

M/s T.R. Chadha and Co.,  
Chartered Accountants  
1, Smruti, Ground Floor,  
M V Panloskar Marg,  
Near Hanuman Cross Road  
No.2, Vile Parle (E)  
Mumbai 400 057

M/s K. Varghese & Co.  
Chartered Accountants  
Sageti Business Centre, 1st Floor  
Choolackal Building,  
Opp Metro Plaza  
Ernakulam, Kochi- 682014

The Board of Directors  
Bharat Petroleum Corporation Limited,  
Bharat Bhavan, Currimbhoy Road,  
Ballard Estate,  
Mumbai.

Dear Sirs,

**Limited Review Report on the unaudited financial results for period  
ended September 2011**

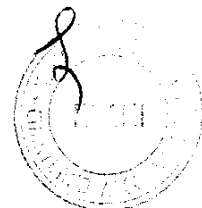
**Introduction**

We have reviewed the accompanying statement of unaudited financial results ("the Statement") of **Bharat Petroleum Corporation Limited** for the period ended 30<sup>th</sup> September, 2011 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to express a conclusion on these financial results based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making enquiries primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards of Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Without qualifying our opinion, we draw attention to

- a) Impairment of assets, wherein being technical matters subject to uncertainty, we have relied on the estimates and assumptions made by the Company in arriving at recoverable value of assets, based on desired margins;
- b) Receivable of Rs 483.52 <sup>crores</sup> due from a PSU, which are not provided for, as the management is confident of recovery in full; and



- c) Non Provision of deferred tax because of the highly volatile prices of crude and uncertain compensation towards the under recoveries.

**Conclusion**

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with stock exchanges including the manner in which it is to be disclosed, or that it contains any material misstatement.

For T.R. Chadha and Co.,  
Chartered Accountants  
Firm Registration No.006711N

*Vikas Kumar*

Vikas Kumar  
Partner  
Membership No.075363

For K.Varghese & Co.,  
Chartered Accountants  
Firm Registration No. 004525S

*Sam Varghese*

Sam Varghese  
Partner  
Membership No: 216979

Place: Delhi  
Date: 31<sup>th</sup> October, 2011

