



Infinite Possibilities

Annual Report
2018-19



Infinite Possibilities

We don't believe in imposing limits on ourselves. Therefore, the quality of our performance has no finish line. It's a continuous journey of tapping our unlimited potential. An ambitious vision, backed by unparalleled execution and consistent effort, holds the key to our sustainability and profitability. We continually strive to align our business practices to global sustainability standards.

Our emphasis on innovation, start-ups, R&D, energy efficiency, resource conservation and substitution of fossil fuels to reduce import dependence, does

more than ensure India's energy sustainability through cleaner fuels. It gives us the scope and promise to believe in a future of infinite possibilities.

Our diversified product offerings and presence across the entire hydrocarbon value chain, that stems from our customer-centric approach, has been the bedrock of all our achievements, besides ensuring energy access in both rural and urban markets across the length and breadth of the country.

The upscaling of our marketing network and our capacity building to improve efficiencies and invest in niche petrochemicals is aimed at sustained growth, besides creating a brighter tomorrow. We are constantly exploring adjacencies and parallel value chains on our journey towards creating significant value for our stakeholders.

In our search for excellence, we are continuously challenging ourselves to exceed benchmarks set as we pursue stretch targets. Our performance clearly indicates there are no limits to growth, because there are no limits to human intelligence, imagination, innovation and perseverance. Simply said, we don't give in, except to the convictions of honour and commitment to the nation.



BPCL... Limitless by choice



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Chairman's Letter

Pushing the limits

Dear Shareowners,

A year of extreme volatilities and geopolitical dynamics, 2018-19 has tested the resilience, strength and staunch perseverance of your Company. And once again, BPCL has overcome every challenge, leveraged every opportunity and remained steadfast in all its endeavours.

I am happy to present to you the Annual Report for the year 2018-19 - a year in which your Company has created new benchmarks in physical performance, with refining throughput exceeding 31 MMT and market sales crossing 43 MMT. The higher refining throughput is attributable to the first full year of operations at Kochi Refinery (KR) post completion of the Integrated Refinery Expansion Project (IREP), complemented with continuous maximisation of refining capacity in Mumbai Refinery. I am pleased to share with you that BPCL's Kochi Refinery is now the largest PSU refinery in India, with installed capacity of 15.5 MMTPA and was dedicated to the Nation by the Hon'ble Prime Minister of India in January 2019.

On the financial front, the profit before depreciation, interest and tax of the Company was at ₹ 14,948 crores, as against ₹ 14,772 crores in the previous year, though there was a decline of 10.6% in profit after tax to ₹ 7,132 crores, mainly due to increased depreciation and finance costs. The Board of Directors announced dividend of 190%, maintaining last year's dividend payout ratio.

Over the years, BPCL has established itself as a fully integrated oil and gas Company and we recognise the crucial role of our group companies in furthering our strategic intents. I would like to mention here that Bharat PetroResources Ltd., our upstream subsidiary, positioned itself as an Operator in the international market, on winning the Onshore

Block 1 concession in Abu Dhabi, jointly with Indian Oil Corporation Limited. Bharat Oman Refineries Limited (BORL), our joint venture company, completed the debottlenecking project during the year, increasing its installed refining capacity from 6 MMTPA to 7.8 MMTPA. NRL has recently received Government approval for enhancing its capacity from 3 MMTPA to 9 MMTPA to better serve the growing fuel needs of north eastern India. Bharat Gas Resources Limited, our wholly owned gas subsidiary, has in the year of incorporation itself, won 13 Geographical Areas in the bidding rounds for City Gas Distribution networks, establishing its position as a significant player in the developing gas market in the country.

Our coveted Propylene Derivative Petrochemical Project (PDPP) at KR for manufacturing niche petrochemicals is progressing well and will be commissioned during the year. Aiming for a dominant position in this space, BPCL shall further expand its petrochemicals portfolio with increased investments over the years.

In a major network expansion drive, BPCL has strategically focussed on increasing its presence in high growth rural areas and agricultural pockets and will aggressively pursue Retail Outlet commissioning towards this end. BPCL will continue to innovate and improve service standards for all its customers in its pursuit of excellence.

I believe that going forward digitalisation will no longer be an option, but a compulsion, with the entire value chain being digitally designed to deliver results. BPCL is focussed on creating a digital ecosystem that would orient a thinking that accepts digitalisation as the norm.

Clarity in responsibility and accountability together with robust monitoring and governance practices, especially in critical processes, is extremely significant for safe and smooth operations. I believe a powerful digital architecture, aided by technological precision, is imperative across all operating locations. Your Company has taken several strides in this direction and is committed to ensuring the highest standards of safety.

Our emphasis on nurturing the Startup ecosystem augurs well with our belief in infinite possibilities. Through our ongoing Startup programme (Project Ankur), BPCL continues to support multiple startups across various domains with the aim of creating a multiplier effect on the Startup ecosystem.

The industry is passing through a very exciting phase, as it stands at the threshold of a defining transition towards a low carbon future and increasing electrification of mobility, persevered by the twin forces of growing environmental concerns and staggering technological developments. In becoming future ready and remaining ahead of the curve, BPCL continues to judiciously scan the environment for identifying emerging trends, opportunities and risks and seeks to build new age competencies. Talent management and a strong leadership pipeline shall continue to be our priority, as we gear up for a disruptive future.

As I conclude, I acknowledge the steadfast support and valuable contribution of all our partners in helping us perform, grow, aspire and pursue our vision. I take this opportunity to thank the Ministry of Petroleum & Natural Gas for their valuable guidance. Meeting the expectations of our investors will

always be our driving force, and I thank you for the encouragement and confidence reposed in the Company's Management.

Leveraging our rich experience, strong execution skills, impeccable foresightedness, and tremendous agility, I am sure that BPCL will continue to scale new summits and emerge as India's most admired energy Company.

Warm regards,



D. Rajkumar

Chairman & Managing Director



Board of Directors



D. RAJKUMAR
Chairman &
Managing Director



S. RAMESH
Director (Marketing)
(Up to 23.9.2018)



R. RAMACHANDRAN
Director (Refineries)



K. PADMAKAR
Director (Human Resources)



K. SIVAKUMAR
Director (Finance)
(Up to 7.5.2018)



ARUN KUMAR SINGH
Director (Marketing)
(w.e.f. 1.10.2018)



N. VIJAYAGOPAL
Director (Finance)
(w.e.f. 17.12.2018)



RAJIV BANSAL
Additional Secretary &
Financial Advisor, MoP&NG



DR. K. ELLANGOVAN
Principal Secretary (Industries)
Govt. of Kerala



RAJESH K. MANGAL
Independent Director



DEEPAK BHOJWANI
Independent Director
(Up to 30.11.2018)



GOPAL CHANDRA NANDA
Independent Director
(Up to 30.11.2018)



VISHAL V SHARMA
Independent Director



**JANE MARY SHANTI
SUNDHARAM**
Independent Director



VINAY SHEEL OBEROI
Independent Director



**DR. TAMILISAI
SOUNDARARAJAN**
Independent Director
(Up to 22.3.2019)



HARSHADKUMAR P. SHAH
Independent Director
(w.e.f. 16.7.2019)



(L to R):

Mr. N. Vijayagopal, Director (Finance) | Mr. R. Ramachandran, Director (Refineries)
Mr. D. Rajkumar, Chairman & Managing Director | Mr. Arun Kumar Singh, Director (Marketing)
Mr. K. Padmakar, Director (Human Resources)

BANKERS

State Bank of India
Standard Chartered Bank
BNP Paribas
Union Bank of India
Corporation Bank
Bank of India
Deutsche Bank
ICICI Bank
HDFC Bank
IDBI Bank

AUDITORS

M/s. CVK & Associates
2, Samarth Apartments,
Ground Floor, D.S. Babrekar Road,
Off Gokhale Road (North),
Dadar (W), Mumbai 400 028.

M/s. Borkar & Muzumdar
21/168, Anand Nagar Om C.H.S.,
Anand Nagar Lane, Vakola,
Santacruz (East), Mumbai 400 055.

SHARE TRANSFER AGENT

Data Software Research Co. Pvt. Ltd.
19 Pycrofts Garden Road,
Nungambakkam,
Chennai 600 006.

REGISTERED OFFICE

BHARAT PETROLEUM CORPORATION LTD.

CIN: L23220MH1952GO1008931
Bharat Bhavan, P. B. No. 688, 4 & 6 Currimbhoy Road,
Ballard Estate, Mumbai 400 001
Phone: 2271 3000 / 4000
Fax: 2271 3874
Email: info@bharatpetroleum.in
Website: www.bharatpetroleum.in

Management team

Mr. Sunil Jain	Chief Vigilance Officer	Mr. L.K. Watts	CGM (HRS), North
Mr. Ashok K. Sharma	Chief Procurement Officer (Marketing)	Mr. L.R. Jain	CGM Pipelines (Ops. & Projects), Mumbai
Mr. C.J. Iyer	ED I/C (Mumbai Refinery)	Mr. Mahadevan Easwaran S.	CGM (IS)
Ms. Dipti Sanzgiri	ED (Internal Audit)	Mr. Mahesh Narain	CGM (Gas Projects), Delhi
Mr. G. Krishnakumar	ED (HRD)	Mr. M. Prasanna Kumar	CGM (Planning & Project Coordination)
Mr. I. Srinivas Rao	ED (LPG)	Mr. M.R. Chaturvedi	CGM (Comp. & Ben.)
Mr. J. Dinaker	ED (International Trade)	Mr. M.R. Subramoni Iyer	CGM (Operations & Commng.), Kochi Refinery
Mr. J.S. Shah	ED (HR) Kochi Refinery	Mr. Nori Prabhakar	CGM (Brand & PR)
Mr. K. Ravi	ED (Refineries Coordination & Special Projects)	Mr. N. Shukla	CGM (Planning)
Mr. M. A. Khan	ED (Corp. Coordination & Development)	Mr. P. Anilkumar	Head (Infra T/F) HQ
Mr. M.S. Patke	ED (HSSE & Advanced Liquid Biofuels)	Mr. P.K. Bhowmick	Chief Procurement Officer (Refineries)
Mr. M.V. Prabhakaran	ED (HRS)	Mr. P.K. Mallick	CGM HR (LPG) HQ
Mr. M. Venugopal	Company Secretary	Mr. P.K. Ramanathan	CGM Logistics (LPG) HQ
Mr. Murali Madhavan P.	ED (Refinery Operations), Kochi Refinery	Ms. P. Rajeswari	CGM (Vigilance)
Mr. Prasad K. Panicker	ED I/C (Kochi Refinery)	Mr. Priyotosh Sharma	CGM (Sales), Gas
Mr. P.S. Ravi	ED (Retail) I/C	Mr. P. Sudhakar	Project Lead (Gas) HQ
Mr. P.V. Ravitej	ED (Refinery Operations), Mumbai Refinery	Mr. Prabhu Venkatesh	CGM (Finance), Retail HQ
Mr. R. Narayanan	ED (Information Systems)	Mr. Ramakrishnan N.	Head BPEC
Mr. R.P. Natekar	ED (Gas)	Mr. Ravindra V. Deshmukh	Regional LPG Manager, West
Mr. R. R. Nair	ED HR (MR & JV Refineries)	Mr. Ravi Pratap Singh	CGM (Projects) Rasayani
Mr. S. Bhargava	ED (Research & Development)	Mr. R.P. Singh	CGM (E & AS) Mumbai Refinery
Mr. S.K. Agrawal	ED (Corporate Affairs)	Mr. Sanjeev Agrawal	CGM (Retail Engg. & Compressed Biogas Project) RHQ
Mr. Santosh Kumar	Head (Retail) West	Mr. S.K. Agrawal	CGM I/C (Corporate Treasury)
Mr. Sharad K. Sharma	ED (I & C)	Mr. S. Khanna	CGM (Operations), Mumbai Refinery
Ms. Sujata N. Chogle	ED (Legal)	Mr. Sanjeeb K. Paul	CGM (Biofuels)
Mr. Suresh K. Nair	ED (Supply Chain Optimisation)	Mr. Sanjeev Raina	CGM Ops. (Retail) HQ
Mr. V. Anand	ED (Lubes)	Mr. Subikash Jena	CGM Sales (I&C) HQ
Mr. V. Nagarajan	ED (Aviation)	Mr. Sukhmal K. Jain	Head (Retail) East
Mr. Y.V. Apte	ED (Engineering & Projects)	Mr. Suresh John	CGM (Projects), Kochi Refinery
Mr. Amit Garg	CGM (Coordination)	Mr. Surjeet Mahalik	Head (Retail) North
Mr. A.K. Gidwani	CGM (Network, Security & Projects)	Mr. S. Srinivasan	CGM Logistics (I&C) HQ
Mr. A. Mohanlal	CGM (E & AS), Kochi Refinery	Ms. Teresa Naidu	CGM (Finance), Mumbai Refinery
Mr. A.R. Shah	CGM (Projects Procurement), Mumbai Refinery	Mr. T. Peethambaran	CGM Sales I/C (LPG) HQ
Mr. Babu Joseph	CGM (HSE), Kochi Refinery	Mr. T.V. Rama Rao	CGM (IS) & Digital Strategy, Mumbai Refinery
Dr. D.C. Patra	CGM I/C (Planning)	Mr. V. Chandrasekaran	CGM (Prod. Desp. & Trombay Terminal Projects), Mumbai Refinery
Mr. Debashis Ganguli	CGM (P & AD) Lubes	Mr. Varinder S. Chadha	CGM (Corporate Finance)
Mr. D.V. Mamadapur	CGM (SCO)	Mr. V. Jacob	CGM (Quality Control Cell)
Mr. G. Ananthakrishnan	CGM (Finance), Kochi Refinery	Mr. V.N. Herwadkar	CGM (Projects) Mumbai Refinery
Mr. J. Vedagiri	CGM (LPG Infrastructure)	Mr. Vijay N. Tilak	CGM Sales (LPG) HQ
Mr. K. Ajith Kumar	CGM (Projects - Polyol & BS VI), Kochi Refinery	Mr. V. Ramachandran	CGM (Logistics) Retail HQ
Mr. Kani Amudhan N.	CGM (Marketing Corporate)	Mr. V. Ranjan	CGM (Ops. & JVs), Aviation
Mr. K.A. Trivedi	CGM (International Trade) Crude	Mr. V.Y. Vartak	Head Supply Chain Management (Lubes)
Mr. Kurian Parambi	CGM (HRD)	Mr. Arunabh Deb	GM (Employee Satisfaction Enhancement)
		Mr. Rahul Tandon	GM (Corporate Strategy), CO

Vision

- We are the most admired global energy company leveraging talent and technology
- We are the first choice of customers, always
- We exploit profitable growth opportunities outside energy
- We are the role model for Health, Safety, Security & Environment
- We are a great organisation to work for
- We are a learning organisation
- We are a model corporate entity with social responsibility



Culture

- We remain result focussed with accountability for governance
- We collaborate to achieve organisational goals
- We enroll people through open conversations
- Our every action delivers value to the customer
- We proactively embrace change
- We care for people



Mission

- Participate prominently in nation-building by meeting its growing energy needs, and to support this endeavour, pursue the creation of economic surplus by efficiently deploying all available resources and aiming towards global competitiveness in the energy sector
- Strengthen and expand areas of core competencies throughout the country, total quality management in all spheres of business and maintain the status of a leading national company
- Create awareness among people on the imperatives of energy conservation and efficient consumption of petroleum resources, by disseminating information through appropriate media
- Availing ourselves of new opportunities for expansion/ diversification arising from the liberalisation of the economy to achieve a global presence
- Promote ecology, environmental upgradation and national heritage



Performance highlights

- Gross Revenue from Operations surges to ₹ 3,37,622.53 Crores
- Crude throughput increases to 31.01 MMT
- Market Sales including exports is 44.98 MMT
- Net Profit is ₹ 7132.02 Crores
- Market Share is 23.83 %

