

ANNUAL REPORT

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REDEFINING RESILIENCE

NATURALLY



REDEFINING RESILIENCE ... NATURALLY

The whole world has been severely impacted by the COVID-19 pandemic, which has not only led to loss of lives and livelihoods, but has also brought businesses and services to a near grinding halt.

Exhibiting extraordinary resilience, which is naturally ingrained in us as part of our system, Bharat Petroleum swung into action to combat the disruption caused by the pandemic and adapt to the new normal. We leveraged our arsenal of innovation and technology, catalysed by the indomitable spirit and sheer tenacity of our workforce. We could navigate through uncharted waters, unlock the unknown and successfully meet the human, business and operational needs to keep the wheels of the nation moving.

No stone was left unturned to out-manoeuvre uncertainty. Our 'Corona Warriors' worked day and night, risking their own lives to ensure uninterrupted production and supplies of fuels to essential service providers, as well as domestic LPG customers. Health, safety and environment conservation remained our topmost priority.

Our infinite capacity to meet challenges, along with novel strategies for resource optimisation and risk mitigation, has enabled us to rebound strongly from the global downturn to repurpose and reshape the operations and supply chain, thereby ensuring our financial health and sustainability moving forward.

Being a fully integrated energy company, with a diverse product portfolio and an enviable customer-centric approach, we have focused on digitalisation, startups, R&D, niche petrochemicals, alternate fuels, energy efficiency, expansion in rural markets, optimising business processes and automating activities across the entire hydrocarbon value chain.

Backed by our inspiring vision, with passion to excel embedded in our DNA, we are redefining resilience, stretching beyond limits, as we spread optimism and hope and create significant value for our stakeholders and our nation.

BPCL...Energising the new

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CHAIRMAN'S LETTER

Dear Shareowners,

At the outset, I wish you and your loved ones the best of health and well-being!

I am extremely happy to communicate with you for the first time after taking over additional charge of Chairman and Managing Director of your Company.

The year 2019-20 that progressed well until December 2019, witnessed unprecedented and confounding changes, transitions and economic severities in the last quarter. The COVID-19 pandemic brought the world to a standstill, with most countries, including ours, resorting to lockdowns and containment measures to check the spread of the disease. As global economies gradually open up and activity resumes, it reminds me of a famous quote by Confucius, "Our greatest glory is not in never falling, but in rising every time we fall."

Amidst these adversities, your Company emerged stronger, exhibiting a resolute approach, identifying opportunities, thus redefining resilience.

Playing a leading role in nation building, your Company ensured uninterrupted supplies of petroleum products and has been in the frontline of service during the pandemic. Mindful of the evolving risks on various fronts, we have focussed on safe operations, optimisation of resources and enhancement of efficiencies, leveraging technology and digitalisation to skilfully navigate through these challenging times.

The extreme volatility in the crude oil prices and foreign exchange rates and the pandemic-induced disruption in economic activity at the end of the year 2019-20 severely impacted the annual financial performance, resulting in an overall decline in the profits of the Company for the year. The profit after tax, on a standalone basis, declined to ₹ 2,683 crores, mainly due to lower refining margins and substantial inventory and foreign exchange variation losses. However, your Company has been able to better its physical performance, despite significant loss of sales in March 2020 and achieved market sales and refinery throughput of 43.10 MMT and 31.91 MMT respectively. I am happy to share that your Company was the only Oil Marketing Company (OMC) amongst PSU OMCs to register a growth in physical performance during the year. The Board of Directors declared a dividend of 165% in the month of March 2020.

At the group level, the profit after tax attributable to BPCL stood at ₹ 3,055 crores, while market sales and refinery

throughput were higher at 43.36 MMT and 38.30 MMT respectively. Consolidating interests further, Bharat Oman Refineries Limited, hitherto our 50:50 Joint Venture Company, has undergone a change in its equity structure, consequent to conversion of warrants into equity shares, raising BPCL's equity shareholding to 63.38%.

Leveraging organic and inorganic growth opportunities over the years, your Company has expanded its footprint across the hydrocarbon value chain and become a fully integrated oil and gas player.

Pursuing the Go-**GDP** strategy, your Company has taken definitive steps towards fostering a **Greener** environment, permeating **Digitalisation** in all aspects of business and firming up its footprints in the **Petrochemicals** portfolio.

Our successful pilots of the newly launched "E-Drive" initiative - an innovative electric vehicle mobility model using BPCL's Retail Outlets as battery swapping stations pave the way for pan India expansion. Our presence across the alternate fuels / energy solutions will enable swift scale up once these verticals prime up and economics improve.

The importance of Digitalisation cannot be over-emphasised in a world which is converging towards a new normal post pandemic. Creating a digital ecosystem has been our immediate priority and the Company has taken major strides in proliferation of digitalisation across operations, particularly refining operations and management, and customer facing interfaces.

I am happy to share that the Propylene Derivative Petrochemical Project (PDPP) at Kochi Refinery (KR) for manufacturing niche petrochemicals is completed and will start commercial production soon. The project to produce Polyols and related products at KR is on track and will add to our growing petrochemicals portfolio, generating substantial value going forward.

In a major step towards enhancing the distribution network and reaching nearer to customers, your Company commissioned 1,447 new Retail Outlets across the country, the highest in a financial year amongst the PSU OMCs. BPCL also commissioned 118 vehicles fitted with dispensers, once again the highest amongst PSU OMCs, under the new initiative of door-to-door delivery of Diesel to stationary engines / generators and mining and construction equipment. Customer centricity being an integral part of BPCL's culture, the Company has created newer benchmarks in customer service and carved a niche for itself.



Towards exploring innovative solutions to identified business concerns and simultaneously supporting the startup ecosystem making India self-reliant, your Company launched a unique grand challenge for startups, with prize money for winners as well as creating opportunities to partner with BPCL. Going forward, BPCL is committed to support startups in a variety of ways, including grant of funds, equity investment, business exposure, mentoring and guidance.

Amidst the pandemic crisis, when Health, Safety, Security and Environment (HSSE) is gaining traction globally, BPCL has always recognised it as the topmost priority. Further strengthening the HSSE framework, your Company has put in place comprehensive pandemic compliant protocols across all touchpoints to ensure safety of all including employees, customers, vendors and partners.

Capitalising on the 'work from home' norm, we have seamlessly managed business operations across all functions in the organisation, leading to limited onsite presence of manpower in these dire circumstances. Remaining steadfast towards being a learning organisation, we have also utilised this opportunity of 'work from home' to augment people capabilities and upgrade their skill sets through various technologically enabled initiatives like digital learning and purposeful engagement.

With the Government of India's decision to sell its stake in BPCL to a strategic buyer, your Company is at the threshold of a major transformation, which is expected to unlock immense value by way of enhanced professionalism, access to advanced technologies, newer global markets, a diversified product portfolio and improved availability of resources and capital. This will create significant value for all stakeholders. The market capitalisation of your Company scaled peaks during the year and even surpassed the market capitalisation of the largest PSU OMC on a couple of occasions, bearing testimony to the rising investor confidence in BPCL's intrinsic value.

Before I conclude, I would like to thank all the stakeholders for their immense contribution and wholehearted support in designing our success and partnering in all our endeavours and aspirations. We fully acknowledge the valuable guidance and inspiration from the Ministry of Petroleum and Natural Gas. I would also like to place on record the deepest appreciation for the relentless efforts, unparalleled dedication and unmatched loyalty of our employees, who are our biggest asset, together with our network of dealers, distributors, business partners, vendors and service providers. We are thankful for the confidence reposed in us by the investors and customers, which gives us courage to dream, strength to accomplish and incentive to excel.

Humanity occupies centre stage at this juncture and we in Bharat Petroleum have always taken the lead in service before self. Our dynamic teams have demonstrated deep reserves of resilience in responding swiftly to the needs of the nation and will continue to ceaselessly serve our nation. We take pride in touching lives and making a difference.

As the impending wave of transition, structural and sectoral, reshapes the Company and rearranges the energy matrix, I firmly believe that BPCL, with its farsightedness, responsiveness, agility and fortitude will continue to occupy its central position in the industry and scale newer heights in times to come.

Stay safe and healthy !

Warm regards,

K. Padmakar
Chairman & Managing Director



BOARD OF DIRECTORS



K. PADMAKAR
Chairman & Managing Director
(w.e.f. 1.9.2020)
Director (Human Resources)



D. RAJKUMAR
Chairman & Managing Director
(up to 31.8.2020)



R. RAMACHANDRAN
Director (Refineries)
(up to 31.8.2020)



ARUN KUMAR SINGH
Director (Marketing)



N. VIJAYAGOPAL
Director (Finance)



DR. K. ELLANGOVAR
Principal Secretary (Industries),
Govt. of Kerala



RAJIV BANSAL
Additional Secretary & Financial Advisor,
MoP&NG (up to 7.1.2020)



RAJESH AGGARWAL
Additional Secretary & Financial Advisor,
MoP&NG (w.e.f. 8.1.2020)



RAJESH KUMAR MANGAL
Independent Director
(up to 30.11.2019)



VISHAL V SHARMA
Independent Director
(up to 8.2.2020)



JANE MARY SHANTI SUNDHARAM
Independent Director
(up to 4.3.2020)



VINAY SHEEL OBEROI
Independent Director
(up to 9.4.2020)



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



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

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.

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 Ballard Estate, Mumbai 400 001

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MANAGEMENT TEAM

Mr. Sunil Jain	Chief Vigilance Officer	Mr. M. Prasanna Kumar	CGM (Planning & Project Coordination)
Dr. D. C. Patra	ED (Planning)	Mr. M. R. Chaturvedi	CGM (Comp. & Ben.)
Mr. G. Krishnakumar	ED (HRD)	Mr. M. R. Subramoni Iyer	CGM (Refinery Operations), Kochi Refinery
Mr. J. S. Shah	ED (HRS)	Mr. N. Shukla	CGM (Planning)
Mr. L. R. Jain	Chief Procurement Officer (Marketing)	Mr. P. Anilkumar	CGM Pipelines (Ops. & Projects)
Mr. M. A. Khan	ED (Corp. Coordination & Development)	Mr. P. K. Bhowmick	Chief Procurement Officer (Refineries)
Mr. M. S. Patke	ED (Biofuels)	Mr. Pushp Kumar Nayar	Head Supply Chain Management (Lubes)
Mr. Murali Madhavan P.	ED (Kochi Refinery)	Mr. P. K. Ramanathan	CGM Logistics (LPG) HQ
Mr. P. S. Ravi	ED (Retail) I/C	Ms. P. Rajeswari	CGM (Vigilance)
Mr. Priyotosh Sharma	ED (Gas)	Mr. P. Sudhahar	Project Lead (Gas) HQ
Mr. P. V. Ravitej	ED (Mumbai Refinery)	Mr. Prabhu Venkatesh	CGM (Refineries Finance), Mumbai
Mr. R. Narayanan	ED (Information Systems)	Mr. Ramakrishnan N.	Head BPEC
Mr. R. P. Natekar	ED (Planning & Corporate Affairs) I/C	Mr. Ramakrishnan T. N.	CGM (Rural Initiatives) Retail, Chennai
Mr. Ravi Pratap Singh	ED (HSSE)	Mr. Ramesh S.	Team Member (Infra T/F) HQ
Mr. S. Bhargava	ED (Research & Development)	Mr. Ravikumar V.	CGM (Research & Development)
Mr. Santosh Kumar	ED (Lubes)	Mr. Ravindra V. Deshmukh	Regional LPG Manager, West
Mr. S. K. Agrawal	ED (Internal Audit)	Mr. R. P. Singh	CGM (E & AS) Mumbai Refinery
Mr. Subikash Jena	ED (I&C)	Mr. Sanjeev Agrawal	CGM (Retail Engg. & Compressed Biogas Project) RHQ
Ms. Sujata N. Chogle	ED (Legal)	Mr. S. Khanna	CGM (Operations), Mumbai Refinery
Mr. Sukhmal K. Jain	Head (Retail) East	Mr. Sanjeeb K. Paul	CGM (Biofuels)
Mr. Surjeet Mahalik	Head (Retail) North	Mr. Sanjeev Raina	CGM (HSSE)
Mr. T. Peethambaran	ED (LPG)	Mr. Shrikant Yadwadkar	CGM (Sales), Gas
Mr. V. Jacob	ED (Quality Control Cell)	Mr. Sreeram A. N.	CGM (Project Technical & Petchem), Kochi Refinery
Mr. Y. V. Apte	ED (Engineering & Projects)	Mr. Subhankar Sen	CGM (Retail Initiatives & Brand) HQ
Mr. Abhay Shah	CGM Strategy & Brand (Lubes)	Mr. Subhasis Mukherjee	CGM (Internal Audit)
Mr. A. R. Shah	CGM (Projects Procurement), Mumbai Refinery	Mr. Sunil Kumar	CGM Projects (Rasayani), Mumbai Refinery
Mr. Arul Muthunathan V.	CGM (RNP & RE) HQ	Mr. Suresh John	CGM (Engg. Projects & Contract Mgt.), Kochi Refinery
Mr. Bibhudutta Mishra	Regional Manager (Lubes) North	Mr. S. Srinivasan	CGM Sales (I&C) HQ
Mr. Chacko M. Jose	CGM (Special Projects), Mumbai Refinery	Ms. Teresa Naidu	CGM (Corporate Treasury)
Mr. Debashis Ganguli	CGM (P & AD) Lubes	Mr. T. V. Rama Rao	CGM IS & Digital Strategy (MR & KR)
Mr. Deepak Jha	CGM (OEM), Lubes	Mr. V. Chandrasekaran	CGM (Prod.Desp. & Trombay Terminal Projects), Mumbai Refinery
Mr. Dinabandhu Mandal	CGM (Logistics), Retail	Mr. Varinder S. Chadha	CGM (Corporate Finance)
Mr. D. V. Mamadapur	CGM (Supply Chain Optimization)	Mr. V. N. Herwadkar	CGM (Contract Mgt. & Administration), Mumbai Refinery
Ms. Geeta V. Iyer	CGM Finance (Taxation)	Mr. Vijay N. Tilak	CGM Sales & LPG Marketing Strategy, HQ
Mr. J. Vedagiri	CGM (LPG Infrastructure)	Mr. Vijay Ranjan	CGM (Aviation)
Mr. K. Ajith Kumar	CGM (Projects), Kochi Refinery	Mr. Anil Ahluwalia	GM (Employee Satisfaction Enhancement)
Mr. Kani Amudhan N.	CGM (Marketing Corporate)	Ms. Kala V.	Company Secretary
Mr. K. A. Trivedi	CGM (International Trade)	Mr. Rahul Tandon	GM (Corporate Strategy)
Mr. Kurian Parambi	CGM (HR), Mumbai Refinery	Mr. Syed Abbas Akhtar	GM (Brand & PR)
Mr. Kurian P. Alapatt	CGM (HR), Kochi Refinery		
Mr. Lalit K. Watts	CGM (HRS), North		
Mr. Mahadevan Easwaran S.	CGM (IS Technology)		
Mr. Mahesh Narain	CGM (Gas Projects), Delhi		
Mr. Mohammad Gayasuddin	CGM Engg. (E&P) North		



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

VALUES



- **Trust** is the bedrock of our existence
- **Customer Centricity** is intrinsic to our achievements
- **Development of People** is the only way to success
- **Ethics** govern all our actions
- **Innovation** is our daily inspiration
- **Collaboration** is the essence of individual action
- **Involvement** is the way we pursue our organisation goals

CULTURE



- We remain result focused 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 is ₹ 3,27,580.78 Crores

Refinery throughput increases to 31.91 MMT

Market Sales including exports surges to 45.72 MMT

Net Profit is ₹ 2,683.19 Crores

Market Share soars to 24.52%

