

June 08, 2020



Current Price: ₹ 369.90

STOCK DATA

BSE Code	500547
NSE Symbol	BPCL
Reuters	BPCL.BO
Bloomberg	BPCL IN

VALUE PARAMETERS

52 W H/L(Rs)	549.70/252.00
Mkt. Cap.(Rs Cr)	80240.66
Latest Equity(Subscribed)	2169.25
Latest Reserve (cons.)	34565.45
Latest EPS (cons.) -Unit Curr.	20.12
Latest P/E Ratio -cons	18.38
Latest Bookvalue (cons.) -Unit Curr.	169.34
Latest P/BV - cons	2.18
Dividend Yield -%	4.04
Face Value	10

SHARE HOLDING PATTERN (%)

Description as on	% of Holding 31/03/2020
Foreign	12.42
Institutions	19.61
Govt Holding	0.86
Non Promoter Corp. Hold.	1.48
Promoters	52.98
Public & Others	12.66

Financial Results

In Cr.

Particulars	Qtr Ending Mar. 20	Qtr Ending Mar. 19	Var. (%)
Net Sales	68976.29	74135.63	-7
Subsidy	21.54	120.1	-82
Total	68997.83	74255.73	-7
OPM (%)	-0.8	7.8	
OP	-579.85	5759.54	-110
Other Income	401.16	571.26	-30
PBDIT	-178.69	6330.8	-103
Interest	689.48	400.58	72
PBDT	-868.17	5930.22	-115
Depreciation	1043.43	977.34	7
PBT before EO	-1911.6	4952.88	-139
EO	1310.35	0	
PBT after EO	-3221.95	4952.88	-165
Tax	-484.48	1227.34	-139
Deferred Tax	-831.48	655.35	-227
PAT	-1905.99	3070.19	-162
Share of profit of equity accounted investee	263.04	8.91	2852
Minority Interest	27.81	219.62	-87
PPA	176.61	-52.56	-436
Profit for Group	-1847.37	2912.04	-163
EPS (Rs)	-Ve	14.81	

Bharat Petroleum Corp. Ltd. reported larger-than-expected quarterly loss on Wednesday as it was hit by a trifecta of weak refining margins, inventory losses and lower sales due to the Covid-19 lockdown.

BPCL consolidated net sales fell 7% to Rs 68997.83 crore for the quarter ended Mar20 compared to corresponding previous year period. This included subsidy from the government of Rs 21.54 crore down 82% on a y-o-y basis. Excluding compensation from the government sales of the company fell 7% to Rs 68976.29 crore.

OPM of the company stood negative of 0.8% compared to 7.8% in Q4FY19. As a result operating profits reported loss of Rs 579.85 crore compared to profit of Rs 5759.54 crore. Other income fell 30% to Rs 401.16 crore. Interest cost rose by 72% to Rs 689.48 crore. Depreciation rose 7% to Rs 1043.43 crore. PBT before EO was loss of Rs 1911.6 crore compared to profit of Rs 4952.88 crore. The company reported an EO expense of Rs 1310.35 crore compared to nil in the corresponding previous year quarter. PBT after EO reported loss of Rs 3221.95 crore compared to profit of Rs 4952.88 crore. The outbreak of COVID-19 globally and resultant lockdown in many countries, including from 25th March 2020 in India, has had impact on the business of the Group. Consequently lower demand for crude oil and petroleum products has impacted the prices and therefore refining margins globally. Due to this, certain finished goods inventory and certain raw materials of the Group have been valued at net realizable value/replacement costs which are lower than cost. The impact of the same has been reported under exceptional item for Rs 1310.35 crore.

Total tax expense reported tax credit of Rs 1315.96 crore compared to tax expense of Rs

Physical Performance (in MMT)			In Cr.
Particulars	Qtr Ending Mar. 20	Qtr Ending Mar. 19	Var. (%)
Crude Throughput	10.08	9.92	2
Sales	10.79	11.44	-6
Export sales	0.52	0.31	68

1882.69 crore. PAT of the company reported loss of Rs 1905.99 crore compared to profit of Rs 3070.19 crore. Considering share of profit of JV and Associates, minority interest and prior period adjustments net profit of the company reported loss of Rs 1847.37 crore compared to profit of Rs 2912.04 crore.

Average Gross Refining Margins fell to USD 0.75 per barrel in Q4FY'20 compared to USD 2.74 per barrel in Q4FY'19.

BPCL standalone sale of petroleum products fell 6% to 10.79 million tonne during Q4FY'20 compared to Q4FY'19 while the crude throughput was up 2% to 10.08 MMT. Export sales rose 68% to 0.52 million tonne.

Since petroleum products are under essential services, the refining and marketing operations of the Group were continued during the lock down period, though there was some postponement of project related activities. Due to the lock down there was reduction in sales for the Group, however the reduction in sales is not material for the year 2019-20.

The lock down of COVID-19 is continuing in FY 2020-21 and the group is continuing its operations in major business units with current lower demand as these products are falling under essential goods and services. The Group is expecting that demand for products will improve on stabilization of COVID-19, post removal of locks down. It has assessed the potential impact of COVID 19 based on the current circumstances and expects no significant impact on the continuity of operations of the business on long term basis/ on useful life of the assets/ on financial position etc. though there may be lower revenues and refinery throughput in the near term. The Group will continue to closely monitor any material changes to future economic conditions.

Consolidated year ended Results

BPCL net sales fell 5% to Rs 284571.9 crore for the year ended Mar20 compared to corresponding previous year. This included subsidy from the government of Rs 255.31 crore down 71% on a y-o-y basis. Excluding compensation from the government sales of the company fell 4% to Rs 284316.59 crore.

OPM of the company fell 210 bps to 2.9%. As a result operating profits fell 45% to Rs 8349.02 crore. Other income fell 5% to Rs 1929.33 crore. Interest cost rose 49% to Rs 2637.01 crore. Depreciation rose 19% to Rs 4080.09 crore. PBT before EO was down 70% to Rs 3561.25 crore. The company reported an EO expense of Rs 1310.35 crore compared to nil in the corresponding previous year. PBT after EO fell 81% to Rs 2250.9 crore

Effective rate of taxes fell to 27% from 37%. PAT of the company decreased 78% to Rs 1635.43 crore. Further considering profit or loss of JV and associates and minority interest, Net profit remained fell 61% to Rs 3055.36 crore.

For FY20 BPCL standalone sale of petroleum products remained flat at 43.36 million tonne compared to FY'19 while the crude throughput was up 4% to 38.3 MMT. Export sales rose 34% to 2.66 million tonne.

Average Gross Refining Margins fell to USD 2.5 per barrel in FY'20 compared to USD 4.58 per barrel in FY'19.

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