, the company said in a statement.

The profit was aided by a boost in marketing margins as a freeze on petrol and diesel price revision despite a fall in input crude oil prices helped recover losses incurred when rates were high last year. Pre-tax earnings from the downstream oil refining and marketing business came at ₹11,283.29 crore in the second quarter of the current fiscal as compared to a loss of ₹123.17 crore in the same period last year.

Last year, state-owned fuel retailers BPCL, Indian Oil Corporation (IOC) and Hindustan Petroleum Corporation Ltd (HPCL) froze prices despite a spike in global oil prices following Russia's invasion of Ukraine. This was with a view to insulate consumers from price volatility.

The price freeze led to the three firms incurring losses in the first half of 2022-23 fiscal year (April 2022 to March 2023). BPCL incurred a loss of ₹6,486.43 crore in April-September 2022. This year, it however posted record earnings of ₹18,887.85 crore in April-September 2023. *ENS*

BPCL posts highest half-yearly profit of ₹19,052 cr

AGENCIES

MUMBAI, 28 OCTOBER

Bharat Petroleum Corporation Limited (BPCL), one of India's leading energy companies, has announced a remarkable financial achievement, reporting its highest ever half-yearly profit of Rs. 19,052 Crores for the fiscal year 2023-24. This achievement is a testament to BPCL's unwavering commitment to excellence, growth, and strategic innovation.

Q2 FY 23-24 Net Profit Surpasses Expectations

BPCL's standalone net profit for the second quarter of FY 23-24 stood at an impressive Rs. 8,501 Crores, a significant turnaround from the loss of Rs. 304 Crores reported in Q2 FY22-23. The consolidated net profit for the same quarter reached Rs. 8,244 Crores, marking a remarkable recovery from the loss of Rs. 338 Crores in the previous fiscal year.

G. Krishnakumar, C&MD, BPCL stated, "I am delighted to share that we have achieved

a half yearly net profit of Rs 19,052 crores which is unprecedented in the annals of BPCL's history. This achievement will spur us to scale greater heights for advancing progress and the larger purpose of nation building. It would not have been possible without the support of our esteemed employees, customers & business partners who have steadfastly stood by us and contributed to our journey over the years."

Fortune Global 500 Company, Bharat Petroleum is the second largest Indian Oil Marketing Company and one of the premier integrated energy companies in India, engaged in refining of crude oil and marketing of petroleum products, with a significant presence in the upstream and downstream sectors of the oil and gas industry. The company attained the coveted Maharatna status, joining the elite club of companies having greater operational & financial autonomy.

Bharat Petroleum's Refineries at Mumbai, Kochi and

Bina Refinery have a combined refining capacity of around 35.3 MMTPA. Its marketing infrastructure includes a network of installations, depots, energy stations, aviation service stations and LPG distributors. Its distribution network comprises over 21,000 Energy Stations, over 6,200 LPG distributorships, 525 Lubes distributorships, 123 POL storage locations, 53 LPG Bottling Plants, 70 Aviation Service Stations, 4 Lube blending plants and 4 cross-country pipelines.

Bharat Petroleum is integrating its strategy, investments, environmental and social ambitions to move towards a sustainable planet. The company has chalked out the plan to offer electric vehicle charging stations at around 7000 energy stations over next 5 years. With a focus on sustainable solutions, the company is developing a vibrant ecosystem and a road-map to become a Net Zero Energy Company by 2040, in Scope 1 and Scope 2 emissions.



BPCL returns to black after marketing margin boost

Consolidated Q2 net profit was at Rs 8,243.55 crore against a loss of Rs 338.49 crore in same period last year

OUR CORRESPONDENT

NEW DELHI: State-owned Bharat Petroleum Corporation Ltd (BPCL) reported returning to profitability in the September quarter after a boost in marketing margin improved earnings.

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The profit was aided by a boost in marketing margins as a freeze on petrol and diesel price revision despite a fall in input crude oil prices helped recover losses incurred when rates were high last year.

Pre-tax earnings from the downstream oil refining and marketing business came at Rs 11,283.29 crore in the second quarter of the current fiscal as compared to a loss of Rs 123.17 crore in the same period last year.

Last year, state-owned fuel retailers BPCL, Indian Oil Corporation (IOC) and Hindustan Petroleum Corporation Ltd (HPCL) froze prices despite a spike in global oil prices following Russia's invasion of Ukraine. This was with a view to insulate consumers from price volatility.

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three firms incurring losses in the first half of 2022-23 fiscal year (April 2022 to March 2023). BPCL incurred a loss of Rs 6,486.43 crore in April-September 2022. This year, it however posted record earnings of Rs 18,887.85 crore in April-September 2023.

Revenues fell to Rs 1.16 lakh crore in July-September from Rs 1.28 lakh crore last year on lower oil prices.

BPCL said it earned \$15.42 on turning every barrel of crude oil into fuel in April-September 2023 as compared to a gross refining margin of \$22.30 in the corresponding period last year.

Standalone EBITDA for Q2 FY 23-24 stood at Rs 13,679.21 crore compared to Rs 1,991.41 crore in Q2 FY 22-23.

In the current quarter, the refinery throughput was 9.35 million tonnes versus 8.82 million tonnes in Q2 of FY 22-23. Market sales were 12.19 million tonnes in Q2 FY 23-24 versus 11.44 million tonnes in Q2 of FY 22-23. Sales have grown by 6.56 per cent.

"We have achieved our highest ever average ethanol blending percentage of 11.98 per cent during H1 FY 23-24," BPCL said.

The company added 300

Highlights

- » This year, BPCL posted record earnings of Rs 18,887.85 cr in April-September 2023
- » Standalone EBITDA for Q2 FY 23-24 stood at Rs 13,679.21 crore compared to Rs 1,991.41 crore in Q2 FY 22-23
- » Market sales were 12.19 mn tonnes in Q2 FY24 against 11.44 mn tonnes in Q2 FY23

new fuel stations in H1 FY 23-24, taking network strength to 21,331. The company-owned-company-operated outlets network increased to 338 with 11 additions.

Also, 44 CNG stations were commissioned in H1 FY 23-24, taking the total CNG stations to 1,640, the statement said.

BPCL's refineries at Mumbai, Kochi and Bina have a combined capacity of around 35.3 million tonnes per annum. Its marketing infrastructure includes a network of installations, depots, energy stations, aviation service stations and LPG distributors.

BPCL returns to profitability after marketing margin boost

PRESS TRUST OF INDIA

NEW DELHI, OCTOBER 28

STATE-OWNED BHARAT Petroleum Corporation Ltd (BPCL) reported returning to profitability in the September quarter after a boost in marketing margin improved earnings.

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BPCL turns a Q2 net profit of ₹8,243 crore

The Hindu Bureau
HYDERABAD

Bharat Petroleum Corporation Ltd. (BPCL) turned a consolidated net profit of ₹8,243.55 crore in the second quarter ended September 30, following a net loss of ₹338.49 crore in the year-earlier period.

However, profit fell sequentially from ₹10,644.30 crore that the state-owned refiner had clocked in the June quarter. Revenue from operations slid to ₹1,16,657.34 crore, from ₹1,28,355.72 crore.

Expenditure, including towards crude oil, at ₹1,06,295.31 crore (₹1,29,438.65 crore) was lower, while throughput increased to 9.35 million tonne (8.82 MT) during the quarter. Market sales stood



at 12.19 MT (11.44 MT).

The standalone first-half net profit of ₹19,052 crore was a record, the company said in a filing.

“This achievement will spur us to scale greater heights for advancing progress,” chairman and MD G. Krishnakumar said in a statement.

In the year-earlier six-month period, BPCL had reported a standalone loss of ₹6,567.22 crore.

Key supports stay valid

CRUDE CHECK. MCX crude could gain

Akhil Nallamuthu

bl. research bureau

After choppy trading sessions over the past week, crude oil prices ended lower on a weekly basis. Brent crude oil futures on the Intercontinental Exchange (ICE) declined 1.8 per cent to close at \$90.5 per barrel. Crude oil futures on the MCX slipped 3.2 per cent to end the week at ₹7,128.

That said, the Israel-Hamas war is keeping the investors on the edge, as the fear of it spreading to other parts of the region remains.

According to the latest data from Energy Information Administration (EIA), the crude oil inventory in the US increased by 1.4 million barrels versus the expected drop of 0.5 million barrels. However, this did not weigh too much on the price as the geopolitical turmoil continues.

Technically, both Brent futures and MCX crude oil futures stay above key support levels. Until these levels hold, the bias will be bullish.

MCX-CRUDE OIL (₹7,128)

The November futures of crude oil declined early last week. But then, after the initial blip it was largely moving within a range, especially in the second half.



Nevertheless, the contract retains the bullish traits. It has formed a higher low and has been trading above the important support band of ₹6,900-7,000.

That said, for the bulls to regain their earlier momentum, the contract should go past the nearest resistance at ₹7,350. In such a case, we can see a quick rally to ₹7,700. Resistance above this level is at ₹8,000.

On the other hand, if there is a fall from here which can drag crude oil futures below ₹6,750, the price could decline further to ₹6,500. Note that a breach of the support at ₹6,500 can turn the short-term outlook bearish. Immediate support below ₹6,500 is at ₹6,250.

Trade strategy: As the broader trend is bullish, one can buy crude oil futures now at ₹7,128. Add longs if the price dips to ₹7,000. Place stop-loss at ₹6,750.

When the price goes above ₹7,400, tighten the stop-loss to ₹7,200. Exit at ₹7,650.

Oil on Fire: India Must Plan If Israel-Hamas Conflict Widens

'India's energy poverty is perhaps the biggest constraint on sustainability of fast growth. On a per capita basis, an average Indian consumes only half the power his global peer does.'



MAHESH SACHDEV

When it comes to international crude prices, few adages fit better than "It never rains, but pours!" After rising by 29% in the third quarter of 2023, the dated Brent price has been hovering around \$90/barrel, threatening to cross the \$100/barrel mark if the Israel-Hamas hostilities expand into a regional conflagration. As if this was not enough, the rise in oil tankers' freight and the war insurance further add to this witches' brew.

All that is bad news for India, the world's third-largest crude

importer and consumer.

Our official data for 2022-23 is quite dire: consumption of petroleum products grew 10.2%, led by 13.4% growth in petrol, 12% in diesel, and 47% in aviation turbine fuel. As the domestic production fell by 1.7% in 2022-23, our dependence on imported crude has gone up to 87.8%. Our annual crude import bill was \$158 billion, up 31% over 2021-22, despite discounted Russian supplies. In volume terms, crude imports increased by 9.4% to 232.4 million metric tonnes. Production of petroleum products grew 4.8% and their imports increased by 11.7%, but their exports fell by 4.1%. Some of the rise was due to the low base effect during 2021-22 when the second Covid-19 wave occurred. The picture was only slightly brighter on the natural gas/LNG front, where we have nearly 50% self-reliance and the global prices have fallen.

The annual rise in our oil consump-

tion seems to have moderated to 5.9% in the first half of FY24.

At a separate but interconnected level, the consumption of coal, a source of two-thirds of our thermal power generation, is racing ahead of our domestic production. The demand for coal in FY23 was 1,087 mt, up 5.7% over the previous year. Although India's coal production grew by 14.7% on a year-on-year basis to hit a record high of 892 mt, imports were still up by 22% at 254 mt. As economic growth and climatic changes constantly push up the demand for power to new heights, the use of coal despite its "dirty" epithet, is set to rise inexorably in the foreseeable future. Despite a robust rise in India's renewable energy capacity, for several reasons, it is yet to make its full impact, forcing the economy to fall back to more reliable coal-based power.

India's "energy poverty" is today perhaps the biggest constraint on



the sustainability of the fast growth of our economy. On a per capita basis, an average Indian consumes only half the power his global peer does. Consequently, our energy consumption is set to grow with population, urban migration, and conspicuous consumption.

How is this trend to be reconciled

with greater self-reliance, controlling the current account deficit, sustaining economic growth, and mitigating climate change as well as pollution?

To square this energy circle, we need to give high priority to ensure adequate, reasonably priced and preferably non-polluting energy to

sustain our socioeconomic growth. There is an urgent need for a comprehensive, integrated but granular analysis, identifying the relevant energy pathways needed to sustain our economic growth over the medium-to-long term and pursue them at both technical and diplomatic levels.

India has, in a digressed manner, already taken steps to address several of these issues. These include technical initiatives such as LED bulbs, solar, wind and biofuel energy, fast breeder nuclear power, more efficient and less polluting thermal plants, promoting EVs, green hydrogen and better logistics. Here, the ongoing work needs to be accelerated in Gati-Shakti mode. We can also do more to switch to green steel and make our metros and railways more user-friendly to replace the fossil-guzzling roadways for both metropolitan mass transit and freight.

The initiatives at home need to be complemented by a concerted diplomatic drive abroad. This should be aimed at fostering energy complementarities with fossil fuel exporters such as in the Gulf, Indonesia, Mozambique, Guyana, etc. through cross-investments, long-term deals, and strategic reserves. We should also earmark adequate funds for the acquisition of energy-related assets abroad, such as fossil fuels, lithium, rare earths, etc.

Above all, we need to evolve an integrated approach, prioritising energy self-sufficiency, particularly in fossil fuels, in its own right. If done right, this would not only free us from the fickle and slippage-prone global energy market, but it would also create new venues for our economic growth.

The author served as India's envoy to Algeria and Nigeria

बढ़ोत्तरी

इथेनॉल मिश्रण का उच्चतम स्तर 11.98 प्रतिशत भी हासिल किया है

बीपीसीएल ने 8,243 करोड़ रुपए का लाभ कमाया

एजेंसी ■ नई दिल्ली

सार्वजनिक क्षेत्र की पेट्रोलियम कंपनी बीपीसीएल ने विपणन पर मार्जिन बढ़ने से चालू वित्त वर्ष की दूसरी तिमाही में घाटे से उबरकर 8,243.55 करोड़ रुपए का एकीकृत शुद्ध लाभ कमाया है। भारत पेट्रोलियम कॉर्पोरेशन लिमिटेड (बीपीसीएल) ने एक बयान में कहा कि जुलाई-सितंबर, 2023 की अवधि में वह फिर से लाभ की स्थिति में आ गई है जबकि एक साल पहले इसी अवधि में उसे 338.49 करोड़ रुपए का घाटा हुआ था। कच्चे तेल की कीमतों में गिरावट के बावजूद पेट्रोल एवं डीजल की खुदरा कीमतों में कोई बदलाव न होने से बीपीसीएल को अपना विपणन मार्जिन सुधारने में मदद मिली। इससे कंपनी फिर से लाभ की स्थिति में पहुंच गई। चालू वित्त वर्ष की दूसरी तिमाही में रिफाइनिंग और विपणन कारोबार से कंपनी की कर-पूर्व आय 11,283.29 करोड़ रुपए हो गई जबकि पिछले साल की समान तिमाही में उसे 123.17 करोड़ रुपए का घाटा हुआ था। आलोच्य अवधि में तेल की कीमतें नरम होने से जुलाई-सितंबर में बीपीसीएल का राजस्व पिछले साल के 1.28 लाख करोड़ रुपए से गिरकर 1.16 लाख करोड़ रुपए रह गया। बीपीसीएल के मुताबिक, अप्रैल-सितंबर की अवधि में उसने रिकॉर्ड 18,887.85 करोड़ रुपए की कमाई की है। इस दौरान कच्चे तेल को ईंधन में बदलने पर उसने 15.42 डॉलर प्रति बैरल कमाए, जबकि पिछले साल की समान अवधि में उसका सकल रिफाइनिंग मार्जिन 22.30 डॉलर प्रति बैरल था। वित्त वर्ष 23-24 की दूसरी तिमाही में कंपनी की एकल आधार पर एबिता आय 13,679.21 करोड़ रुपए रही जबकि वित्त वर्ष 22-23 की समान तिमाही में यह 9,991.41 करोड़ रुपए थी। बीपीसीएल ने कहा, हमने वित्त वर्ष 23-24 की पहली छमाही के दौरान औसत इथेनॉल मिश्रण का अपना अब तक का उच्चतम स्तर 11.98 प्रतिशत भी हासिल किया है। पहली छमाही में कंपनी के 300 नए पेट्रोल पंप खुले हैं जिसके साथ इनकी कुल संख्या 21,331 हो गई है। इस दौरान 44 सीएनजी स्टेशन भी खुलने से इनकी कुल संख्या 1,640 हो गई।

