MAHARATNA

Bharat Petroleum

energising lives

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

Contents

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

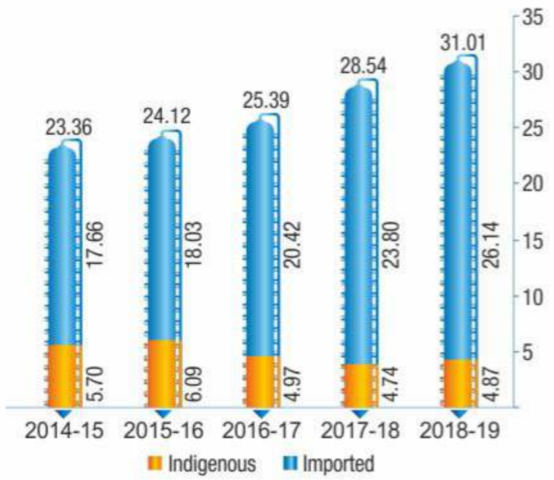
Gross Sales Turnover / Profit After Tax (₹ Crores)

*Figures from FY 2015-16 onwards are as per Ind AS
*Figures for FY 2017-18 are restated including the PCCKL (Petronet CCK Limited) Operations

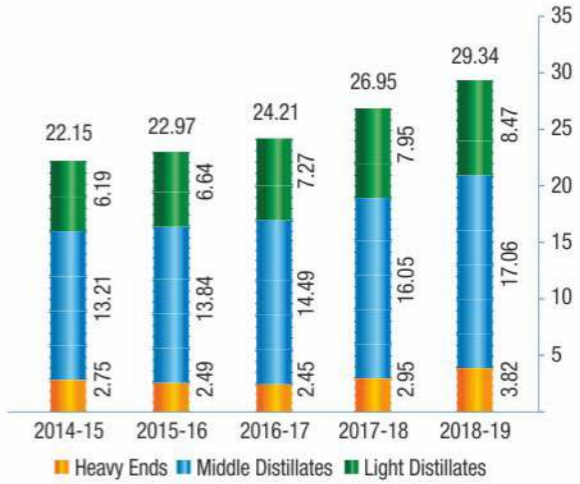
Internal Generation / Capital Expenditure* (₹ Crores)

*Includes investments in JVCs, BGRL & Capital Expenditure in exploration through Subsidiary Company
*Figures for FY 2017-18 are restated including the PCCKL Operations

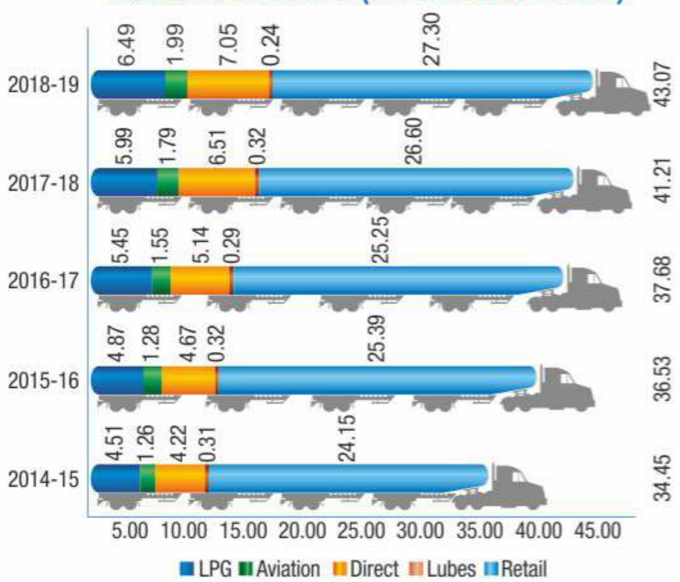
Refinery Throughput (Million Metric Tonnes)



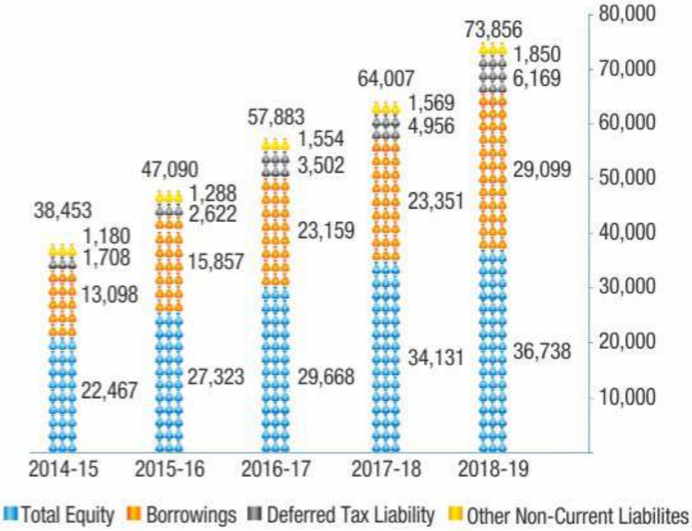
Production (Million Metric Tonnes)



Market Sales Volume (Million Metric Tonnes)

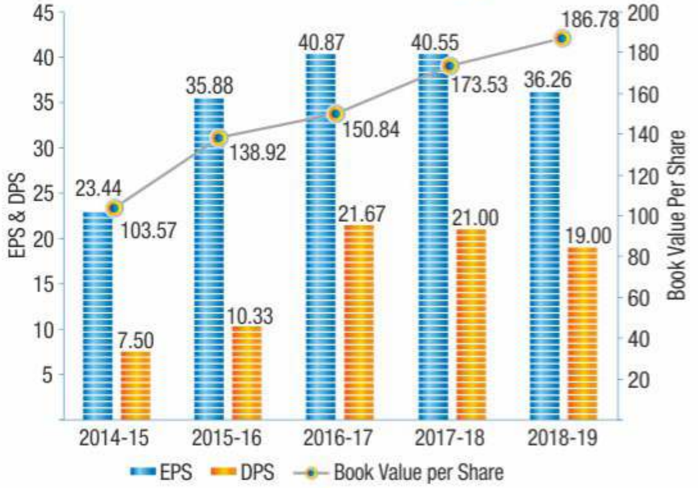


Total Funds Employed (₹ Crores)



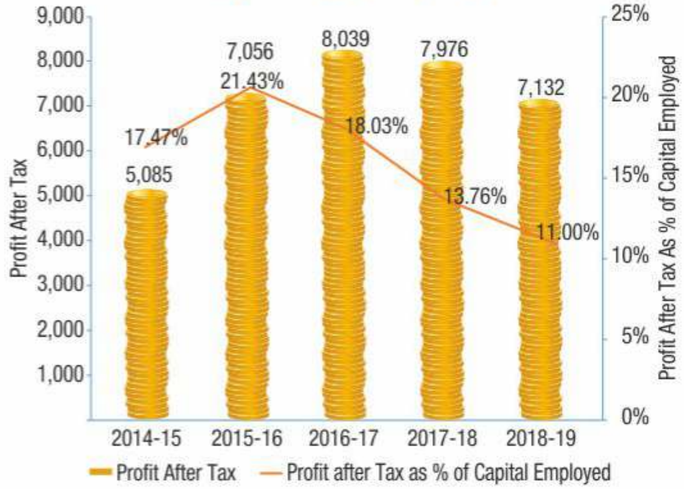
*Figures for FY 2017-18 are restated including the PCCKL Operations

Earnings Per Share (EPS) / Dividend Per Share (DPS) / Book Value Per Share (₹)



EPS, DPS & Book Value per share for previous years have been adjusted for bonus issue
*Figures for FY 2017-18 are restated including the PCCKL Operations

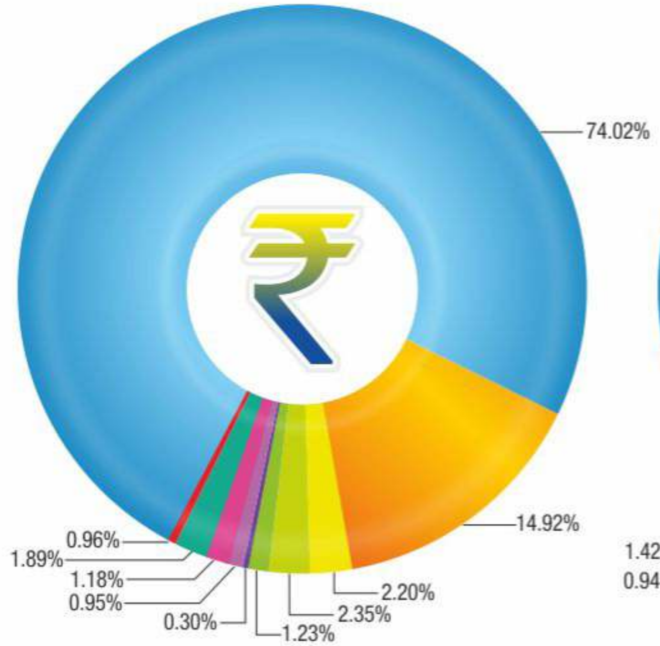
Profit After Tax (₹ Crores) & Profit After Tax As % of Capital Employed (In %)



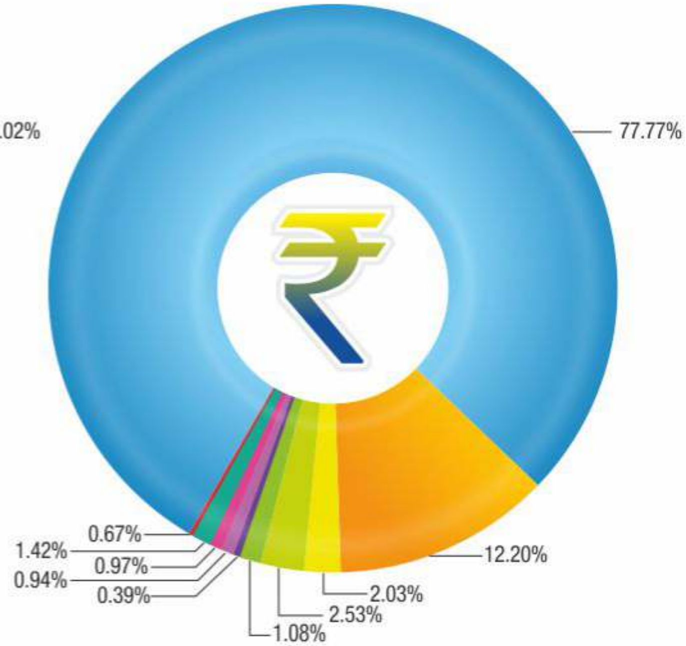
*Figures for FY 2017-18 are restated including the PCCKL Operations

Distribution of Each Rupee Earned

Financial Year 2017-18



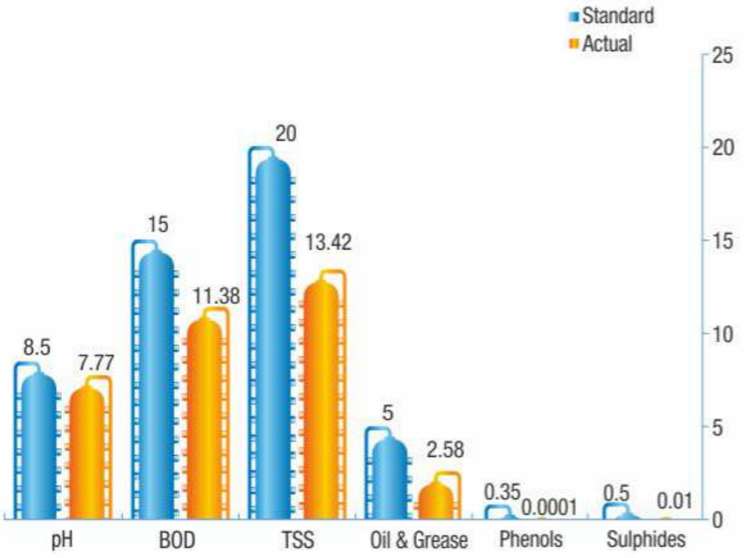
Financial Year 2018-19



- Raw Materials, Purchase of Products For resale and Packages
- Duties, Taxes etc.
- Transportation
- Other Operating Expenses
- Employees remuneration and other benefits
- Finance cost
- Depreciation & Amortisation
- Income Tax
- Dividend (including Corporate Dividend Tax)
- Retained Profits (including Appropriation to Debenture Redemption Reserve)

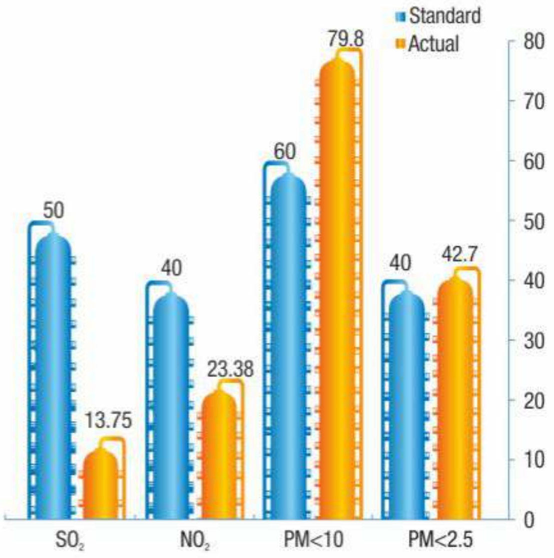
*Figures for FY 2017-18 are restated including the PCCKL Operations

Treated Effluent Water Quality vis-a-vis Statutory Standards at Mumbai Refinery



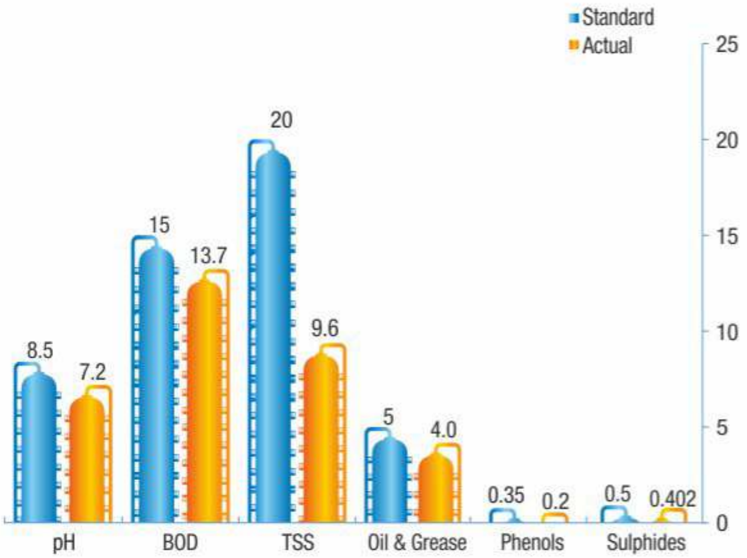
(All units are in mg/ltr. except pH)

Typical Ambient Air Quality vis-a-vis Statutory Standards at Mumbai Refinery



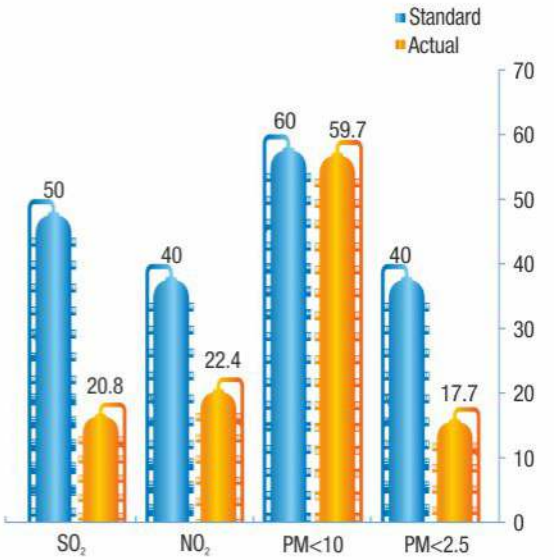
(All units are in mg/m^3)

Treated Effluent Water Quality vis-a-vis Statutory Standards at Kochi Refinery



(All units are in mg/ltr. except pH)

Typical Ambient Air Quality vis-a-vis Statutory Standards at Kochi Refinery



(All units are in mg/m^3)

Creating **social value** is integral to our business operations

NOTICE TO THE MEMBERS

Notice is hereby given that the 66th Annual General Meeting of the Members of Bharat Petroleum Corporation Limited will be held in the Y.B. Chavan Auditorium, Yashwantrao Chavan Pratishthan, General Jagannathrao Bhosale Marg, Mumbai 400 021, on Friday, 30th August, 2019, at 10.30 a.m. to transact the following Ordinary and Special Business:

A. Ordinary Business

1) To receive, consider and adopt (a) the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2019 (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2019; and the Reports of the Board of Directors, the Statutory Auditors and the Comments of the Comptroller & Auditor General of India thereon.

2) To confirm the payment of Interim Dividend on Equity Shares and to declare Final Dividend on Equity Shares for the Financial Year ended 31st March, 2019.

3) To appoint a Director in place of Shri Padmakar Kappagantula, Director (DIN: 08021800), who retires by rotation and being eligible, offers himself for reappointment.

4) To authorize the Board of Directors of the Company to fix the remuneration of the Joint Statutory Auditors of the Company for the Financial Year 2019-20 in terms of the provisions of Section 139(5) read with Section 142 of the Companies Act, 2013 and to consider and, if thought fit, to pass the following Resolution, with or without modification(s), as an Ordinary Resolution:

   "RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to decide and fix the remuneration of the Joint Statutory Auditors of the Company as appointed by the Comptroller & Auditor General of India for the Financial Year 2019-20, as may be deemed fit by the Board."

B. Special Business

5) **Appointment of Shri Arun Kumar Singh as Director (Marketing)**

   To consider and, if thought fit, to pass the following Resolution, with or without modification(s), as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder as amended from time to time, Shri Arun Kumar Singh (DIN: 06646894), who was appointed by the Board of Directors as an Additional Director and Director (Marketing) with effect from 1st October, 2018 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director (Marketing) of the Company, liable to retire by rotation, on terms and conditions as determined by the Government of India."

6) **Appointment of Shri Neelakantapillai Vijayagopal as Director (Finance)**

   To consider and, if thought fit, to pass the following Resolution, with or without modification(s), as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder as amended from time to time, Shri Neelakantapillai Vijayagopal (DIN: 03621835), who was appointed by the Board of Directors as an Additional Director and Director (Finance) with effect from 17th December, 2018 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director (Finance) of the Company, liable to retire by rotation, on terms and conditions as determined by the Government of India."

7) **Reappointment of Shri Rajesh Kumar Mangal as an Independent Director**

To consider and, if thought fit, to pass the following Resolution, with or without modification(s), as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder, read with Schedule IV of the Companies Act, 2013, as amended from time to time and other applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, Shri Rajesh Kumar Mangal (DIN: 03033081), who was appointed as an Independent Director of the Company for a term upto 30th November, 2018 and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby reappointed as an Independent Director of the Company, for a period of one year commencing from 1st December, 2018 up to 30th November, 2019 or until further orders from the Ministry of Petroleum & Natural Gas, whichever is earlier."

8) **Appointment of Shri Harshadkumar P. Shah as an Independent Director**

To consider and, if thought fit, to pass the following Resolution, with or without modification(s), as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder, read with Schedule IV of the Companies Act, 2013, as amended from time to time and other applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri Harshadkumar P. Shah (DIN: 08511473), who was appointed by the Board of Directors as an Additional Director with effect from 16th July, 2019 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of three years commencing from 16th July, 2019 up to 15th July, 2022 or until further orders from the Ministry of Petroleum & Natural Gas, whichever is earlier."

9) **Approval of Material Related Party Transactions**

To consider and, if thought fit, to pass the following Resolution, with or without modification(s), as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Regulation 23 and other applicable Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Regulations") approval of the Company be and is hereby accorded for the contracts, arrangements and transactions entered into and/or to be entered into with Bharat Oman Refineries Limited, a Joint Venture Company and a Related Party under Section 2(76) of the Companies Act, 2013 and the Regulations, for transfer or receipt of products, goods, materials, services or other resources and obligations for the Financial Year 2018-19 and subsequent Financial Years exceeding ten percent of the annual consolidated turnover of the Company, as per the last audited financial statements of the Company relevant for the respective Financial Years on such terms and conditions as may be mutually agreed between the Company and Bharat Oman Refineries Limited.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to decide upon the nature and value of the products, goods, materials, services or other resources and obligations to be transacted with Bharat Oman Refineries Limited and to do and perform all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for giving effect to this Resolution."

10) **Approval of Remuneration of the Cost Auditors for the Financial Year 2019-20**

To consider and if thought fit, to pass the following Resolution, with or without modification(s), as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, the Cost Auditors viz. M/s. ABK & Associates, Cost Accountants, Mumbai and M/s Bandyopadhyaya Bhaumik & Co., Cost Accountants, Mumbai, appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2020 be paid the remuneration as set out below:

Name of the Cost Auditor	Activities / Location	Audit Fees
M/s. ABK & Associates, Mumbai (Lead Auditor)	BPCL's activities where cost records are to be maintained including Refineries, product pipelines, etc. (other than Lubricants)	₹ 2,75,000/- plus applicable taxes and reimbursement of out-of-pocket expenses.
M/s. Bandyopadhyaya Bhaumik & Co., Mumbai	Lube Oil Blending Plants: Wadilube; Tondiarpet; Budge-Budge and Loni	₹ 1,25,000/- plus applicable taxes and reimbursement of out-of-pocket expenses.

RESOLVED FURTHER THAT the Board of the Company be and is hereby authorised to do all such acts, deeds and things, and to take all such steps as may be necessary or expedient to give effect to this Resolution."

By Order of the Board of Directors

Sd/-
(M. Venugopal)
Company Secretary

Place: Mumbai
Date: 31st July, 2019

Registered Office:
Bharat Bhavan, P. B. No. 688, 4 & 6 Currimbhoy Road, Ballard Estate,
Mumbai 400 001 CIN: L23220MH1952GOI008931 Phone: 2271 3000 / 4000
Fax: 2271 3874 email: info@bharatpetroleum.in Website: www.bharatpetroleum.in

Notes :

1. Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 in respect of the items of Special Business are annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing a proxy should be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the meeting.
3. A person shall act as proxy on behalf of members not exceeding fifty members and holding in the aggregate of not more than 10 percent of the total share capital of the Company carrying voting rights. However a Member holding more than 10 percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.

4. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 23rd August, 2019 to Friday, 30th August, 2019 (both days inclusive) for the purpose of payment of dividend on equity shares for the year ended 31st March, 2019, if declared at the Annual General Meeting as under:

   a) To all Beneficial Owners in respect of shares held in electronic form as per the data to be made available by NSDL/CDSL as of the close of business hours on Thursday, 22nd August, 2019.

   b) To all Members in respect of shares held in physical form after giving effect to transmission or transposition requests lodged with the Company/Registrar & Share Transfer Agent (RTA) viz., Data Software Research Co. Pvt. Ltd. as of the close of business hours on Thursday, 22nd August, 2019.

5. In terms of Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019 except in case of requests received for transmission or transposition of securities.

6. All the documents referred to in the Notice and Explanatory Statements shall be open for inspection at the Registered Office of the Company on all working days during business hours up to the date of the Annual General Meeting.

7. As required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a brief resume of persons seeking appointment/reappointment as Directors under Item No. 3, 5, 6, 7 and 8 of the Notice, are attached.

8. As per the provisions of Section 72 of the Companies Act, 2013, facility for making nomination is available to individuals holding shares in the Company. Members holding shares in physical form may obtain the Nomination Form from the Company's Secretarial Department at its Registered Office or its RTA or can download the form from the Company's website viz. www.bharatpetroleum.in. Members holding shares in electronic form have to approach their Depository Participants (DPs) for completing the nomination formalities.

9. In line with the measures of Green Initiatives, Companies Act, 2013 provides for sending the Notice of the meeting and other Member correspondences through electronic mode. Members holding shares in physical mode are requested to register their e-mail IDs with the Company/RTA. Members holding shares in dematerialised mode are requested to register their e-mail IDs with their respective DPs. If there is any change in the e-mail ID already registered with the Company/RTA, Members are requested to immediately notify such change to the Company/ RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.

10. **Usage of electronic payment modes for making cash payments to the investors:** As per SEBI circular, Members holding shares in electronic form/dematerialised mode are requested to provide the bank particulars to Depository Participants/Depositories which will be used by the RTA and Company for payment of dividend. In cases where either the bank details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code), etc. required for making electronic payment are not available or the electronic payment instructions have failed or have been rejected by the bank, RTA and Company will use physical payment instructions for payment of dividend to these Members with printing the bank account details of the Members wherever applicable. Members who hold physical shares may provide updated bank details to Registrar and Share Transfer Agent (Data Software Research Co. Pvt. Ltd. 19, Pycrofts Garden Lane, Off. Haddows Road, Nungambakkam, Chennai - 600 006 Ph: +91-44-2821 3738 / 2821 4487, Fax: 91-44-2821 4636, Email : bpcl@dsrc-cid.in) to maintain the information required.

11. The unclaimed dividends of BPCL and erstwhile Kochi Refineries Limited (KRL) for the Financial Years up to 1993-94 have been transferred by the Companies to the General Revenue Account of the Central Government, which can be claimed by the Members from the Office of the Registrar of Companies at Mumbai and Kochi, respectively.

12. Pursuant to Regulation 44(6) of SEBI Listing Regulations, the Company shall broadcast a live webcast of proceedings of the Annual General Meeting from 10.30 a.m. onwards on Friday, 30th August, 2019. Members can view the proceedings of the Annual General Meeting by logging on to the e-voting website of NSDL at https://www.evoting.nsdl.com using their remote e-voting credentials, where the E-voting Event Number ("EVEN") of the Company will be displayed.

13. a) Pursuant to Section 124 and 125 of the Companies Act, 2013, any amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to the Investor Education & Protection Fund (IEPF) established by the Central Government. The unclaimed dividends for the Financial Years from 1994-95 to 2010-11 have been transferred to the said Fund, and no claim shall lie against the Company, for the amount of dividend so transferred.

b) In terms of Section 124(6) of the Companies Act, 2013, read with the IEPF Rules as amended, all the shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more are required to be transferred to an IEPF Demat Account. Accordingly, shares in respect of unclaimed dividend for the financial year 2010-11 have been transferred to an IEPF Demat Account. In the event of transfer of shares and the unclaimed dividends to IEPF, Members are entitled to claim the same from IEPF by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF-5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.

c) Members of BPCL who have not yet encashed their dividend warrant(s) for the Financial Year 2011-12 or dividend warrants(s) for any subsequent financial years are requested to make their claims without any delay to the Registrar & Share Transfer Agent/Company. It may be noted that the unclaimed amount of dividend for the Financial Year ended 31.3.2012 becomes due for transfer to IEPF Authority on 27.10.2019. It may please be noted that if no claim/application is received by the Company or the Company's RTA for the Financial Year 2011-12 before the said date, the Company will be compelled to transfer the underlying shares to the IEPF.

Instructions for Voting through electronic means:

1. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide Members the facility to exercise their right to vote on the Resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through such e-voting services.

   The facility of casting the votes by the Members using an electronic voting system from a place other than the venue of the Annual General Meeting ("remote e-voting") will be provided by National Securities Depository Limited (NSDL). Instructions for remote e-voting are given herein below. Resolution(s) passed by Members through remote e-voting are deemed to have been passed as if they have been passed at the Annual General Meeting.

2. The facility for voting through electronic voting system at the Annual General Meeting for Members attending the Annual General Meeting, who have not already cast their vote by remote e-voting, is available.

3. Member(s) can opt for only one mode of voting through remote e-voting at the Annual General Meeting. A Member may participate in the Annual General Meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the Annual General Meeting.

4. The remote e-voting period commences on **Monday, 26th August 2019 (9:00 a.m.) and ends on Thursday, 29th August 2019 (5:00 p.m.)**. During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date ie. Friday, 23rd August 2019 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on the Resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast his vote again.

5. **The instructions to Members for e-voting are as under:**

The way to vote electronically on the NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to the NSDL e-Voting system at https://www.evoting.nsdl.com/

Step 2 : Cast your vote electronically on the NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to the NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open the web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of the e-Voting system is launched, click on the icon "Login" which is available under the 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using the NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

   a) Click on **"Forgot User Details/Password?"**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by the aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

   d) Members can also use OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on the "Login" button.

9. After you click on the "Login" button, the Home page of e-Voting will open.

Details on Step 2 are given below:

How to cast your vote electronically on the NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After clicking on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting the appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the Resolution, you will not be allowed to modify your vote.

General Guidelines for Shareholders

1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to **bpclagm2019@dholakia-associates.com** with a copy marked to **evoting@nsdl.co.in.**

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the **"Forgot User Details/Password?"** or **"Physical User Reset Password?"** option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of **www.evoting.nsdl.com** or call on the toll free no.: 1800-222-990 or send a request at **evoting@nsdl.co.in**

Other Instructions:

i) You can also update your mobile number and email id in the user profile details of the folio which may be used for sending future communication.

ii) The Members holding shares in electronic form are therefore requested to submit the Permanent Account Number (PAN) details to their Depository Participants (DP) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to Data Software Research Company Private Limited (DSRC), Registrar and Share Transfer Agent of the Company.

iii) The voting right of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date ie. **Friday, 23rd August, 2019**. A person, whose name is recorded in the register of Members or in the register of Beneficial Owners maintained by the Depositories as on the cut-off date ie. **Friday, 23rd August 2019** only shall be entitled to avail of the facility of remote e-voting at the Annual General Meeting.

iv) Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. Friday, 23rd August 2019, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or bpcl@dsrc-cid.in

v) Shri Bhumitra V. Dholakia, Designated Partner (C.P. NO. 507) and in his absence Shri Nrupang B. Dholakia, Designated Partner (C.P. No. 12884) from Dholakia & Associates LLP, Practising Company Secretaries has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

vi) The Chairman shall, at the Annual General Meeting, at the end of discussion on the Resolutions on which voting is to be held, allow voting with the assistance of the Scrutinizer, by use of remote e-voting for all those Members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.

vii) The Scrutinizer will, immediately after the conclusion of voting at the Annual General Meeting, first unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the Company and shall make available, not later than forty eight hours of conclusion of the meeting, a Consolidated Scrutinizer's Report of the total votes cast in favour of, or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and declare the result of voting.

viii) The results declared along with the Report of the Scrutinizer shall be placed on the Company's website www.bharatpetroleum.in and on the website of NSDL www.evoting.nsdl.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

ANNEXURE TO THE NOTICE

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013:

Item No.5: Appointment of Shri Arun Kumar Singh as Director (Marketing)

Shri Arun Kumar Singh was appointed as Additional Director on the Board and as Director (Marketing) of the Company under the provisions of Article 77A of the Articles of Association of the Company effective 1st October 2018 in accordance with the directions of the Government of India.

Shri Arun Kumar Singh, being an Additional Director, holds office up to the date of the ensuing Annual General Meeting. The Company has received a Notice in writing along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature.

Shri Arun Kumar Singh is a Mechanical Engineer with the first rank from the National Institute of Technology, Patna (Formerly BCE, Patna). His brief resume containing his age, qualifications, expertise etc. is annexed herewith. He has attended seven Board meetings held post his appointment during the Financial Year 2018-19.

The Board of Directors accordingly recommends the passing of the proposed Ordinary Resolution as contained in the Notice by Members of the Company.

Shri Arun Kumar Singh is interested in the Resolution to the extent as it concerns his appointment. None of the other Directors or Key Managerial Personnel or their relatives has any concern or interest, financial or otherwise, in passing of the said Ordinary Resolution.

Item No.6: Appointment of Shri Neelakantapillai Vijayagopal as Director (Finance)

Shri Neelakantapillai Vijayagopal was appointed as Additional Director on the Board and as Director (Finance) of the Company under the provisions of Article 77A of the Articles of Association of the Company effective 17th December 2018 in accordance with the directions of the Government of India.

Shri Neelakantapillai Vijayagopal, being an Additional Director, holds office up to the date of the ensuing Annual General Meeting. The Company has received a Notice in writing along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature.

Shri Neelakantapillai Vijayagopal is a member of the Institute of Chartered Accountants of India and a Bachelor of Law. His brief resume containing his age, qualifications, expertise etc. is annexed herewith. He has attended four Board meetings held post his appointment during the Financial Year 2018-19.

The Board of Directors accordingly recommends the passing of the proposed Ordinary Resolution as contained in the Notice by Members of the Company.

Shri Neelakantapillai Vijayagopal is interested in the Resolution to the extent as it concerns his appointment. None of the other Directors or Key Managerial Personnel or their relatives has any concern or interest, financial or otherwise, in passing of the said Ordinary Resolution.

Item No.7: Reappointment of Shri Rajesh Kumar Mangal as an Independent Director

The Board of Directors had appointed Shri Rajesh Kumar Mangal as an Independent Director of the Company for a term of three years with effect from 1st December 2015 in terms of directions from Govt. of India, subject to the approval of members in the Annual General Meeting. The members at the 63rd Annual General Meeting held on 21st September 2016 had approved the appointment of Shri Rajesh Kumar Mangal as an Independent Director for a period of three years from 1st December, 2015 up to 30th November, 2018 or until further orders from Ministry of Petroleum & Natural Gas(MoP&NG), whichever is earlier.

In accordance with Section 149 of the Companies Act, 2013, an Independent Director is eligible for reappointment on passing a Special Resolution and disclosure of such appointment is required to be made in the Directors' Report. Accordingly, the Board of Directors has approved the reappointment Shri Rajesh Kumar Mangal as an Independent Director of the Company with effect from 1st December 2018 to 30th November, 2019 or until further orders whichever is earlier, as per the directions from the Ministry of Petroleum & Natural Gas, subject to the approval of the shareholders.

Shri Rajesh Kumar Mangal fulfills the conditions specified in the Companies Act, 2013, rules made thereunder and under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for his reappointment as an Independent Director of the Company and is independent of the management.

Shri Rajesh Kumar Mangal is a Chartered Accountant in practice by profession since the year 1992. His brief resume containing his age, qualifications, expertise etc. is annexed herewith. He has attended four Board meetings held post his reappointment during the Financial Year 2018-19.

The Company has received a notice in writing from the Director under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Independent Director of the Company.

The Board, accordingly recommends the passing of the proposed Special Resolution as contained in the Notice by Members of the Company.

Shri Rajesh Kumar Mangal is interested in the Resolution to the extent as it concerns his appointment. None of the other Directors or Key Managerial Personnel or their relatives has any concern or interest, financial or otherwise, in passing of the said Special Resolution.

Item No.8: Appointment of Shri Harshadkumar P. Shah as an Independent Director

Shri Harshadkumar P. Shah was appointed as Additional Director on the Board and as Independent Director of the Company under the provisions of Article 77A of the Articles of Association of the Company, effective 16.07.2019 for a period of three years up to 15.07.2022 or until further orders from the Ministry of Petroleum & Natural Gas, whichever is earlier.

Shri Harshadkumar P. Shah, being Additional Director holds office up to the date of the ensuing Annual General Meeting. The Company has received a Notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director.

Shri Harshadkumar P. Shah fulfills the conditions specified in the Companies Act, 2013, the Rules made thereunder and under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for appointment as Independent Director and he is Independent of the management and not liable to retire by rotation pursuant to Section 149(13) read with Section 152 of the Companies Act, 2013.

In compliance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, the appointment of Shri Harshadkumar P. Shah as an Independent Director is now placed before the Members at the General Meeting for approval.

A copy of the letter of appointment as an Independent Director setting out the terms and conditions is available for inspection by the Members at the Registered Office of the Company.

Shri Harshadkumar P. Shah holds a Bachelor Degree in Maths. His brief resume containing his age, qualifications, expertise etc. is annexed herewith.

The Board of Directors accordingly recommends the passing of the proposed Ordinary Resolution as contained in the Notice by Members of the Company.

Shri Harshadkumar P. Shah is interested in the Resolution to the extent as it concerns his appointment. None of the other Directors or Key Managerial Personnel or their relatives has any concern or interest, financial or otherwise, in passing of the said Ordinary Resolution.

Item No.9: Approval of Material Related Party Transactions

Bharat Oman Refineries Limited (BORL) is a Joint Venture Company between Bharat Petroleum Corporation Limited (BPCL) and Oman Oil Company (OOC). The present shareholding of the Company as on 31st March 2019 is 50% each by BPCL and OOC. BORL is a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 23(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

In terms of the Listing Regulations, the contracts, arrangements and transactions relating to transfer or receipt of products, goods, materials, services, other resources and obligations with BORL are material in nature if the transactions entered into or to be entered into individually or taken together with previous transactions during the Financial Year exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company. Accordingly, the contracts, arrangements and transactions with BORL require the approval of Members of the Company through an Ordinary Resolution and the related parties shall abstain from voting on such a Resolution.

The particulars of contracts, arrangements and transactions are as under:

(a) Name of the Related Party: Bharat Oman Refineries Limited (BORL)

(b) Name of the Director or Key Managerial Personnel (KMP) who is related: None (other than Shri Rajkumar Duraiswamy, Shri Ramamoorthy Ramachandran and Shri Neelakantapillai Vijayagopal to the extent of being common Board members and nominee Directors of BPCL).

(c) Nature of relationship: Bharat Oman Refineries Limited (BORL) is a Joint Venture Company between Bharat Petroleum Corporation Limited (BPCL) and Oman Oil Company (OOC).

(d) Nature, Material Terms of contracts, arrangements and transactions: purchase of products- Crude oil, MS, HSD, LPG, Naphtha, SKO, ATF, project materials etc.; sale of goods- Crude oil, lubricants etc; interest income on loans; rendering/receiving of services; canalysing commission, demurrage, port charges, employee deputation, lease rental etc.

(e) Monetary value: The actual value of material transactions falling under Regulation 23(1) of the Listing Regulations for the Financial Year 2018-19 was ₹ 34,040.13 crore. The estimated value of material transactions falling under Regulation 23(1) of the Listing Regulations for the Financial Year 2019-20 is: ₹ 39,146.15 crore. Ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company for the Financial Year 2018-19 is ₹ 34087.91 crore. The annual material related party transaction exceed/ may exceed ten percent of the annual consolidated turnover of the Company as per the latest audited financial statements of the Company for the respective Financial Years based on the subsisting contracts, arrangements and transactions entered into or to be entered into;

(f) Any other information relevant or important for the Members to make a decision on a proposed transaction: Transactions entered into on arm's length basis and in the ordinary course of business.

The Board of Directors, accordingly, recommends the passing of the proposed Ordinary Resolution as contained in the Notice by Members of the Company.

The Directors or Key Managerial Personnel or their relatives, except as stated in (b) Directors, do not have any concern or interest, financial or otherwise, in passing of the said Ordinary Resolution.

Item No.10: Approval of Remuneration of the Cost Auditors for the Financial Year 2019-20

The Board had approved the appointment and remuneration of M/s. ABK & Associates, Cost Accountants and M/s. Bandyopadhyaya Bhaumik & Co, Cost Accountants as the Cost Auditors on 08.03.2019 on the recommendation of the Audit Committee to conduct the audit of the Cost records for the Financial Year 2019-20. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, ratification for the remuneration payable to the Cost Auditors for the Financial Year 2019-20 by way of an Ordinary Resolution is being sought from the Members as set out at Item No.10 of the Notice.

The Board of Directors accordingly recommends the passing of the proposed Ordinary Resolution for approval by the Members. None of the Directors or Key Managerial Personnel of the Company or their relatives has any concern or interest, financially or otherwise in passing of the said Ordinary Resolution.

By Order of the Board of Directors

Sd/-
(M. Venugopal)
Company Secretary

Place: Mumbai
Date : 31st July, 2019

Registered Office
Bharat Bhavan, P. B. No. 688, 4 & 6 Currimbhoy Road, Ballard Estate, Mumbai 400 001
CIN: L23220MH1952GOI008931 Phone: 2271 3000 / 4000 Fax: 2271 3874
email: info@bharatpetroleum.in Website: www.bharatpetroleum.in

BRIEF RESUME OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE 66TH ANNUAL GENERAL MEETING

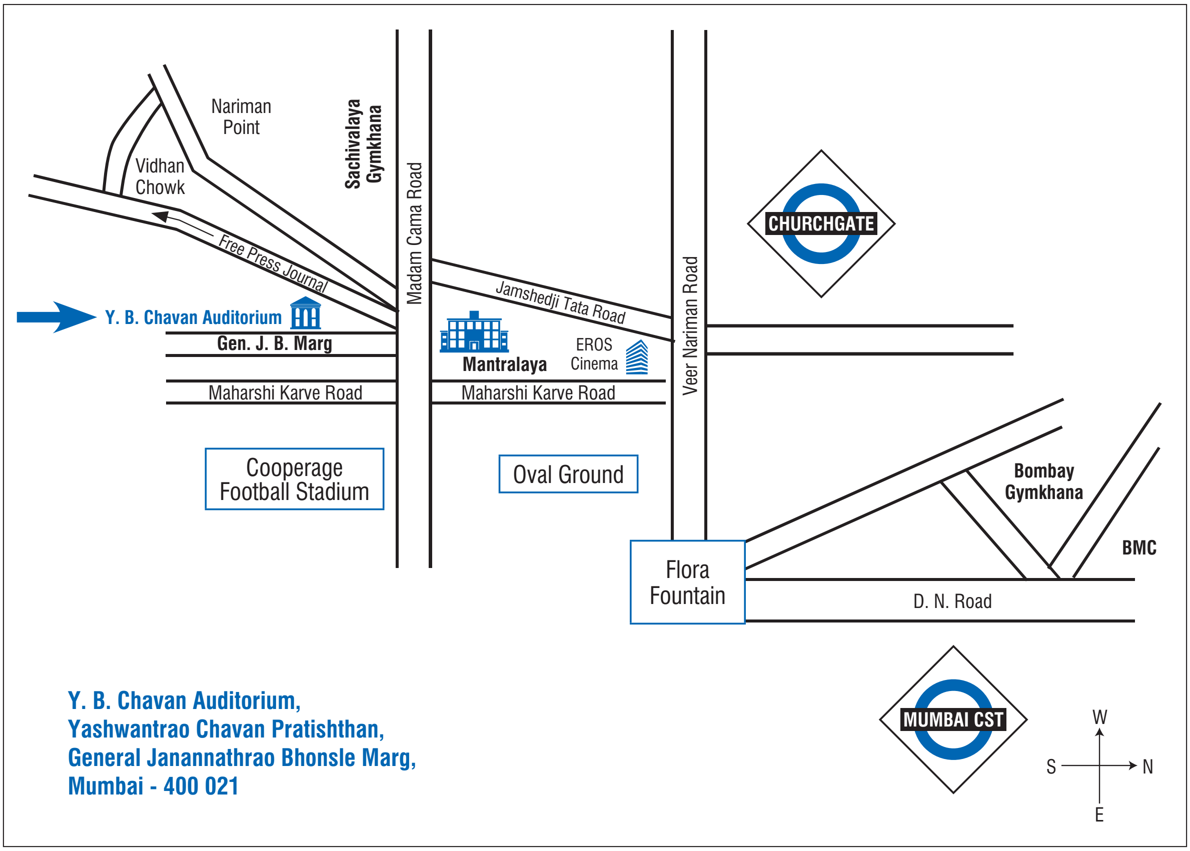
Name	Shri Padmakar Kappagantula	Shri Arun Kumar Singh	Shri Neelakantapillai Vijayagopal	Shri Rajesh Kumar Mangal	Shri Harshadkumar P. Shah
Date of Birth	14.12.1961	06.10.1962	31.07.1961	28.09.1966	23.01.1951
Date of first Appointment	01.02.2018	01.10.2018	17.12.2018	01.12.2015	16.07.2019
Qualifications	Masters degree in Personnel Management & Industrial Relations from Tata Institute of Social Sciences, Mumbai. Bachelor degree in Agriculture from Andhra Pradesh Agricultural University	Mechanical Engineer with first rank from National Institute of Technology, Patna (Formerly BCE, Patna).	ACA LLB	FCA	B.Sc.(Maths)
Experience in specific functional areas	He joined BPCL in the year 1984 and worked across the entire Human Resource Management landscape. He has also held various positions of responsibility encompassing HR Policy and Strategy and was responsible for Organizational Learning & Talent Management. He has played a key role in the design and roll out of Enterprise Resource Planning in BPCL & in the Industrial Relations landscape.	He has headed various Business Units and Entities in BPCL viz. Retail, LPG, Pipelines and Supply Chain Optimization etc and has experience of over last 34 years. He has also held position of President (Africa & Australasia) in Bharat PetroResources Ltd, a wholly owned Subsidiary of BPCL.	He has vast experience of 31 years in financial management. He has held various senior positions in BPCL including its upstream and pipeline subsidiary companies and handled various areas of finance covering Refinery/Corporate Accounts, Treasury Management, Risk Management, Taxation and Budgeting, Fund Management etc.	He is a Chartered Accountant in practice by Profession since year the 1992. He is a Senior Partner of M/s B. Jain & associates, Chartered Accountants based at Jaipur. He has experience in Audit, Taxation, Company Law matters and Finance Consultancy.	He has a Bachelor Degree in Mathematics and is in the field of Education. He has established 'Shree Saraswati Shishumandir', a School at Bardoli in Gujarat. He was nominated as a member of the Syndicate by Govt. of Gujarat in Veer Narmad South Gujarat University. He was the first Vice-Chancellor of Children's University, Gandhinagar for 3 years. He was also a member of Search Committees for the Vice-Chancellor/Chairperson of various Universities/Institutions in the State of Gujarat. He is also working as 'Visitors Nominee' in the University of Delhi since the year 2015. He has authored and published 15 books on education.

Name	Shri Padmakar Kappagantula	Shri Arun Kumar Singh	Shri Neelakantapillai Vijayagopal	Shri Rajesh Kumar Mangal	Shri Harshadkumar P. Shah
Directorship held in other Companies	-	**Director:** 1. Bharat Gas Resources Ltd.	**Director:** 1. Bharat Oman Refineries Limited 2. Bharat PetroResources Limited 3. Bharat Gas Resources Ltd	**Director:** 1. Rishi Corporate Services Private Limited	-
Membership/ Chairmanships of Audit and Stakeholders Relationship Committees	**Member:** 1. Stakeholders Relationship Committee-BPCL	-	**Member:** 1. Audit Committee- BPRL 2. Stakeholders Relationship Committee-BPCL	**Member**: 1. Audit Committee	-
No. of shares held in BPCL	-	2100 Equity Shares	3000 Equity Shares	-	-

ROUTE MAP TO ANNUAL GENERAL MEETING VENUE

LOCATION : Y. B. Chavan Auditorium, Yashwantrao Chavan Pratishthan, General Jagannathrao Bhosale Marg, Mumbai 400 021

LANDMARK : Mantralaya



Directors' Report

The Board of Directors takes pleasure in presenting its Report on the performance of Bharat Petroleum Corporation Limited (BPCL) for the year ended 31st March, 2019.

PERFORMANCE OVERVIEW

Group Performance

During 2018-19, the aggregate refinery throughput of BPCL's Refineries at Mumbai and Kochi, along with its Subsidiary Company Numaligarh Refinery Limited (NRL) and considering 50% throughput of Joint Venture Company (JVC), Bharat Oman Refineries Limited (BORL) was 36.76 Million Metric Tonnes (MMT) as compared to 34.72 MMT during 2017-18. The BPCL Group ended the year with Market Sales of 43.30 MMT as compared to 41.38 MMT during 2017-18. During the year, the BPCL Group exported 1.99 MMT of petroleum product as against 2.02 MMT during 2017-18.

During this Financial Year, the Group achieved Gross Revenue from Operations of ₹ 3,40,879.15 crores as compared to ₹ 2,79,437.99 crores in 2017-18. The Net Profit attributable to BPCL stood at ₹ 7,802.30 crores in 2018-19 as against ₹ 9,008.63 crores in the previous year. The Group has recorded Earnings per Share of ₹ 39.67 in the current year as against ₹ 45.80 in 2017-18 after setting off the minority interest.

CONSOLIDATED GROUP RESULTS	2018-19	2017-18
Physical Performance		
Refinery Throughput (MMT)	**36.76**	34.72
Market Sales (MMT)	**43.30**	41.38
Financial Performance		₹ in Crores
Gross Revenue from Operations	**3,40,879.15**	2,79,437.99
Profit before Depreciation, Finance Costs and Tax	**17,149.77**	16,955.38
Finance Cost	**1,763.95**	1,185.74
Depreciation & amortization expense	**3,417.77**	2,885.00
Share of profit of equity accounted investee (net of income tax)	**937.32**	1,288.88
Profit before Tax	**12,905.37**	14,173.52
Provision for Taxation – Current Tax	**3,109.18**	3,234.82
Provision for Taxation – Deferred Tax	**1,367.53**	1,452.24
Short / (Excess) provision for Taxation for earlier years	**(99.19)**	(305.45)
Net Profit for the year	**8,527.85**	9,791.91
Minority Interest	**725.55**	783.28
Net Profit attributable to BPCL	**7,802.30**	9,008.63
Other Comprehensive Income attributable to BPCL	**(1,173.05)**	455.35
Total Comprehensive Income attributable to BPCL	**6,629.25**	9,463.98
Group Earnings per share attributable to BPCL (₹)	**39.67**	45.80

Company Performance

During the year 2018-19, the refinery throughput at BPCL's Refineries at Mumbai and Kochi was 31.01 MMT as against 28.54 MMT achieved in 2017-18. The Market sales of the Corporation grew by 4.51% to 43.07 MMT in 2018-19 from 41.21 MMT in 2017-18.

COMPANY STANDALONE RESULTS	2018-19	2017-18
Physical Performance		
Refinery Throughput (MMT)	31.01	28.54
Market Sales (MMT)	43.07	41.21
Financial Performance		₹ in Crores
Gross Revenue from Operations	3,37,622.53	2,77,270.54
Profit before Depreciation, Finance Costs and Tax	14,947.86	14,772.22
Finance Cost	1,318.96	833.25
Depreciation & amortization expense	3,189.28	2,653.00
Profit before tax	10,439.62	11,285.97
Provision for Taxation – Current Tax	2,079.00	2,141.08
Provision for Taxation – Deferred Tax	1,316.48	1,434.58
Short/(Excess) provision for taxation of earlier years	(87.88)	(265.99)
Net Profit for the year (A)	7,132.02	7,976.30
Other Comprehensive Income (OCI)	(201.60)	9.14
Total Comprehensive Income for the year	6,930.42	7,985.44
Opening Balance of Retained Earnings (B)	5,027.35	3,074.56
Amount available for disposal (A+B)	12,159.37	11,050.86
The Directors propose to appropriate this amount as under:		
Towards Dividend:		
Final Dividend of previous year	1,518.48	144.62
Corporate Dividend Tax on Final dividend of previous year	287.98	-
Interim Dividend	2,386.18	3,036.95
Corporate Dividend Tax on interim dividend	359.97	420.49
For transfer to Debenture Redemption Reserve	295.91	297.74
For transfer to General Reserve	2,500.00	2400.50
Income from BPCL Trust for Investment in Shares	(364.27)	(296.81)
Re-measurements of Defined Benefit Plans (Net of tax)	138.02	(24.39)
Effect of merger of Petronet CCK Ltd		44.41
For transfer to Deferred Income on account of implementation of Ind AS 115	39.79	
Closing Balance of Retained Earnings	4,997.31	5,027.35
Summarized Cash Flow Statement :		
Cash Flows:		
Inflow/(Outflow) from Operating Activities	7,644.85	9,009.25
Inflow/(Outflow) from Investing Activities	(7,536.58)	(4,740.88)
Inflow/(Outflow) from Financing Activities	(87.49)	(4,422.92)
Net increase/(decrease) in cash & cash equivalents	20.78	(154.55)

BPCL's Gross Revenue from operations for 2018-19 stood at ₹ 3,37,622.53 crores reflecting an increase of 21.77% over the previous year's revenues of ₹ 2,77,270.54 crores. The profit before tax for the year was ₹ 10,439.62 crores as compared to ₹ 11,285.97 crores in 2017-18. After providing for Tax, (including deferred tax) of ₹ 3,307.60 crores, as against ₹ 3,309.67 crores during the last year, the Profit after Tax for the year stood at ₹ 7,132.02 crores as against ₹ 7,976.30 crores in 2017-18. Internal Generation during the year was lower at ₹ 7,449.44 crores as against ₹ 8,758.63 crores in 2017-18, mainly due to lower Profit after Tax.

The Earnings per Share amounted to ₹ 36.26 in 2018-19 as compared to ₹ 40.55 in 2017-18. The Earnings per Share is after adjustment of Bonus Shares issued during 2017-18 and BPCL Trust for Investment in Shares.

Ministry of Corporate Affairs (MCA) order dated 21.05.2018 approving the merger of Petronet CCK Limited (PCCKL) with BPCL was received on 31st May, 2018. PCCKL and BPCL have filed the MCA order with the Registrar of Companies at Kochi and Mumbai on 1st June, 2018 and PCCKL stands merged with BPCL w.e.f. 1st June, 2018. The appointed date of merger is 1st April, 2017. Accordingly, the financial statements for the period 2017-18 have been restated including the PCCKL operations.

As per Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the top five hundred listed entities shall formulate a Dividend Distribution policy. Accordingly, a Dividend Distribution policy has been adopted, to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of Dividend to its shareholders and/or retaining the profit into the business. The policy is enclosed as Annexure J to the Board Report and is available on the Corporation's website at http://www.bharatpetroleum.com/images/files/DDP%20Final%20File.pdf

BPCL's contribution to the exchequer by way of Taxes, Duties and Dividend during 2018-19 amounted to ₹ 95,035.24 crores as against ₹ 89,725.13 crores in the previous Financial Year.

As on 31st March 2019, BPCL's Total Equity stands at ₹ 36,737.68 crores, as against the previous year's figure of ₹ 34,131.49 crores.

Dividend

The Board of Directors has recommended a Final Dividend of ₹ 8 per equity share (i.e. @ 80% of the paid up share capital) for the year on the paid-up share capital of ₹ 2,169.25 crores, which amounts to ₹ 2,092.12 crores inclusive of ₹ 356.72 crores for Dividend Distribution Tax. In addition, Interim Dividend of ₹ 11 per equity share (i.e. @ 110% of the paid up share capital) totaling to ₹ 2,746.15 crores, inclusive of ₹ 359.97 crores for Dividend Distribution Tax was declared and distributed during the year.

Transfer to Reserves

It is proposed to transfer ₹ 2,500 crores to the General Reserve and ₹ 295.91 crores to the Debenture Redemption Reserve out of the amount available in Retained Earnings and transfer ₹ 243.92 crores from Debenture Redemption Reserve to General Reserve.

Divestment of Shares

During the year, the Government of India disinvested 2,19,99,057 equity shares in favour of Bharat 22 ETF (an exchange traded fund comprising of PSU stocks). Consequently, the holding of the President of India in the equity share capital was reduced to 53.29% as at 31st March, 2019 from 54.31%.

Borrowings

Borrowings from banks increased to ₹ 11,952.11 crores as at 31st March, 2019 from ₹ 11,364.43 crores as at 31st March, 2018. Loans from Oil Industry Development Board stand at ₹ 1,358.50 crores as at 31st March, 2019 as compared to ₹ 1,357.94 crores at the end of the previous year. Debentures worth ₹ 1000 crores were issued during the year 2018-19. The total Debentures outstanding as at 31st March, 2019 was ₹ 2,299.32 crores as compared to ₹ 1,299.52 crores at the end of the previous year. 4.625% US Dollar International bonds issued during 2012-13 of USD 500 Million (equivalent to ₹ 3,447.27 crores) remained outstanding as on 31st March 2019. 3% Swiss Franc International Bonds issued during 2013-14 of CHF 200 Million (equivalent to ₹ 1,390.54 crores) remained outstanding as on 31st March 2019. 4% US Dollar International bonds issued during 2015-16 of USD 500 Million (equivalent to ₹ 3,436.12 crores) remained outstanding as on 31st March 2019. 4.375% US Dollar International bonds issued during 2018-19 of USD 500 Million (equivalent to ₹ 3,448.98 crores) remained outstanding as on 31st March 2019. Loans through Triparty Repo Settlement System (TREPS)/ Collateralised Borrowing and Lending Obligations (CBLO) of Clearing Corporation of India Limited stand at ₹ 1,000.00 crores as at 31st March, 2019 as compared to ₹ 1,500.00 crores at the end of the previous year. Commercial Paper outstanding as at 31st March 2019, amounts to ₹ 737.19 crores as compared to Nil at the end of the previous year.

The Corporation has received an interest free loan from the Government of Kerala amounting to ₹ 100 crores as an incentive under interest free loan assistance scheme.

Deposits from Public

The Corporation has not accepted any deposit from the public during the year. The amount of deposits, matured but unclaimed, at the end of the year were Nil. The unclaimed amount is being transferred to the Investor Education and Protection Fund after the respective due dates.

Capital Expenditure

Capital Expenditure, including investments in JVCs, Bharat Gas Resources Limited (BGRL) and exploration through a Subsidiary company during the year 2018-19 amounted to ₹ 10,992.80 crores (Budget estimate of ₹ 7,400.00 crores), as compared to ₹ 8,997.76 crores during the year 2017-18.

C&AG Audit on Financial Statements

The Comptroller and Auditor General of India's (C&AG) comment upon or supplement to the Statutory Auditors' Report on the Accounts for the year ended 31st March 2019 is annexed as Annexure E.

C&AG Audit on Other Matters: As at 31st March, 2019, there are seven pending published paras related to the C&AG audit. These relate to extension of credit facility to a defaulter company, implementation of PAHAL (DBTL) Scheme for LPG, Unwarranted collection of delivery charges from RGGLV consumers on sale of cylinders on cash and carry basis, payment of stagnation relief to employees, payment towards encashment of employee leave together with employer's share of EPF contribution, payment of shift allowance to executives and payment to employees on the occasion of completion of 40 years by the Company and 50 years by Kochi Refinery in contravention of DPE Guidelines. The audit objections have been suitably replied to and the same are under their review.

Based on C&AG observations, shift Allowance scheme has been kept in abeyance from December, 2018 and company has taken up with MoPNG that this payment should be out of perks & allowances. Similarly on Long Service Award, the Company has taken up with MoPNG stating that this is not an unauthorized payment and may be permitted. The matters are under review.

REFINERIES

During the year 2018-19, the operational performance of the refineries has shown an increasing growth profile over the past year. The refinery throughput at BPCL's Refineries at Mumbai and Kochi was 31.01 MMT as against 28.54 MMT achieved in the previous year. BPCL achieved a Gross Refining Margin (GRM) for the year 2018-19 at USD 4.58 per barrel (₹ 7,319 crores), as compared to USD 6.85 per barrel (₹ 9,356 crores) realized in 2017-18.

On the historic day of 27th January 2019, Bharat Petroleum's Integrated Refinery Expansion Complex at Kochi Refinery was dedicated to the nation by Hon'ble Prime Minister of India, Shri Narendra Modi in the most distinguished presence of the Governor of Kerala, Justice P. Sathasivam, Hon'ble Chief Minister of Kerala, Shri Pinarayi Vijayan and Union Minister for Petroleum and Natural Gas and Minister for Skill Development and Entrepreneurship, Shri Dharmendra Pradhan. The foundation stone of Bharat Petroleum's Petrochemical Complex at Kochi Refinery and the Skill Development Institute at Ettumanoor were also laid on this historic day. Post this mega-expansion, Kochi Refinery is now the largest public sector refinery with an installed refining capacity of 15.5 Million Metric Tonnes Per Annum (MMTPA).

Operating Performance of Refineries

Parameters	Mumbai Refinery (MR)		Kochi Refinery (KR)	
	2018-19	2017-18	2018-19	2017-18
Crude Processed (MMT)*	**14.77**	14.05	**16.05**	14.10
Total Throughput (MMT)*	**14.78**	14.29	**16.23**	14.25
Capacity Utilisation (%)	**123.08**	119.08	**103.54**	114.91
GRM (USD/bbl) **	**4.92**	7.26	**4.27**	6.44
GRM (in ₹ Crores)	**3,816**	5,023	**3,503**	4,333

*highest ever for both the refineries

**the decrease in GRM over the previous year is mainly due to decrease in cracks of Motor Spirit and Naphtha

Products	MR	KR
Distillate Yield (%)	**82.5**	**82.5**
Transportation (vol % on crude oil processing)	**72.5**	**76.1**
Motor Spirit (TMT)*	**2,712**	**2,666**
HSD (TMT)*	**6,589**	**7,849**

*highest ever for both the refineries

MARKETING

During the year 2018-19, BPCL's market sales volume was 43.07 MMT as compared to 41.21 MMT in the previous year, registering a growth of 4.51%. BPCL's market share amongst the public sector oil companies was 23.83% as at 31st March 2019, as compared to 23.75% at the end of the previous year, an increase of 0.08%.

A detailed performance report of the Marketing function is given in the Management Discussion & Analysis Report (MD&A).

PIPELINES

The BPCL Group owns a network of 2241 KMs of multiproduct pipelines with design capacity of 17.84 MMTPA. In FY 2018-19, Pipelines achieved a throughput of 15.34 MMT of petroleum products (2.47 % increase over previous year). Petroleum product movements through pipelines was 6108 MMTKM in the year 2018-19, which is about 7% higher than previous year.

Petrol and Diesel continue to be the major products that the pipelines transport. In addition, the transportation of Superior Kerosene Oil (SKO), Aviation Turbine Fuel (ATF), Liquefied Petroleum Gas (LPG) and other products to key locations through the pipeline network has resulted in reduction in carbon footprint during the year.

Post approval from Ministry of Corporate Affairs, the merger of Petronet CCK Limited (PCCKL) with BPCL was effected from 1st June, 2018. BPCL continued uninterrupted product supplies in Kerala through CCK pipelines even during the Kerala floods.

BPCL has also firmed up pipeline expansion plans with a vision to double its "Pipelines Network" by the year 2024-25. BPCL is a JV partner with IOCL and HPCL in laying the world's longest LPG pipeline from Kandla to Gorakhpur. The Kandla-Gorakhpur LPG Pipeline project envisages laying a pipeline of length 2757 km with a capacity of 8.25 MMTPA. The foundation stone for this pipeline was laid at Gorakhpur by Hon'ble Prime Minister on 24th February 2019.

MAJOR PROJECTS

Ennore Coastal Terminal Project

The project envisaged construction of a Petroleum Oil and Lubricants (POL) terminal at Ennore with tankage of 109 TKL, receipt facility through tanker and 16 bay gantry.

The approved cost of the project was ₹ 393.00 crores and the project was completed as per schedule in April 2018.

Heat Traced Pipeline in Kochi Refinery

The project envisaged laying of a Heat Traced pipeline and associated facilities in Kochi Refinery for transporting High Pour products. The approved cost of the project was ₹ 337.06 crores and the project was completed as per schedule in August 2018.

Heat Traced Pipeline in Mumbai Refinery

The project envisaged laying of a Heat Traced pipeline and associated facilities in Mumbai Refinery for transporting High Pour products. The approved cost of the project was ₹ 193.49 crores.

The project was scheduled for mechanical completion in January 2019, but it was completed in November 2018 ahead of schedule.

Gasoline Hydro Treatment Unit (GTU) at Mumbai Refinery

The project envisages installation of a Gasoline Hydro Treatment Unit (GTU) to produce 100% BS VI MS (Motor Spirit). The approved cost of the project is ₹ 554.00 crores.

The project has achieved a physical progress of 88.70% as on 31.03.2019. The project is scheduled for mechanical completion by December 2019.

Propylene Derivative Petrochemical Project (PDPP) at Kochi Refinery

The project envisages production of niche petrochemicals utilizing Polymer Grade Propylene produced from the Petro FCCU being set up as part of IREP. The PDPP project envisages production of Acrylic Acid, Oxo Alcohols and Acrylates, utilizing approximately 250,000 MT per annum of Polymer Grade Propylene. The approved cost of the project is ₹ 5245.96 crores.

The project has achieved an overall physical progress of 92.10% as on 31.03.2019 with scheduled mechanical completion in August 2019.

BS-VI Motor Spirit Block Project (MSBP) at Kochi Refinery

The project envisages putting up facilities for the production of 100% BS VI grade MS from Kochi Refinery to meet the Auto Fuel Vision and Policy 2025 requirements. The approved project cost is ₹ 3288.96 crores.

The physical progress is 56.10% as on 31.03.2019. The project will be completed in two phases. Facilities for production of BS VI MS shall be completed to supply BS VI MS by February 2020 and balance facilities for maximization of Naphtha to MS will be mechanically completed by June 2020 as per schedule.

Production of Polyols, Propylene Glycol, and Mono Ethylene Glycol at Kochi Refinery

The project envisages production of propylene based niche petrochemicals with high growth rate and demand such as Polyols, Propylene Glycol and Mono Ethylene Glycol utilizing propylene and ethylene feed stock from Kochi Refinery. The preliminary cost estimate for the project is approx. ₹ 11,130.00 crores.

The licensors for various units have been finalised and the Project Management Consultant award is in process. The firmed up cost and time schedule will be finalised after detailed design and engineering.

2G Ethanol Bio-refinery at Bargarh (Odisha)

The project envisages setting up a Second Generation (2G) Bio-refinery to produce 100 KLPD Ethanol using 400 MTPD lignocellulosic Biomass as feedstock (rice straw / maize stalk) using indigenous technology. The 2G Ethanol produced will be used for blending in MS. The project has achieved overall physical progress of 12.86% as on 31.03.2019.

LPG Import Facility at Haldia

The project envisages construction of two 15 TMT refrigerated storage tanks for Propane & Butane, facilities for ocean tanker unloading, Propane and Butane heating, Ethyl Mercaptan dosing and bulk dispatches. This also entails laying of a twin pipeline (one for Propane and the other for Butane) from the jetty to the terminal.

The approved cost of the project is ₹ 1097.54 crores. All facilities inside the terminal have been mechanically completed in December 2018 as per schedule and the pipeline from Jetty to the terminal is expected to be completed by November, 2019.

POL Terminal with Railway Siding at Pune

The project envisages construction of a new rail fed POL terminal at Pune with approximately 45 TKL storage tanks, 12 bay tank lorry gantry, full rake single spur railway siding and associated firefighting facilities. The approved cost of the project is ₹ 282.64 crores.

The project has achieved overall physical progress of 46.00% as on 31.03.2019. The project is scheduled for mechanical completion in August 2020.

Coastal Terminal with Railway Siding at Krishnapatnam

The project envisages setting up of a coastal terminal and railway siding at Krishnapatnam port. The approved cost of the project is ₹ 580.20 crores.

The project has achieved overall physical progress of 10.00% as on 31.03.2019. The project is expected to be completed in 36 months from the effective date as per the agreement with M/s Krishnapatnam Port Co. Ltd.

Resitement of Raichur Depot to Gulbarga

The old Raichur Depot is proposed to be resited to Gulbarga on revised safety considerations, and it will meet the market demand from a new location on Karnataka Industrial Area Development Board land of 56.2 acres near Nandur railway head in Karnataka. The approved cost of the project is ₹ 206.26 crores.

The project has achieved overall physical progress of 5.00% as on 31.03.2019. The project is scheduled for mechanical completion on 31.12.2020.

Mumbai Manmad Pipeline Re-routing

The project envisages laying of a 50 Km long 18” Dia pipeline for rerouting of the Mumbai Manmad Pipeline section, construction of 3 Sectionalising Valve stations (SV stations) and associated facilities. The approved cost of the project is ₹ 449.58 crores.

The project has achieved overall physical progress of 69.12% as on 31.03.2019. The project is scheduled for completion in December 2019.

Multiproduct Pipeline from Bina Dispatch Terminal to POL Terminal at Kanpur

The project envisages laying of approx. 355 Km multiproduct pipeline for a throughput of 3.5 MMTPA from Bina Dispatch Terminal to POL Terminal at Panki, Kanpur for transporting MS/HSD (High Speed Diesel) & SKO, augmentation of tankage at Panki Terminal, Kanpur along with the railway loading siding. The approved cost of the project is ₹ 1524.06 crores.

The project has achieved overall physical progress of 4.00% as on 31.03.2019. The project is scheduled for completion in December 2021 i.e. 36 months from Petroleum and Natural Gas Regulatory Board authorization.

Multiproduct Pipeline from Irugur to Devangonthi

The project envisages laying of a 294 Km long 16” Dia Multiproduct POL cross-country pipeline from Irugur (Tamil Nadu) to Devangonthi (Karnataka).

The project has achieved overall physical progress of 5.20% as on 31.03.2019. The project is on hold from December 2014 due to non-availability of clearance for RoU in the Tamil Nadu portion. The revised cost and time schedule will be prepared after RoU clearance in Tamil Nadu.

RESEARCH & DEVELOPMENT (R&D)

R&D plays a pivotal role in expanding the knowledge base, creating new technologies, niche products and future capabilities. The R&D centers of BPCL are involved in developing cutting edge technologies, innovative products/processes and cleaner fuels to increase the Company's profitability and reduce the environmental footprint.

Corporate R&D Centre (CRDC) at Greater Noida, Uttar Pradesh and Product & Application Development (P&AD) Centre at Sewree, Mumbai are continuously striving for value creation through research activities.

In view of the said objective, CRDC actively deals in the areas of catalyst development, biofuels, process modeling & simulation, reactor technology development, crude oil characterization and compatibility, residue upgradation, petrochemicals, niche products & additive development and waste utilization. The key objective of this center is to provide support to all business units through advanced technical services, develop innovative products and processes in niche areas and improve processes through technological innovation.

On the other hand, P&AD comprises R&D, Technical Services, Quality Assurance and the MAK Centre of Excellence. The research activities being conducted in P&AD setup provide a competitive advantage to business operations through continuous innovation in the area of lubricants, new product development, providing value-added services to customers, imparting technical training and testing of fuels and lubricants. R&D has contributed significantly to the business volume and profitability through the development of new grades and alternate formulations. This has helped to increase BPCL's product portfolio and reduce input cost.

The MAK Centre of Excellence provides functional training by classroom, field level and online modes. Such training enables the Lubes management staff and channel partners to perform effectively in the field and enhance business development.

In a continued endeavour to ensure quality products reach our end customers, Quality Assurance (QA) capabilities have been enhanced by commissioning a new laboratory at Navegaon, Ahmedabad and introducing five additional state-of-the-art mobile laboratories for testing of lubricants at customer premises.

The benefits derived during FY 2018-19 due to research activities have been summarized in Annexure A.

NON-CONVENTIONAL ENERGY

To mitigate the climate change threats arising out of use of conventional power and also to meet the nation's target of developing 175 GW power from renewable energy sources by 2022, BPCL has now completed construction of 9 out of the planned 10 rooftop and ground mounted captive solar plants in 5 installations / depots and 5 LPG plants. The total capacity of these completed plants is 3.87 MW. BPCL is also developing hybrid solar plants in 18 Company owned large format retail outlets across India. Projects are in tendering process. These plants are being developed as pilot projects, where rooftop solar plants with battery storage will be incorporated.

Rooftop solar units were also installed in 96 retail outlets in FY 2018-19, taking the number of total solarized retail outlets to 1313.

INDUSTRIAL RELATIONS

The Industrial Relations climate remained harmonious and peaceful across the Corporation. There were no cases of any industrial unrest. Management and Unions continued to discuss and deliberate on various topics pertaining to health and safety, work-related practices, business process improvement, etc. through regular structured meetings so as to enhance productivity and foster well-being.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Contribution towards the society and working for the welfare of the underprivileged is ingrained within the corporate values of BPCL. Even before the CSR mandate came into effect, BPCL has contributed significantly to the development of communities nationwide. BPCL has consistently contributed towards the goal of achieving Sustainable Development and made significant progress in the core thrust areas of Education, Skill Development, Water Conservation, Community Development and Health & Hygiene.

The Corporation partners with several capable and credible organisations, thereby supporting projects that benefit the underprivileged and marginalised sections of society. CSR initiatives are undertaken based on social, environmental and economic considerations. While the Company continues to undertake new initiatives, BPCL has exited from those projects that have been completed successfully.

Skill Development

To strengthen the 'Skill India' initiatives of the Government of India, BPCL is continuing its support for the promotion of higher education and employability skills towards Skill Development Institutes (SDIs) at Visakhapatnam, Bhubaneswar, Ahmedabad, Guwahati & Raebareli. BPCL has taken lead in setting up a state-of-the-art SDI in Kochi and has trained 312 persons from lower socio-economic background. SDI Kochi is presently extending courses aligned to the National Skills Qualification Framework (NSQF) of the Central Government with affiliation to respective Sector Skill Councils and National Skill Development Corporation (NSDC). With an excellent placement record, SDI is presently training its fifth batch of students.

Bharat Petroleum's Skill Development initiatives under CSR found a great resonance all over the State of Kerala during the visit of Shri Narendra Modi, Hon'ble Prime Minister of India, to Kochi Refinery on 27th January 2019. During the occasion, he laid the foundation stone of the proposed second campus of the SDI to be established by BPCL along with other oil companies. This is to be set up on 8 acres of Government of Kerala leased land at ITI Campus, Ettumanoor. It is planned to train 1000 students every year in 20 different trades.

Skill development initiatives of CSR focus on placement/ employment-linked skilling of women, unemployed youth and the disabled.

One such high impact project is training of 792 leprosy affected youth in various trades like Motor Vehicle Mechanic, Welder, Computer Operator, Programming Assistant in 6 centres viz. Nashik, Champa, Faizabad, Bankura, Vadathorasalur and Vizianagaram. Similarly, BPCL has projects for training 75 visually impaired youth in Acupressure and Massage Therapy in Latur.

Several employment based skill development programs for the underprivileged in many aspirational districts have also been undertaken and supported.

Education

There is no denying that education is one of the most fundamental enablers for realizing India's demographic advantage. Lack of access to quality education is a huge obstacle to development of an equitable society and a sustainable economy. BPCL's flagship education projects have been replicated and scaled up at various locations in India. The Computer Assisted Learning (CAL) project is one such project promoting education through digital literacy for students till the 10th standard in low income schools of Uran, Lucknow, Mumbai and Jaipur. Project CAL has been replicated in 47 centres located in Municipal Corporation of Greater Mumbai (MCGM) school buildings & 20 schools in Washala, a tribal village in Thane district. The intervention focuses on improving children's learning levels in Mathematics and Language through the use of computers. More than 1 lakh children have been benefitted under this initiative since its inception.

Impacting the lives of children through supporting their educational pursuits has been the aim of our projects. 50 Shiksha Kendras were supported in most rural parts of Rajasthan to reduce the dropout rates and increase the learning levels of children.

One of BPCL's flagship projects for teacher & school leader training, "Saksham" has completed its sixth batch successfully. This set of primary/upper primary teachers and headmasters from 69 low income/Government schools of Mumbai were taken through a series of sessions on various topics, both pedagogical and management related. This project encourages teachers to use new techniques for teaching, classroom management as well as developing new teaching materials according to the differential needs of the class. This year, 162 primary/ upper primary teachers and school leaders were trained throughout the year.

A structured component of 'employee volunteering programme - Once upon a time' is also an intrinsic part of the project where BPCL employees get a chance to recite moral based stories on saturdays to children from low income schools of Mumbai.

Water conservation

Water is at the core of sustainable development and is critical for socio-economic development, energy and food production, healthy ecosystems and for human survival itself. The importance of water has risen from micro to macro issues; therefore, BPCL's Project "BOOND", a water conservation project, through rainwater harvesting aims at transforming villages from water scarce to water positive. Through various projects, BPCL has engaged the communities in the various activities involved, be it through formation of village level associations, children's clubs, micro-finance groups or farmer federations, thereby working towards ensuring sustainability. BPCL has successfully reached out, both directly and indirectly to the communities in the villages through the desilting of tanks, supply channels and link channels in the chain, strengthening of bunds, check-dams, village ponds, repair /reconstruction of structures for water regulation, setting up roof rainwater harvesting, thereby increasing the availability of water. This project, which is ongoing in the states of Tamil Nadu and Karnataka, has reached out to 42 villages in the year. This has increased agricultural yield and horticulture produce, contributing towards reduced migration.

Community Development

The Company's Community Development initiatives seek to empower individuals, groups of people and families with the amenities they need to effect change within their communities. The projects are based on extensive need assessment and focus on providing sustainable solutions that engage the community that is benefitted. BPCL has supported a mega project of integrated development of communities in district Gadchiroli situated in the south-eastern corner of Maharashtra, which includes interventions on water harvesting, safe drinking water sustainable livelihood program, establishment of libraries, central kitchen etc.

Health & Hygiene

The Corporation has reached out to larger sections of marginalized societies through innovative, value-driven and well-designed projects, that brought out consciousness towards health being the most important factor in overall development of the communities. The Company has continued sustained efforts in improving access to quality primary healthcare services including projects that reach out to the cancer affected, provide free surgeries and also strengthen the existing healthcare infrastructure across the country.

One of the major projects undertaken in the most difficult terrains of Aspirational Districts is for development of affordable cancer care for the population in Darrang, Assam. The project will ensure health promotion, cancer awareness, cancer prevention, early detection, screening and high quality treatment with palliative care.

With an objective of reducing the burden of avoidable disability in rural communities, BPCL has supported the world's first hospital on a train, by providing over 16,500 patients with both, surgical and non-surgical medical aid in addition to training healthcare providers. Alongside the targeted healthcare interventions, projects have been undertaken for providing clean drinking water to communities and nutrition to underprivileged children.

One of the iconic projects, for which support has been initiated is for the effective prevention and control of Acute Encephalitis Syndrome (AES) in Gorakhpur region, Uttar Pradesh. Due to huge unmet needs related to primary healthcare in Gorakhpur region, children affected with AES do not receive primary treatment in time. By the time the cases are referred to hospitals, it is often too late. Therefore, the project has been established to tackle the issue in Gorakhpur region.

The Corporation enthusiastically participated in 'Swachh Bharat Abhiyan', the flagship movement of the Government of India. BPCL has been relentlessly working towards making Bharat 'Swachh'. The Corporation aims and contributes in creating an 'Open Defecation Free' country through the construction and renovation of more than 3,500 toilets in schools and communities till date. In an effort to make our cities cleaner and greener, one of the prodigious efforts of BPCL was a Solid Waste Management project involving collecting, segregating/processing and recycling waste in 33 micro-composting centres. BPCL's support has continued to the Swachh Iconic Place project in Kalady, the birth place of Shri Adi Sankaracharya.

Some of the new and innovative initiatives undertaken by the Mumbai Refinery CSR team targeted to energise all surrounding stakeholders were the introduction of a 24x7 Emergency Mobile Ambulance, a Mobile Medical Dispensary, a dedicated allopathy clinic, free cancer screening & medical camps under Project 'Swasthya', a dedicated Student Scholarship Scheme - 'BPCL Ratna' for economically backward and SC/ST students, a unique Women's Empowerment initiative through Self-help groups, project for manufacturing Sanitary Napkins, a Vocational Training (MCVC) program - 'Project Kaushalya' and a placement linked skill training for 100 youth, to name a few.

BPCL-Kochi Refinery has undertaken various community development activities in its surroundings for the last four decades. 'Roshni' Learning Enhancement Project for the children of interstate labourers was one of the major educational projects of the year 2018-19. Around 750 children were benefitted from this project, which aims to bring students into the mainstream of society by acquiring proficiency in Malayalam and English, by taking extra morning classes by language experts using the Code-Switching strategy. Similarly, several projects are completed for providing nutrition, improved facilities and quality education in Government schools including those for tribal children, e.g. Ekalvidyalayas.

BPCL, through its Kochi Refinery, extended tremendous support to the Kerala flood-affected victims in Thrissur, Ernakulam, Pathanamthitta, Kottayam and Alleppey. BPCL employees volunteered towards relief work and the cleaning of houses which were affected by the flood. BPCL also conducted multi-specialty medical camps in locations which were badly hit by the flood.

The refinery also contributes to the care of poor cancer patients by construction of a Rehabilitation and Palliative Care Center of Cancer Foundation near our Shore Tank Farm at Puthuvypeen. Trauma Care is another area of focus and dedicated Trauma Care Units are being constructed at Ernakulam General Hospital and Koothuparambu Taluk Hospital in Kannur District.

Support was continued for the Home Based Rehabilitation Project, which is to support differently abled children who cannot make it to special schools. BPCL also undertakes a project for the care & support of HIV/Aids affected persons in seven districts of Kerala.

The Annual Report on CSR activities in the specified format is provided in Annexure B. The CSR Policy may be accessed on the Company's website at the link https://www.bharatpetroleum.com/social-responsibility/corporate-social-responsibility/policy.aspx

PROMOTION OF SPORTS

BPCL sportspersons continued to excel in the national as well as international sports arena in the year 2018-19. Ace Badminton Player Saina Nehwal was the star performer for India at the 2018 Asian Games. She assured a medal for India after defeating World's no.5, Ratchanok Intanon, in the quarterfinals. In the Semi-Final, she went down fighting against World's no.1 Tai Tzu Ying of Chinese Taipei settling for the Bronze Medal.

BPCL Kabaddi players, Rishank Devadiga and Girish Ernak were part of the Indian Kabaddi Team which won the Bronze Medal at the Asian Games. Five BPCL Hockey players - SV Sunil, Birendra Lakra, Harmanpreet Singh, Lalit Upadhyay & Varun Kumar, were part of the Indian Hockey Team which won the Bronze Medal at the Asian Games. Star Cricketer Kuldeep Yadav became the third bowler for India to take a hat-trick in the One Day International. Kuldeep took his first five wicket haul in the T-20 Internationals against England.

RESERVATION AND OTHER WELFARE MEASURES FOR SCHEDULED CASTES/SCHEDULED TRIBES/ OTHER BACKWARD CLASSES AND PERSONS WITH DISABILITIES

BPCL has been following in letter and spirit, the Presidential Directives and other guidelines issued from time to time by MOP&NG, Ministry of Social Justice and Empowerment and the Department of Public Enterprises relating to reservations / concessions for Scheduled Castes / Scheduled Tribes / Other Backward Classes. An adequate monitoring mechanism has been put in place for sustained and effective compliance uniformly across the Corporation. Rosters are maintained as per the Directives and are regularly inspected by Liaison Officer of the Corporation as well as the Liaison Officer of MOP & NG to ensure proper compliance of the directives.

SC/ST and economically backward students are encouraged by awarding scholarships to students pursuing courses at ITI & Secondary School education up to graduation level.

BPCL also complies with provisions under "The Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation), Act 1995 relating to providing employment opportunities for Persons with Disabilities (PWDs).

Details relating to representation/appointment of SC/ST/OBC candidates and Persons with Disabilities are enclosed as Annexure C.

IMPLEMENTATION OF OFFICIAL LANGUAGE POLICY

BPCL has continued its compliance towards the implementation of Official Language, as per the Annual Program 2018-19 issued by Department of Official Language, Government of India, Ministry of Home Affairs. The Corporation has formed and updated all the essential committees viz. OLIC (Official Language Implementation Committee), TOLIC (Town Official Language Implementation Committee) etc. at the Regional Office/Location/Refinery levels, thus framing a robust system to review and evaluate the progressive usage of Hindi on a quarterly, half-yearly and yearly basis.

Various accolades have been received by the Corporation for implementation of the official language, Hindi. Co-ordination Dept. of Northern Region was graced with the 1st Prize; Noida Regional Office received the 2nd Prize; Eastern Regional Office, Kolkata was conferred the 1st Prize; and Kurnool LPG Plant bagged the 2nd Prize for 'Best Official Language Implementation' for the year 2017-18 from TOLIC, Delhi (Undertakings); TOLIC, Noida; TOLIC, Kolkata and TOLIC, Kurnool respectively.

Goa Territory Office received the prestigious 1st Prize for Best Implementation of Official Language under 'C' Region from Dept. of Official Language, Ministry of Home Affairs. Kochi Refinery marked two milestones by winning the Official Language Rolling Shield Championship Trophy along with 'Jwaladhwani' as the 'Best House Journal' from TOLIC, Kochi.

BCPL Corporate Office, along with other Regional Offices/Refineries/Locations, observed Hindi Fortnight/Week during the month of September, 2018 by organizing unique competitions, programs and various cultural activities. Notable days/milestones/projects/pledges of national importance have also been celebrated and organized in Hindi. World Hindi Day was also observed on 10th January, 2019 across all the offices of BPCL.

As a part of encouraging employees' children for promoting Hindi, 395 children were given Official Language Prizes for scoring more than 60% marks in Hindi subject in 10th and 12th Classes. All the Regions and Refineries organized Hindi Coordinators Meets for annual review and to devise new initiatives for progressive usage of Hindi across the Corporation. Hindi Training and Workshops on Indic bilingual software, voice-typing, machine translation and Quarterly Progress Report were organized on an all India basis for imparting enhanced and important techniques of compliance.

CITIZEN'S CHARTER, PUBLIC GRIEVANCE REDRESSAL (PG), CUSTOMER CARE SYSTEM (CCS) & RIGHT TO INFORMATION (RTI)

'Customer Centricity' being one of its core values, BPCL advocates the philosophy that customers and their convenience are integral to all its business operations and redressing customer complaints is the key to success.

BPCL is sensitive to the service levels offered to its customers across every touch point, in constant pursuit of excellence and its commitment to enhance customer experience. These touch points are discussed below.

Citizen's Charter

The Citizen's Charter published on BPCL's website provides details of a range of services offered to customers with an overview of the marketing activities of the Corporation, policy guidelines and processes on marketing of petroleum products. It covers the mandate of the Corporation, customer rights with respect to standards, quality, time-frame for service delivery, the grievance redressal mechanism, etc.

Public Grievance Redressal (PG)

Public Grievance in BPCL is monitored through the Centralized Public Grievance Redress and Monitoring System (CPGRAMS), which is an online web-enabled system, viz. https://www.pgportal.gov.in/, developed by National Informatics Centre (NIC) and Department of Administrative Reforms and Public Grievances (DARPG).

Grievances received from the public are centrally scrutinized at the corporate level and sent for redressal to various Strategic Business Units (SBUs)/Entities through a well-established online network with an escalation matrix to ensure timely & qualitative closure.

BPCL redressed and closed 6,539 grievances out of 6,730 grievances received in FY 2018-19 with an average disposal time of 13 days, as against the norm of 30 days fixed for disposal.

Customer Care System (CCS)

To enable customers to log their complaints and feedback, BPCL operates a centralized Customer Care System (CCS) portal titled 'SmartLine' for their timely redressal. 1800 22 4344 is a 'Ek Call…..Sab Solve' solution to listen to and address queries, suggestions and customer grievances received from any touch point. Designed to track every interaction with an in-built escalation matrix, CCS is an interactive platform for customers through dedicated toll free numbers, as well as web-based access connect with BPCL. Regular feedback is taken from customers to meet their requirements and enhance service standards.

Right to Information (RTI)

BPCL is a Public Authority under the RTI Act, 2005 and complies with all the requirements of the RTI Act, 2005. BPCL receives and handles RTI requests through the RTI online portal at www.rtionline.gov.in, which is a unified RTI portal of the Government of India. BPCL's Corporate Website, www.bharatpetroleum.in, has a separate section earmarked on RTI for better understanding of the public at large. Suo motu disclosure under section 4(1)(b) of the Act is updated regularly.

Select officers across the country, representing different departments, have been designated as Central Public Information Officers (CPIOs) and First Appellate Authorities (FAAs) to handle the RTI requests received from Indian citizens. BPCL has 88 CPIOs and 12 Appellate Authorities (AAs) spread across the length and breadth of the country, covering major SBUs like Retail, LPG, Aviation, Mumbai Refinery, Kochi Refinery and Entities like HR and International Trade.

BPCL is now aligned to the RTI Online Portal of Department of Personnel and Training (DoPT) and also continues to use its old in-house RTI package to attend to old RTI cases, which have gone for a second appeal. Regular interactions are carried out with the CPIOs by providing Guidelines, Circulars, Newsletters and Case Studies from the Corporate Office.

BPCL also regularly keeps updating the CPIOs and AAs with various CIC Decisions, thus ensuring that there is no penalty or stricture passed by CIC. All CPIOs and AAs, along with their staff, have been trained to independently handle the RTI Online Portal for addressing RTI applications.

During the year 2018-19, BPCL received 3,788 RTI queries and 477 appeals. All the RTI queries and appeals were replied on time. The RTI Act, 2005 was implemented on 12.10.2005 and since then, in this journey of effective RTI implementation of over 13 years, BPCL has handled 37,334 RTI applications, 5,344 first appeals and 929 second appeals addressed to Central Information Commission (CIC).

BPCL was awarded as the Second Best PSU for implementing RTI for the year 2017-18 by the prestigious Public Relations Society of India. This award was in appreciation of sincere efforts and dedication in implementing and spearheading the process of the RTI Act.

MICRO & SMALL ENTERPRISES

BPCL works resolutely and ensures that it supports the Government of India's policy of supporting MSEs viz. Public Procurement Policy (PPP) for MSEs Order, 2012. While all the high value tenders at BPCL are through the open tender route, the 'General Conditions of Contract' (GCC) and 'General Purchase Conditions' (GPC) of press tenders have the Purchase Preference clause for MSEs.

BPCL has achieved the target of 25% procurement of its Goods and Services from MSEs under the PPP for MSEs Order, 2012 and its amendment of November 2018. BPCL also ensured that 3% of the total tender quantity is reserved for women entrepreneurs.

The Company also organized 95 vendor meets/workshops across India at Retail locations, Regional Offices and Refineries to promote the PPP for MSEs. BPCL teams participated in 20 Vendor Development Programmes cum Exhibitions conducted by Micro, Small and Medium Enterprises -Development Institute (MSME-DI), National Small Industries Corporation (NSIC) in association with Confederation of Indian Industry (CII) and Federation of Indian Chambers of Commerce and Industry (FICCI) at Mumbai, Rajkot, Surat, Raipur, Kolkata, Chandigarh, Aurangabad, Ernakulum, Trivandrum, etc.

A "Premier Vendor Workshop" was held during November 2018 wherein Deputy Director, MSME-DI, Mumbai made a detailed presentation on benefits of PPP for MSEs Order, 2012 and its amendment to the vendors. A fortnight long "Entrepreneurship Development Programme" was conducted by Kochi Refinery during March 2019 to encourage budding SC/ST entrepreneurs to develop in their respective fields. A total of 26 SC/ST candidates were trained in the programme. BPCL was awarded the second runner up prize in the Maharatna Category by Ministry of MSME for exemplary performance for the work done under Public Procurement Policy.

The MSE procurement plan for 2018-19 was put up on the BPCL website. It can be viewed at https://bharatpetroleum.com/Bharat-Petroleum-For/Business-Associates/Vendors.aspx. As per mandate of PPP for MSEs Order, 2012, a nodal officer in BPCL is already appointed since the year 2012 and the contact details and name is communicated regularly to the MSME Ministry. Similarly, contact details of the nodal officer for SC/ST related activities has also been communicated to the MSME ministry.

For the year 2018-19, the total procurement value for BPCL for Goods and Services, excluding Works Contracts, where MSEs could have participated was ₹12,019.24 crores and the actual procurement value from MSEs was ₹ 3,053.01 crores i.e. an achievement of 25.40 %, which is in line with the target of 25%.

VIGILANCE

Vigilance in BPCL strives to enhance the ethical standards of the organization and encourages sound business practices and good corporate governance through an effective balance of preventive and detective vigilance measures.

Vigilance helps the Business identify susceptible areas in existing procedures & processes like Tendering Processes, Vendor Bill Payments, Channel Partner Selections and matters related to Reconstitution of Dealership/Distributorship etc. Information Technology is being extensively utilized to effectively institute more transparent processes like e-tendering, e-payments, e-receipts etc., thereby instilling confidence of being a just & fair organization amongst vendors, channel partners and customers. Online submission of 'Annual Property Returns' for all management staff was implemented during the year.

A series of training programs and conferences were organized during the year, including a customized program at CBI Academy at Ghaziabad, which enabled Vigilance officers develop a comprehensive understanding of various guidelines and processes. Vigilance Awareness sessions were conducted for employees working at operating locations and commercial offices by Vigilance officers during their visits, to enhance knowledge & awareness on the operational aspects of various circulars and guidelines issued by the Central Vigilance Commission (CVC) and the Ministry.

With an objective to keep a check on the implementation of prescribed procedures and practices, surprise inspections were conducted at a few of the operative locations, Retail Outlets, LPG Distributorships etc. It also involved inspections of major projects/works/procurements to observe & recommend areas of improvements to concerned departments. Comprehensive System Studies were conducted in critical areas in the organization and observations, analysis, inferences & recommendations were discussed with business role holders to bring about the suggested improvements expeditiously.

Vigilance took effective action on complaints with the purpose of safeguarding the interests of stakeholders. Emphasis was laid on early completion of investigations and concluding the same. A summary of investigative complaints handled by Vigilance during the year 2018-19 is given below:-

Opening Balance (as on 01.04.2018)	Received during the Year	Total	Disposed during the Year	Closing Balance (as on 31.03.2019)
47	34	81	24	57

The above complaints broadly cover issues like Selection of Retail Outlet dealers / LPG distributors, irregularities committed by Retail Outlet dealers / LPG distributors, Tender / material – service procurement related issues, allegation of misuse of official positions, etc.

Awareness being the first step towards action, BPCL enthusiastically organized a variety of programs across the country during the Vigilance Awareness Week from 29th October to 3rd November 2018 with the theme “Eradicate Corruption – Build a New India”.

The ninth edition of Vigilance magazine ‘Vigilance Plus’ was released, which had articles on good governance, ethics & values, experiences of individuals, poems and highlights of the activities conducted during the year including Vigilance Awareness Week 2018.

SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES

The Group consists of 5 Indian subsidiaries and 6 foreign subsidiaries as on 31st March 2019. Further, the Company has 22 Joint Venture Companies and Associate Companies within the meaning of Section 2 (6) of the Companies Act 2013 (“the Act”).

Details of Company that has become a Subsidiary during the financial year 2018-19	i) Bharat Gas Resources Limited
Details of Company that has become a Joint Venture/ Associate during the financial year 2018-19	Nil
Details of Company that has ceased to be a Subsidiary during the financial year 2018-19	i) Petronet CCK Limited
Details of Company that has ceased to be a Joint Venture/ Associate during the financial year 2018-19	Nil

A separate statement containing the salient features of the financial statements of Subsidiaries/ Associates/ Joint Venture Companies in Form AOC-1 pursuant to provisions of Section 129 (3) of the Act, is attached alongwith the financial statement.

The Corporation has placed its financial statements including Consolidated Financial Statements and all other documents required to be attached thereto, on its website www.bharatpetroleum.in as per Section 136(1) of the Act. Further, the Company has also placed separate Annual Reports/ audited accounts in respect of each of its Indian Subsidiaries on its above website. A copy of the said documents will be available for inspection and provided to any shareholder of the Company who asks for it.

The policy for determining material Subsidiaries is posted on the Company’s website at the link: https://www.bharatpetroleum.co.in/about-bpcl/our-policies.aspx

SUBSIDIARY COMPANIES

NUMALIGARH REFINERY LIMITED (NRL)

NRL was incorporated in 1993 with an authorized share capital of ₹ 1,000 crores. It is a Category I Mini Ratna company and has a 3 MMTPA refinery at Numaligarh in Assam. Besides the refinery, NRL has two marketing terminals, one at Numaligarh & the other at Siliguri, for evacuation of product. NRL also has a 42 TMTPA LPG Bottling Plant at Numaligarh. As on 31st March, 2019, the paid up capital of NRL was ₹ 735.63 crores, of which BPCL holds 61.65%. During 2018-19, NRL crude throughput was 2.90 MMT as compared to 2.81 MMT in the previous year. NRL revenue from operations was ₹ 18,511 crores for the financial year ending 31st March 2019 as compared to ₹ 15,923 crores in the previous year. The company’s consolidated profit after tax for the year stood at ₹ 1,980.28 crores, as against profit of ₹ 2,041.95 crores in the previous year. The earnings per share (EPS) for the year 2018-19 was ₹ 26.92, as compared to ₹ 27.76 in 2017-18. An interim dividend of ₹ 14 per fully paid equity share of ₹ 10 each has been paid and the Board of Directors of NRL has recommended a final dividend of ₹ 3 per share, which will result in total dividend declared of ₹ 17 per fully paid equity share of ₹ 10 each for the current financial year, as compared to ₹ 18.50 per share in the previous year. NRL had a net worth of ₹ 5,486.16 crores as at 31st March 2019.

NRL is going for the capacity expansion of Numaligarh Refinery from 3 MMTPA to 9 MMTPA at an estimated cost of ₹ 22,954 crores. Government approvals for the same have been obtained and necessary activities have started.

NRL has 4 Joint Venture companies. Brahmaputra Cracker and Polymer Ltd., a CPSE under the Department of Chemicals & Petrochemicals, Government of India, is a petrochemical based company located in Dibrugarh district of Assam. They started operations since January 2016 and NRL holds 10% equity share in this company. DNP Limited is a Joint Venture between Assam Gas Company Limited (51%), NRL (26%) and Oil India Limited (23%) for transportation of Natural Gas through pipeline. During the year 2018-19, DNP Limited transported 281.01 MMSCUM of Natural Gas and had a revenue of ₹ 92.58 Crores. Two new Joint Venture companies, namely Assam Bio Refinery Private Limited for production of biofuels and Indradhanush Gas

Grid Limited for implementation of the North East Gas grid, have been incorporated during the financial year 2018-19.

BHARAT PETRORESOURCES LIMITED (BPRL)

Bharat PetroResources Limited (BPRL) was incorporated in October 2006, as a 100% subsidiary of BPCL, to cater to the upstream activities of BPCL. As on 31st March 2019, BPCL's investment is ₹ 5,000 crores in equity. In addition to this, BPCL has given a loan of ₹ 1,100 crores to BPRL. BPRL has recorded a consolidated income of ₹ 180.63 crores and a consolidated loss of ₹ 95.69 crores for the financial year ending 31st March 2019, as against a consolidated income of ₹ 215.95 crores and consolidated loss of ₹ 68.72 crores in the previous year.

BPRL has Participating Interest (PI) in twenty six blocks of which thirteen are located in India and thirteen overseas, along with equity stake in two Russian entities holding the licence to four producing blocks in Russia. Seven of the thirteen blocks in India were acquired under different rounds of New Exploration Licensing Policy (NELP), five blocks were awarded under Discovered Small Fields Bid Round 2016 and 1 block was awarded during the year 2018-19 under the Open Acreage Licensing Policy Bid Round I. Out of thirteen overseas blocks, six are in Brazil, two in United Arab Emirates and one each in Mozambique, Indonesia, Australia, Israel and Timor Leste. The blocks of BPRL are in various stages of exploration, appraisal, pre-development and production phase. The total acreage held by BPRL and its subsidiaries is around 31487 km^2 of which approximately 62% is offshore.

BPRL, along with Indian Oil Corporation Limited (IOCL), has been awarded an exploration concession for Onshore Block 1 in Abu Dhabi, after emerging as the winning bidder in the Abu Dhabi 2018 Block Licensing Round. The award has been endorsed by the Supreme Petroleum Council (SPC) on behalf of the Government of the Emirate of Abu Dhabi and represents the continued expansion of BPCL's upstream exploration operations. The transaction marks entry of BPRL as an Operator of overseas assets for the first time in the highly prospective UAE region and is consistent with its stated strategic objective of balancing its portfolio by adding exploration assets in prolific basins to its existing E&P portfolio.

During 2018-19, BPCL Group refineries have lifted 3.4 mmbbl out of BPRL's share of equity crude oil from the Lower Zakum asset, wherein the consortium of BPRL, ONGC Videsh Ltd. and IOCL has a 10% PI. BPRL and its consortia have a total of 26 exploration discoveries in respect of Blocks held in five countries i.e. Brazil, Mozambique, Indonesia, Australia and India. BPRL also had a successful exploration campaign in its maiden operatorship block located in Cambay basin, with two discoveries approved by Directorate General of Hydrocarbons (DGH). Further, the Field Development Plan (FDP) for the above two discoveries was approved by DGH on 11.06.2018 and currently, pre-development activities are ongoing.

The PI in respect of Blocks in India, Israel and Australia are held directly by BPRL. The PI in the Block in Timor Leste is held by BPRL's wholly owned subsidiary company in India, i.e. Bharat PetroResources JPDA Limited. PI in respect of blocks in Brazil, Mozambique, Indonesia, and UAE and equity stake in the two Russian entities are held through various step down wholly owned subsidiaries/ JVs of the wholly owned subsidiaries located in the Netherlands and Singapore. A detailed discussion on the Blocks is given in the Management Discussion & Analysis Report (MD&A).

BPCL-KIAL FUEL FARM PRIVATE LIMITED (BKFFPL)

BPCL signed a Joint Venture Agreement with KIAL (Kannur International Airport Ltd.) for design, construction, commissioning and operation of the Fuel Farm at Kannur International Airport on 74:26 equity basis. The company has been incorporated on 18.05.2015. As on 31.03.2019, the authorized capital of the company is ₹ 18 crores and paid up capital is ₹ 9 crores. The Fuel Farm has been commissioned on 09.12.2018 alongwith the commencement of operations at Kannur International Airport.

BHARAT GAS RESOURCES LIMITED (BGRL)

BGRL, a wholly owned subsidiary of BPCL for handling the Natural Gas business, was incorporated on 7th June 2018 with an authorised capital of ₹ 2000 crores. The existing Gas business of BPCL and Gas related investments in joint venture companies are being transferred to BGRL. New activities in the Gas business, namely participation in new City Gas Distribution (CGD) bidding rounds, new tie-ups etc. are being undertaken directly by BGRL.

Subsequent to incorporation of the company, BGRL has been awarded the AA+ credit rating by reputed rating company CRISIL. BGRL has been also successful in receiving LEI (Legal Entity Identifier) registration, which is a global reference number that uniquely identifies every legal entity or structure that is party to a financial transaction in any jurisdiction.

BGRL has entered into a Long Term Sales & Purchase Agreement with M/s. Mozambique LNG1 Company Pvt. Ltd. for sourcing of LNG from Mozambique. This contract is for 15 years with volume of 1 MMTPA after ramp-up. The supply is likely to start from Financial Year 2024-25.

BGRL also successfully negotiated with RasGas for direct import of volumes of 0.1 MMTPA, which was earlier being routed through Petronet LNG Ltd. This would result to savings in VAT, thereby making the product more competitive in the market.

Continuing its efforts to expand the Gas Business, BGRL participated in the 9th and 10th round of CGD bidding. Petroleum & Natural Gas Regulatory Board (PNGRB) has granted authorization to Lay, Build, Operate or Expand Gas Distribution Networks to BGRL in 11 Geographical Areas (GA) through the 9th round and 2 GAs in the 10th round of bidding. Other than these 13 GAs, BPCL has authorization for CGD in 4 GAs viz. Saharanpur, Yamunanagar, Rupnagar and Rohtak which were obtained through the 6th CGD round bidding.

JOINT VENTURE COMPANIES AND ASSOCIATES

BHARAT OMAN REFINERIES LIMITED (BORL)

Bharat Oman Refineries Ltd. (BORL) is a Joint Venture between BPCL and Oman Oil Company S.A.O.C (OOC). As on 31st March 2019, it had authorized share capital of ₹ 7,000 Crores and paid up equity share capital of ₹ 1,777.23 Crores, with both BPCL and OOC holding equity stake of 50% each. BPCL has given a loan of ₹ 1,254.10 Crores and subscribed to Share Warrants of ₹ 1,585.68 Crores. Further, the State of Madhya Pradesh has also subscribed to ₹ 26.90 Crores of share warrants in BORL. BPCL has also subscribed to Zero Percent Compulsorily Convertible Debentures of ₹ 1,000 Crores.

During the year 2018-19, BORL has completed its debottlenecking project, enhancing the refining capacity from the existing 6.0 MMTPA to 7.8 MMTPA and meeting BS VI product quality specifications. Crude oil intake during 2018-19 was 5,716 TMT with average capacity utilization of 95%. The company has reported Revenue from Operations of ₹ 31,597.59 Crores in the financial year ended as on 31st March 2019, as compared to ₹ 31,287.48 Crores recorded in the previous financial year. The net profit for the year 2018-19 stood at ₹ 106.71 crores, as compared to ₹ 983.71 Crores in the previous year. The EPS for the year stood at ₹ 0.31 as against ₹ 2.96 in 2017-18.

PETRONET LNG LIMITED (PLL)

PLL was formed in April 1998 for importing LNG and setting up an LNG terminal with facilities like jetty, storage, regasification etc. to supply natural gas to various industries in the country. The company has an authorised share capital of ₹ 3,000 Crores and paid up capital of ₹ 1,500 Crores. PLL was promoted by four public sector companies viz. BPCL, IOCL, Oil and Natural Gas Corporation Limited (ONGC) and Gas Authority of India Limited (GAIL). Each of the promoters holds 12.5% of the equity capital of PLL. BPCL's equity investment in PLL currently stands at ₹ 98.75 Crores. As at 31st March 2019, PLL had net worth of ₹ 10,230.58 Crores. PLL recorded Revenue from Operations of ₹ 38,395.43 Crores in this financial year, as compared to ₹ 30,598.62 Crores recorded in 2017-18. The net profit for the year stood at ₹ 2,230.56 Crores, as compared to ₹ 2,110.44 Crores in the previous year. The EPS for the year 2018-19 is ₹ 14.87, as compared to ₹ 14.07 in 2017-18. During the year 2018-19, PLL has paid an interim dividend of ₹ 5.50 per share and has recommended final dividend of ₹ 4.50 per share.

INDRAPRASTHA GAS LIMITED (IGL)

IGL, a Joint Venture Company with GAIL as the other co-promoter, was set up in December 1998 with an authorised capital of ₹ 220 Crores, for implementing the project for supply of Compressed Natural Gas (CNG) to the automobile sector and Piped Natural Gas (PNG) to households in Delhi. The paid up share capital of the company is ₹ 140 Crores. BPCL invested ₹ 31.50 Crores in IGL for 22.5% stake in its equity. As on 31.03.2019, IGL has 500 CNG stations and has approx. 11.02 lakh domestic PNG customers. IGL is present in Delhi, Gautam Budh Nagar, Ghaziabad, Gurugram, Rewari district and Karnal district. During the year, IGL has won CGD for one GA in Uttar Pradesh in the 9th bidding round by PNGRB and three GAs i.e. one each in the states of Haryana, Rajasthan and Uttar Pradesh in the 10th bidding round. IGL holds 50% of equity in M/s Central UP Gas Limited, Kanpur & M/s. Maharashtra Natural Gas Limited, Pune, Joint Venture Companies promoted by BPCL and GAIL. IGL has registered Revenue from Operations of ₹ 6,361.87 Crores and a profit after tax of ₹ 842.10 Crores for the financial year ending 31st March 2019, as compared to a Revenue from Operations of ₹ 5,014.90 Crores and a profit after tax of ₹ 721.72 Crores in the previous year. The EPS for the year stood at ₹ 12.03, as against ₹ 10.31 in 2017-18. The IGL Board has recommended a dividend of ₹ 2.40 per share (face value of ₹ 2 each) for the year ending 31st March 2019, as against a dividend of ₹ 2 per share (face value of ₹ 2 each) in the previous year.

SABARMATI GAS LIMITED (SGL)

SGL, a Joint Venture Company promoted by BPCL and Gujarat State Petroleum Corporation (GSPC), was incorporated on 6th June 2006 with an authorized capital of ₹ 100 Crores for implementing the CGD project for supply of CNG to the household, automobile, industrial and commercial sectors in the districts of Gandhinagar, Mehsana, Aravali, Sabarkantha and Patan of Gujarat. The paid up share capital of the company is ₹ 20 Crores. As at 31.03.2019 BPCL has a stake of 49.94% in the equity capital of SGL. SGL has set up 88 CNG stations. SGL has achieved turnover of ₹ 1,122.57 Crores and a net profit of ₹ 100.48 Crores for the financial year ending 31st March 2019, as against ₹ 839.87 Crores and ₹74.54 Crores respectively for the previous year. The EPS for the year stood at ₹ 50.23 as against ₹ 37.29 in 2017-18. The company has recommended a dividend of ₹ 3.25 per share for the financial year ending 31st March 2019, as against ₹ 2.50 per share in previous year.

CENTRAL UP GAS LIMITED (CUGL)

CUGL is a Joint Venture Company set up in February 2005 with GAIL as the other partner for implementing the projects for supply of CNG to the automobile sector and PNG to the household, industrial and commercial sectors in Kanpur (including parts of Unnao district), Bareilly and Jhansi in Uttar Pradesh. The company was incorporated with an authorised share capital of ₹ 60 Crores. The joint venture partners have each invested ₹ 15 Crores for an equity stake of 25% each in the company, balance 50% being held by IGL. CUGL has set up 40 CNG stations. CUGL has achieved Revenue from Operations of ₹ 328.03 Crores and net profit of ₹ 52.11 Crores for the financial year ending 31st March 2019, as against ₹ 266.06 Crores and ₹ 45.95 Crores respectively for the previous year. The EPS for the year stood at ₹ 8.68 as against ₹ 7.66 in 2017-18.

MAHARASHTRA NATURAL GAS LIMITED (MNGL)

MNGL was set up in January 2006 as a Joint Venture Company with GAIL for implementing the project for supply of natural gas to the household, industrial/ commercial and automobile sectors in Pune and its nearby areas. The company was incorporated with an authorised share capital of ₹ 100 Crores. The paid up capital of the company is ₹ 100 Crores. BPCL and GAIL have invested ₹ 22.50 Crores each in MNGL's equity capital. MIDC, as a nominee of Maharashtra Government, has taken 5% equity in the month of June 2015. The balance 50% is held by IGL, our joint venture company. MNGL has achieved Revenue from Operations of ₹ 909.84 Crores and profit of ₹ 142.65 Crores for the financial year ending 31st March, 2019 as against ₹ 663.17 Crores and profit of ₹ 105.72 Crores respectively in the previous year. The EPS for the year stood at ₹ 14.27 as against ₹ 10.57 in 2017-18.

HARIDWAR NATURAL GAS PRIVATE LIMITED (HNGPL)

BPCL has signed a Joint Venture Agreement with GAIL Gas Limited for implementation of a CGD Project in the GA of Haridwar and formed a Joint Venture Company, HNGPL on a 50:50 basis. HNGPL was incorporated on 20th April 2016. The authorised share capital of the company is ₹ 45 Crores and as on 31st March 2019, the promoters have infused ₹ 12.50 Crores each towards equity contribution. The project cost for the first five years is approximately ₹ 148 Crores, which will be funded through a debt equity of 70:30.

GOA NATURAL GAS PRIVATE LIMITED (GNGPL)

BPCL has signed a Joint Venture Agreement with GAIL Gas Limited for implementation of a CGD Project in North Goa and formed a Joint Venture Company, GNGPL on a 50:50 basis. GNGPL was incorporated on 13th January 2017 with an authorised share capital of ₹ 50 Crores. The project cost for the first five years is ₹ 119 Crores which will be funded through 30% equity and 70% debt. So far BPCL has paid ₹ 9.50 Crores as equity contribution.

BHARAT STARS SERVICES PRIVATE LIMITED (BSSPL)

BSSPL, a Joint Venture Company promoted by BPCL and ST Airport Pte Limited, Singapore was incorporated in September 2007, for providing Into Plane (ITP) fuelling services at Bengaluru International Airport. The authorised and paid up share capital of BSSPL is ₹ 20 Crores. The two promoters have each subscribed to 50% of the equity share capital of BSSPL and BPCL's present investment stands at ₹ 10 Crores. The company commenced its operation at the international airport in Bengaluru from May 2008 and has also incorporated a wholly owned subsidiary, Bharat Stars Services Pvt. (Delhi) Ltd. for implementing ITP services exclusively at the new T3 Terminal of Delhi International Airport. BSSPL is presently providing ITP Services at three open access airports viz. Bengaluru, Mumbai & Delhi T3. It has also taken over the complete operatorship of 3 BPCL AFS at Delhi T1, Jaipur and Durgapur. In addition, BSSPL also provides manpower support services to BPCL at various other airports. BSSPL has achieved a consolidated turnover of ₹ 50.27 Crores and consolidated profit of ₹ 5.57 Crores for the financial year ending 31st March 2019, as against ₹ 40.93 Crores and ₹ 5.35 Crores respectively for the previous year. The EPS for the year stood at ₹ 2.78, as against ₹ 2.67 in 2017-18. The company has recommended a dividend of ₹ 0.50 per share for the financial year ending 31st March 2019.

DELHI AVIATION FUEL FACILITY PRIVATE LIMITED (DAFFPL)

A Joint Venture Company, DAFFPL has been promoted by BPCL, IOCL and Delhi International Airport Limited (DIAL) for implementing open access Aviation Fuel facility for the new T3, T2 and cargo terminals at Delhi International Airport. The authorized and paid up share capital of the company is ₹ 170 Crores and ₹ 164 Crores respectively. BPCL and IOCL each have subscribed to 37% of the share capital of the joint venture while the balance 26% has been held by DIAL. DAFFPL has registered Revenue from Operations of ₹ 157.43 Crores and net profit of ₹ 50.96 Crores for the financial year ending 31st March 2019, as against Revenue from Operations of ₹ 139.96 Crores and net profit of ₹ 48.96 Crores respectively during the previous year. The EPS for the year stood at ₹ 3.11, as against ₹ 2.99 in 2017-18. The company has recommended a dividend of ₹ 0.80 per equity share for the financial year ending 31st March 2019.

MUMBAI AVIATION FUEL FARM FACILITY PRIVATE LIMITED (MAFFFPL)

MAFFFPL has been incorporated on 26th February 2010 under the provisions of the Companies Act, 1956 in the state of Maharashtra, India. IOCL, BPCL and Hindustan Petroleum Corporation Limited (HPCL) became joint venture partners along with Mumbai International Airport Private Limited (MIAL) on 28th October, 2014 with equity holding of 25% each. Presently, BPCL has invested an amount of ₹ 48.29 Crores towards equity so far. MAFFFPL has started its operation from February 2015. The business of the company is to operate & maintain the existing Aviation fuel farm facilities and to provide ITP services at Chhatrapati Shivaji International Airport (CSIA), Mumbai. MAFFFPL is constructing the Integrated Fuel Farm Facility on an open access basis and the first phase of commissioning activities have commenced. The revenue to MAFFFPL is by way of the fuel infrastructure charges, payable by the suppliers for utilising the facility. MAFFFPL has registered a Revenue from Operations of ₹ 137.11 Crores and net profit of ₹ 51.84 Crores for the year ending 31.03.2019, as against Revenue from Operations of ₹ 132.09 Crores and net profit of ₹ 47.22 Crores during the previous year. The EPS for the year stood at ₹ 2.75, as against ₹ 2.97 in 2017-18.

KANNUR INTERNATIONAL AIRPORT LIMITED (KIAL)

KIAL is an Unlisted Public Company promoted by the Government of Kerala to build and operate the airport on international standards, primarily to cater to the travelling needs of the large NRI population in the region, who travel frequently to various international destinations, the flourishing business community and tourists. The area is of immense tourist potential and attracts both domestic and international tourists. The project cost was ₹ 2,418 crores, of which ₹1,500 crores will be financed through equity and the balance sum of ₹ 918 crores financed by way of borrowings. The paid up capital of the company as on 31.03.2019 is ₹ 1,160.50 crores, out of which BPCL has made a contribution of ₹ 216.80 Crores. Kannur Airport was commissioned on 9th December 2018, and it is the 4th international airport in Kerala, the only state in the country to have four international airports. During the period 9th December 2018 to 31st March 2019, total aircraft movements were 1071 and passenger traffic was approx. 2.29 lakh.

MATRIX BHARAT PTE LIMITED (MXB)

MXB is a Joint Venture Company incorporated in Singapore on 20th May 2008 for carrying out the bunkering business and supply of marine lubricants in the Singapore market, as well as international bunkering including expanding into Asian and Middle East markets. The company has been promoted by BPCL and Matrix Marine Fuels L.P. USA, an affiliate of the Mabanaft group of companies, Hamburg, Germany. The authorised capital of the company is USD 4 million. BPCL has subscribed 20 lakh shares for an equivalent sum of ₹ 8.41 Crores. Both the partners have contributed equally to the share capital. Matrix Marine Fuels L.P. USA has subsequently transferred their share and interest in the joint venture in favour of Matrix Marine Fuels Pte Limited, Singapore, another affiliate of the Mabanaft group. MXB has achieved revenue of USD 149.93 million and earned a profit of USD 0.04 million for the year ending 31.12.2018, as against USD 220.24 million revenue and a profit of USD 1.88 million in the year 2017.

KOCHI SALEM PIPELINE PRIVATE LIMITED (KSPPL)

BPCL has signed a Joint Venture Agreement with IOC for implementation of the Kochi-Coimbatore-Salem LPG Pipeline Project and formed a Joint Venture Company, KSPPL in January 2015, on a 50:50 basis. As on 31.03.2019, BPCL has paid an amount of ₹ 96.25 Crores towards equity in this JV Company. The project is presently underway.

GSPL INDIA TRANSCO LIMITED (GITL)

GITL is a Joint Venture of Gujarat State Petronet Limited (GSPL) holding 52% share, IOCL holding 26% share and BPCL and HPCL holding 11% share each. BPCL has made an equity contribution of ₹ 41.91 Crores so far. GITL has been authorised to lay a 1,881 Km pipeline from Mallavaram to Bhilwara. The Company has awarded EPC Contracts for the initial section of the project from Kunchanapalli (Andhra Pradesh) to RFCL Ramagundam (Telangana), which is in an advanced stage of completion.

GSPL INDIA GASNET LIMITED (GIGL)

GIGL is a Joint Venture of GSPL holding 52% share, IOCL holding 26% share and BPCL and HPCL holding 11%

share each. As on 31.03.2019, BPCL has made an equity contribution of ₹ 52.80 Crores. GIGL has been authorised to lay two cross-country gas pipelines viz. 1,640 Km from Mehsana to Bhatinda and 740 Km from Bhatinda to Srinagar . The initial sections of the project, covering approx. 440 kms viz. Barmer-Pali Pipeline, Palanpur-Pali Pipeline and Jalandhar-Amritsar Pipeline, were inaugurated by the Hon'ble Prime Minister of India on 30th September 2018 and have started commercial operations in the third quarter of the Financial Year 2018-19. The company has transported approximately 0.90 MMSCMD of gas and has earned total revenue of ₹ 21.64 Crores through transportation of gas till 31st March, 2019. The company has also started implementation of various sections of the MBPL Project planned under Phase II.

FINO PAYTECH LIMITED (FINO)

BPCL signed a Subscription Agreement with FINO PayTech Ltd. and Shareholders Agreement with FINO and other investors on 29.07.2016. Pursuant to the said agreements, BPCL has made an investment of ₹ 251 Crores in FINO PayTech Limited. FINO Payments Bank - FPB (A FINO group entity) completes its second year of operation in June 2019. FPB evolved a new cost effective channel of operations through the Merchant Network and stabilized 425 branches across India as on 31.03.2019. Consolidated Revenue from Operations during the year stood at ₹ 527 Crores and consolidated loss for the year 2018-19 was ₹ 73.96 Crores.

PETRONET INDIA LIMITED (PIL)

PIL was formed in the year 1997 as a financial holding company to give impetus to the development of a pipeline network throughout the country. The company carried out business through SPVs and Joint Venture Companies. With the new Pipeline policy, oil companies were allowed to establish their own pipeline network. PIL obtained appropriate approvals and proceeded to liquidate its investments in joint ventures and subsidiaries. PIL's equity has been purchased by respective promoter companies viz. Petronet CCK Limited stake has been taken over by BPCL, Petronet MHB Limited stake has been taken over by HPCL and ONGC and Petronet VK Limited stake has been taken over by IOCL and RIL. PIL filed an application before NCLT and paid up share capital was reduced from ₹ 100 Crores to ₹ 1 Crore and ₹ 99 Crores was returned to its promoters. BPCL has 16% equity participation in the company with current investment of ₹ 0.16 Crores. During the year, shareholders of the company approved voluntary winding up of PIL and appointed an Official Liquidator (OL) for the same. Liquidation of the company is under process.

PETRONET CI LIMITED (PCIL)

PCIL was set up for laying a pipeline for evacuation of petroleum products from refineries at Jamnagar/Koyali to feed consumption zones in Central india. BPCL has an equity participation of 11% in this JV. Promoter companies have decided to exit from PCIL, and provision for full diminution in the value of investment has been done in the account of BPCL. The Company is under liquidation.

BHARAT RENEWABLE ENERGY LIMITED (BREL)

BREL was incorporated on 17th June, 2008 for undertaking the production, procurement, cultivation and plantation of horticulture crops such as Karanj, Jathropha and Pongamia trading, research and development and management of all the crops and plantation including Biofuels in the State of Uttar Pradesh, with an authorized capital of ₹ 30 Crores. The company has been promoted by BPCL with Nandan Cleantech Limited (Nandan Biomatrix Limited), Hyderabad and Shapoorji Pallonji group, through their affiliate, S.P. Agri Management Services Pvt. Ltd. A Company Petition was filed before the Hon'ble High Court of Allahabad (Lucknow Bench) for winding up BREL. By the judgement dated 21.12.2015, the company was ordered to be wound up and an Official Liquidator (OL) to proceed in accordance with the provisions of the Companies Act. All assets and records of the company have been deposited with the OL and the OL has since submitted a status request to the Hon'ble High Court.

RATNAGIRI REFINERY & PETROCHEMICALS LIMITED (RRPCL)

An integrated refinery and petrochemical complex of about 60 MMTPA capacity was conceived by the Oil PSUs (OMCs), based on growing demand of petroleum fuels and petrochemical products in the west coast. Accordingly, IOCL, BPCL and HPCL entered into a Joint Venture Agreement on 14th June, 2017 and the JV Company, RRPCL was incorporated on 22nd September, 2017 with an authorised capital of ₹ 400 Crores and paid up capital of ₹ 100 Crores . BPCL has made an initial equity contribution of ₹ 25 Crores. Saudi Aramco showed interest in taking equity in RRPCL and a non-binding MOU for Key Business Principles was signed on 11th April, 2018. Saudi Aramco also sought to include another strategic partner to co-invest in the project as an overseas investor and accordingly, signed an MoU with ADNOC on 25th June, 2018. Saudi Aramco and Adnoc have expressed their intent to together hold upto 50% of the share capital of RRPCL as a Non-Resident Block as per the MoU, with Indian consortium holding the balance 50% as a Resident Block.

City and Industrial Development Corporation (CIDCO), was entrusted with land acquisition at Raigad District by the Government of Maharashtra. A market study was carried out as a prelude/basis to PFR by an internationally renowned consultant to assess the demand forecasting of Petrochemical products and the pricing details of Crude, Fuel Products and Petrochemicals. Configuration of the integrated complex is being finalized with the help of an international consultant.

UJJWALA PLUS FOUNDATION (UPF)

A Joint Venture Company was formed for charitable purposes between three PSU Oil Marketing Companies viz BPCL, HPCL & IOCL (in the ratio of 25:25:50) under Section 8 of the Companies Act, 2013. The company was incorporated on 21st July 2017. This company is limited by guarantee and not having share capital. The company will receive funds/contributions from organizations or individuals and these will be utilized for release of LPG connections to Below Poverty Level (BPL) households not covered under Pradhan Mantri Ujjwala Yojana. The beneficiaries are identified from the Socio – Economic Caste Census (SECC) 2011 based on certain deprivation criteria.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(e) of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

The forward looking statements made in the Management Discussion and Analysis Report are based on certain assumptions and expectations of future events. The Directors cannot guarantee that these assumptions are accurate or these expectations will materialise.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGICAL ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as prescribed under Sub-Section (3)(m) of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, are enclosed as Annexure A to the Directors' Report.

MEMORANDUM OF UNDERSTANDING WITH MINISTRY OF PETROLEUM & NATURAL GAS

BPCL has entered into a Memorandum of Understanding (MOU) for the year 2019-20 with the Ministry of Petroleum & Natural Gas. BPCL has been achieving an "Excellent" performance rating since 1990-91 till 2017-18. In 2017-18, BPCL achieved a composite score of 98.16%.

BOARD EVALUATION

The provisions of Section 134 (3)(p) of the Act shall not apply to a Government Company in case the Directors are evaluated by the Ministry, which is administratively in charge of the Company as per its own evaluation methodology. BPCL, being a Government Company, the performance evaluation of the Directors is carried out by the Administrative Ministry (MoP&NG), Government of India, as per applicable Government guidelines.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The provisions of Section 134 (3)(e) of the Act are not applicable to a Government Company. Consequently, details on Company's policy on Directors' appointment and other matters are not provided under Section 178 (3) of the Act.

Similarly, Section 197 of the Act shall not apply to a Government Company. Consequently, disclosure of the ratio of the remuneration of each Director to the median employee's remuneration and other such details including the statement showing the names and other particulars of every employee of the Company, who if employed throughout / part of the financial year, was in receipt of remuneration in excess of the limits set out in the Rules are not provided in terms of Section 197 (12) of the Act read with Rule 5 (1) / (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Chairman & Managing Director and the Whole-time Directors of the Company did not receive any remuneration or commission from any of its Subsidiaries.

BPCL, being a Government Company, its Directors are appointed / nominated by the Government of India as per the Government / DPE Guidelines which also include fixation of pay criteria for determining qualifications and other matters.

CORPORATE GOVERNANCE

The Report on Corporate Governance, together with the Auditors' Certificate on compliance of Corporate Governance, is annexed as Annexure D, as required under Listing Regulations and Department of Public Enterprises Guidelines of Corporate Governance for Central Public Sector Enterprises.

SOCIAL, ENVIRONMENTAL AND ECONOMIC RESPONSIBILITIES AND BUSINESS RESPONSIBILITY REPORT

The Corporation is committed to be a responsible Corporate Citizen in society, which leads to sustainable growth and economic development for the nation as well as all stakeholders. In order to be a responsible business to meet its commitment, the Board of Directors of the Company has adopted and delegated to the Sustainability Committee, the implementation of a Business Responsibility Policy based on the principles of National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business as issued by the Ministry of Corporate Affairs, Government of India. BPCL's Sustainability Report is in accordance with the Global Reporting Initiative (GRI).

As stipulated under the Listing Regulations, the Business Responsibility Report describing the initiatives taken by the Company from the environmental, social and governance perspective is attached as part of the Annual Report.

TRANSACTION WITH RELATED PARTIES

During the Financial Year, the Corporation has entered into contracts or arrangement with related parties, which were in the ordinary course of business and on an arm's length basis.

The required information on transactions with related parties are provided in Annexure F in Form AOC-2 in accordance with Section 134(3) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

In terms of Listing Regulations and Policy of the Corporation on materiality of related party transactions, a transaction entered into with Bharat Oman Refineries Limited, a Joint Venture Company could be considered material. The details of the transaction are being placed for approval of the shareholders.

The Policy on related party transactions including material related party are available on the Corporation's website at the link https://bharatpetroleum.com/images/files/RPTPolicy_BPCL.pdf

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Corporation has provided Loans/Guarantees to its Subsidiaries/Joint Ventures and has made investments in compliance with the provisions of the Companies Act, 2013. The details of such investments made and loans/guarantees provided as at 31st March 2019, are given in the Disclosures under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in Annexure H.

RISK MANAGEMENT

The Risk Management Committee has been constituted by the Board. The Board has defined the roles and responsibilities of the Risk Management Committee, which includes reviewing and recommending of the risk management plan comprising risks assessed and their mitigation plans and reviewing and recommending the risk management report for approval of the Board with the recommendation by the Audit Committee. The Corporation's internal financial controls and risk management systems are assessed by the Audit Committee. The Corporation has adopted a Risk Management Charter and Policy for self-regulatory processes and procedures for ensuring the conduct of the business in a risk conscious manner and for managing risks on an ongoing basis.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) / (5) of the Companies Act, 2013, the Directors of the Company confirm that:

a. In the preparation of the Annual Accounts for the year ended 31st March, 2019, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

b. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. The Directors have prepared the annual accounts on a 'going concern' basis;

e. The Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating effectively; and

f. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Shri Arun Kumar Singh was appointed as Additional Director and Director (Marketing) with effect from 01.10.2018. As he has been appointed as Additional Director, he will hold office till the ensuing Annual General Meeting (AGM). Notice under Section 160 of the Act has been received proposing his name for appointment as Director at the ensuing AGM.

Shri Neelakantapillai Vijayagopal was appointed as Additional Director and Director (Finance) with effect from 17.12.2018. He is also the Chief Financial Officer. Prior to his appointment as Director (Finance), he was holding the position of ED (Finance) and was acting as the Chief Financial Officer from 14.11.2018.

As Shri Neelakantapillai Vijayagopal has been appointed as Additional Director, he will hold office till the ensuing AGM. Notice under Section 160 of the Act has been received proposing his name for appointment as Director at the ensuing AGM.

Shri Rajesh Kumar Mangal was appointed as an Independent Director for a period of three years from 1st December, 2015 up to 30th November, 2018. The Board of Directors has approved the reappointment of Shri Rajesh Kumar Mangal, as an Independent Director of the Company for a period of one year with effect from 1st December 2018 up to 30th November, 2019 or until further orders from the Ministry of Petroleum & Natural Gas, whichever is earlier. Accordingly, the proposal for his reappointment as an Independent Director is placed for the approval of Shareholders.

Shri Harshadkumar P. Shah was appointed as Additional Director with effect from 16.07.2019. As he has been appointed as Additional Director, he will hold office till the ensuing AGM. Notice under Section 160 of the Act has been received proposing his name for appointment as Director at the ensuing AGM.

Shri K. Sivakumar relinquished from the post of Director (Finance) with effect from 08.05.2018. He was holding position of ED (Finance) I/C and acted as Chief Financial Officer from 29.05.2018 to 13.11.2018.

Shri S. Ramesh, Director (Marketing) ceased to be the Director on the Board with effect from 24.09.2018 due to his demise. The Directors place on record his invaluable contributions towards the company and express their deep condolences for his sad demise.

Shri Gopal Chandra Nanda and Shri Deepak Bhojwani, Independent Directors ceased to be Directors from 01.12.2018 on completion of their tenure. Dr.(Smt.) Tamilisai Soundararajan, Independent Director, resigned from Directorship w.e.f. 23.03.2019. The Directors have placed on record their deep appreciation on behalf of the Board for the valuable contributions made and guidance given by them for the development and progress of the Company's business.

Shri K. Padmakar, Director (Human Resources) will retire by rotation at the ensuing AGM as per the provisions of Section 152 of the Act and being eligible, has offered himself for reappointment as Director at the said Meeting.

As required under the Corporate Governance Clause, brief bio-data of the above Directors who are appointed / reappointed at the AGM are provided in the Notice.

DECLARATION OF INDEPENDENCE

Independent Directors of the Company have provided declarations confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

FAMILIARISATION PROGRAMMES

The Company has adopted a policy for the training requirements of Board Members. The details thereof with the programmes sponsored for familiarisation of Independent Directors with the Company are available at the Company's web link: https://www.bharatpetroleum.com/images/files/Details%20of%20Familiarization%20Programme%20in%20BPCL.pdf

AUDIT COMMITTEE

The details of the composition of the Audit Committee, terms of reference, meetings held etc., are provided in the Corporate Governance Report which forms part of this Report.

VIGIL MECHANISM

There exists a vigil mechanism to report genuine concerns in the Organisation. The Corporation has implemented the Whistle Blower Policy to ensure greater transparency in all aspects of the Corporation's functioning. The objective of the policy is to build and strengthen a culture of transparency and to provide employees with a framework for responsible and secure reporting of improper activities.

The vigil mechanism provides for adequate safeguards against victimisation of persons who use a mechanism and has provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. The details of establishment of such a mechanism are disclosed in the Company's web link: https://www.bharatpetroleum.co.in/images/files/Whistle%20Blower%20policy.pdf

NUMBER OF MEETINGS OF THE BOARD

Sixteen meetings of the Board of Directors were held during the year, the details of which are given in the Corporate Governance Report that forms part of this Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Listing Regulations.

EXTRACT OF ANNUAL RETURN

As required under Section 92(3) of the Act, extract of Annual Return of the Company is annexed herewith in specified Form MGT-9 as Annexure G to this Report, and is also placed on the website of the Company at www.bharatpetroleum.in under Investor's column.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The details are included in the Management Discussion & Analysis Report which forms part of this Report.

STATUTORY AUDITORS

M/s. CVK & Associates, Chartered Accountants, Mumbai and M/s. Borkar & Muzumdar, Chartered Accountants, Mumbai, were appointed as Statutory Auditors for the year 2018-19 by the Comptroller & Auditor General of India (C&AG) under the provisions of Section 139(5) of the Companies Act, 2013. They will hold office till conclusion of the ensuing Annual General Meeting. The C&AG has been approached for the appointment of Statutory Auditors for the financial year 2019-20.

The Auditors' Report does not contain any qualification, reservation or adverse remark.

COST RECORDS AND COST AUDIT

The Corporation has prepared and maintained cost records as prescribed under Section 148(1) of the Companies Act, 2013 for the Financial Year 2018-19. The Cost Audit Report for the year 2017-18 has been filed with the Ministry of Corporate Affairs on 14.08.2018 in XBRL Format. The due date for filing the Cost Audit Report was 07.09.2018. The Cost Auditors for financial year 2017-18 were M/s ABK & Associates, Mumbai and M/s Bandyopadhyaya Bhaumik & Company, Mumbai.

The same Cost Auditors have been appointed for the year 2018-19. The Cost Auditor shall, within a period of 180 days from the closure of the financial year, forward the Cost Audit Report and the Corporation is required to file the Cost Audit Report within 30 days of receipt of the same.

SECRETARIAL AUDITOR

The Board has appointed M/s Dholakia & Associates LLP, Company Secretaries to conduct Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report for the financial year ended 31st March, 2019 is enclosed as Annexure I to this Report.

The Secretarial Audit Report does contain an observation that the Company did not have requisite number of Independent Directors on its Board as required under Regulation 17(1)(b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for the period from 01.12.2018 to 31.03.2019.

Explanations by the Board to the above observation in the Secretarial Auditor Report:

"Bharat Petroleum Corporation Ltd. is a Government Company under the Administrative Control of Ministry of Petroleum and Natural Gas. The nomination/appointment of all categories of Directors are done by Government of India in accordance with the laid down guidelines of Department of Public Enterprises. Accordingly, the subject matter of nomination/appointment of adequate number of Independent Directors falls under the purview of the Government of India. BPCL has from time to time communicated to the Ministry of Petroleum & Natural Gas with respect to the requirements of Independent Directors under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015."

GENERAL

There were no significant or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

The Company has not issued equity shares with differential rights / sweat equity shares/ Employee Stock Options.

During the year under review, there were 3 complaints of sexual harassment in respect of our employees, out of which one complaint pertained to the previous year. The matter was taken up by the Internal Complaints Committee (ICC), enquiries were conducted by them and the cases were resolved and closed by the ICC. There are no pending cases.

ACKNOWLEDGEMENTS

The Directors convey their appreciation for the admirable performance of the Company, which has been made possible due to the sterling efforts of the employees. They have exhibited time and again their deep commitment and passion for results, which has propelled the Company to the vaunted position it enjoys today.

The Directors acknowledge the support and guidance received from various Ministries of the Government of India, particularly the Ministry of Petroleum & Natural Gas, and from various State Governments that helped BPCL on the path of progress and prosperity.

The unstinting support of all stakeholders, especially customers, business partners and shareowners, has been the mainstay of BPCL's outstanding performance through the years.

The Directors affirm that they will continue to explore new paths of excellence in their pursuit of enhancing stakeholder value.

For and on behalf of the Board of Directors

Sd/
D. Rajkumar
Chairman & Managing Director

Place: Mumbai
Date: 31st July, 2019

Management Discussion & Analysis Report

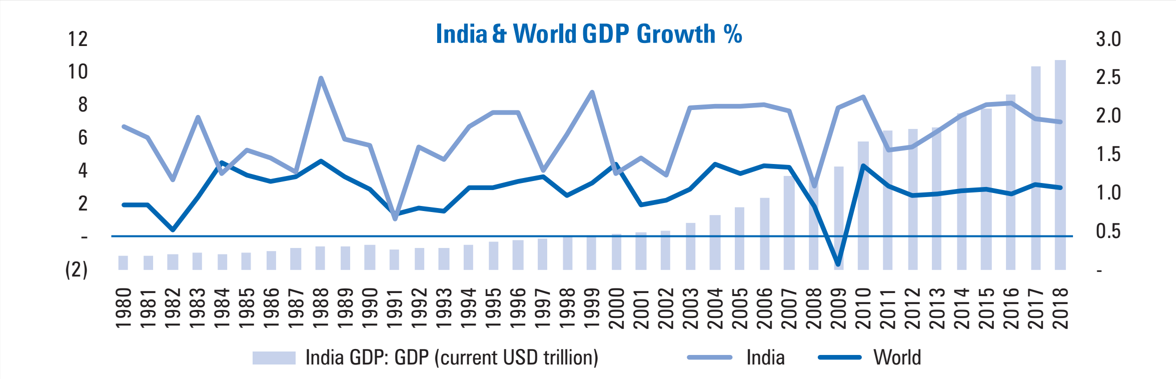
Economic Developments: Managing Expectations

The global economy showed signs of exhaustion in the second half of the year 2018 after witnessing reasonable growth in the previous year. The global growth in late 2017 and early 2018, which was driven by increase in consumption, policy initiatives and recovery in investments, waned off in the wake of escalating trade tensions, heightened policy uncertainty, dwindling business and consumer confidence and increasing financial stress in many economies of the world. These weaknesses seem to have continued to persist in the first half of 2019, with materialization of certain downside risks owing to the lingering effects of the factors mentioned above. With increase in the risk of prolongation of this broad based weakness, the global growth in 2019 is expected to be lower, at around 3% levels. The growth is projected to pick up in 2020, supported by the policy stimulus in major economies, improvements in global financial market sentiments, efforts to negotiate trade tensions bearing fruit and a gradual improvement in conditions in the stressed economies.

A number of country specific and sector specific factors contributed to slowdown in global growth in the year gone by. Many emerging markets and developing economies, saddled with higher current account deficits, experienced substantial financial market pressures and a noticeable slowdown in activity. Amongst the major emerging market economies, growth in China declined in consequence of the stringent policy measures taken by the Government to rein in rising debt and check shadow banking, lower domestic investments and rising trade tensions with the United States. Economies like Argentina and Turkey witnessed the after- effects of policy tightening aimed at reducing financial and macroeconomic imbalances. While Mexico faced headwinds of the incoming administration's policy backtracking, the Middle East experienced weaker economic activity due to the growing geopolitical tensions.

Amongst advanced economies, the United States was perhaps the only economy which experienced higher growth, led by stronger than expected domestic demand, bolstered by a resilient labour market, pro-cyclical fiscal stimulus and still-accommodative monetary policy, though investments appeared to decline in the second half of the year. However, Euro area growth slowed down notably as consumer and business confidence weakened, global trade slowed impacting exports, investments plunged under concerns of a no deal Brexit and financial stress permeated through the economies. The automobile market in Germany took a hit by the introduction of new emission norms, while investment activity was sluggish in Italy due to concerns around widening sovereign spreads and fiscal policy uncertainty. The economic activity in Japan slowed due to the downside effects of climatic conditions and natural disasters, somewhat offset by increasing labour participation and continuing fiscal stimulus by the Bank of Japan.

While the global economic growth prospects look reasonable, assuming that investment and consumer confidence rebound with resolution of trade differences and improving financial conditions in response to policy initiatives, there are substantial downside risks which need to be watched out for. A further escalation of trade tensions, surmounting public and private sector debt in vulnerable economies, tightening global financial conditions, slowing consumption and investment, escalating geopolitical discords and increasing political uncertainty owing to rising inequality are some of the factors that have the potential to stifle economic activity and spook financial markets across the world. The rising trade protectionism itself poses serious contagion risk to global economic growth by suppressing investment activity and severely disrupting global value chains, contributing to higher prices, inefficiencies and lower productivity.

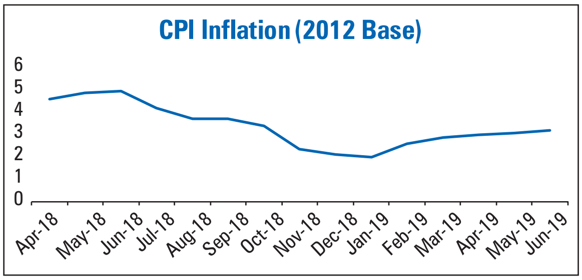


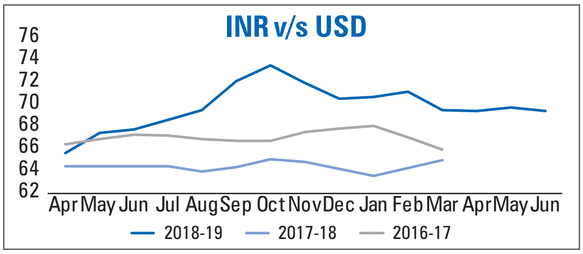
At a time when conventional monetary and fiscal policy responses have limited effectiveness, there lies a greater responsibility on policy makers world over to avoid any policy missteps, be warily watchful of the risks and be proactive rather than reactive in responding to situations. The monetary, fiscal and trade policy regime should be calibrated suitably to raise growth prospects and support output growth, foster demand, increase inclusiveness and provide financial stability, underpinned by strong institutional independence while keeping inflation in check and ensuring a sustainable public debt situation. At the multilateral level, there is a greater need for global cooperation to resolve trade conflicts, diffuse geopolitical tensions, address climate change, counter terrorism and risk of cybersecurity and promote fiscal prudence and financial stability. Further, investments in human capital and skill development to raise productivity and leverage technological developments shall be the key to ensuring sustained improvements in standards of living, particularly in emerging market economies. Assisting job creation, pursuing efficient allocation of resources, enabling promotion of small and medium enterprises, fostering export diversification and liberalizing trade policies to better integrate into global value chains would facilitate productivity growth and promote much needed investments in the emerging market economies.

The Indian economy is the world's fastest growing major emerging market economy, supported by a host of reforms undertaken by the Government in the past years, complemented by the country's inherent rich demographic dividend. The economic growth for the year averages around 7%. Having commenced the year with an impressive growth rate, the economy witnessed slower growth subsequently owing to externalities, investment rerouting, subdued private investment, slowing private consumption and lower exports. In nominal GDP terms, India ranks 7th in the world, while it is at an impressive 3rd position in PPP terms as per the IMF data. Stable macroeconomic fundamentals, rising consumption led demand, increased public investments, acceleration in structural reforms and conducive policy initiatives undertaken by the Government, including public bank recapitalization and measures aimed at promoting ease of doing business and attracting investments have propelled economic growth over the past few years.

During the year 2018-19, the Consumer Price Index (CPI) Inflation averaged at 3.43% as against 3.58% in the year 2017-18. After rising in the first few months of the year 2018-19, the CPI inflation fell from the levels of 4.92% in June 2018 and touched a low of 1.97% in January 2019, as food and fuel prices declined and the impact of house rent allowances for Central Government employees waned. Thereafter, CPI inflation rose steadily to touch 2.86% in March 2019. Going forward in the year 2019-20, the CPI inflation is expected to increase, yet remaining within the Reserve Bank of India's target rate of 4%. However, risk factors like geopolitical tensions, crude oil price spikes, financial market volatilities, subdued monsoons and fiscal slippages need to be monitored.

The year 2018-19 saw huge volatility in the foreign exchange rate as the Indian Rupee (INR) faced global headwinds with widening current account deficits led by higher crude oil prices and investment rerouting. The rupee depreciated sharply, crossing the highest ever mark of INR 74 per USD in October 2018 before again appreciating and ending the year 2018-19 at INR 69.17 per USD, boosted by softening of crude oil prices, dovish monetary policy stance in the US and steady revival of investment flows. The rupee averaged at INR 69.89 per





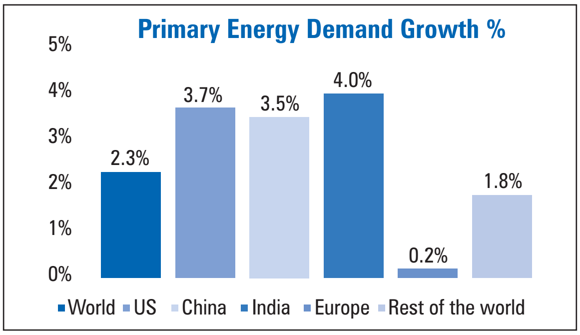
USD as against INR 64.45 per USD in the previous year, registering a depreciation of 8.4% year on year.

While the Indian economy has, in recent times, been able to absorb the global shocks with relative ease, there are significant downside risks which need to be factored and dealt with if the growth momentum is to be sustained. The stressful global financial and geopolitical situations continue to cast its gloom on all the economies including India. On the domestic front, public expenditure and domestic consumption has been fueling economic growth for quite some time. However, private sector investments and export growth need a considerable fillip for sustained economic growth. Downsides notwithstanding, with continuing policy reforms, a supportive monetary policy regime, growing financial stability, sustained rise in consumption and revival in investments, India is expected to grow well around 7% per annum in the coming years.

Trends in the Oil and Gas Sector

The global oil and gas market is going through some exciting times as transformations with far reaching implications overlook the energy landscape. The factors pivotal to such transformation include mounting climatic concerns driving changes in the energy mix in favor of natural gas and renewables, increasing electrification in mobility, industries and buildings; impending implementation of cleaner fuel policies, such as IMO 2020 regulations, changing demand supply dynamics as shale revolution positions the US as a net exporter of oil and rapid technological advancements enabling operational efficiencies and reduction in costs, including the costs of production of batteries and costs of harnessing renewable energy. Nevertheless, the demand for energy continues to rise against the backdrop of heightened economic activity, particularly in emerging economies, higher heating and cooling needs in some parts of the world, growing urbanization and improving standards of living. Though growth in the energy basket components is clearly tilted in favor of renewable energy and natural gas, oil and coal are expected to continue as major constituents for the foreseeable future.

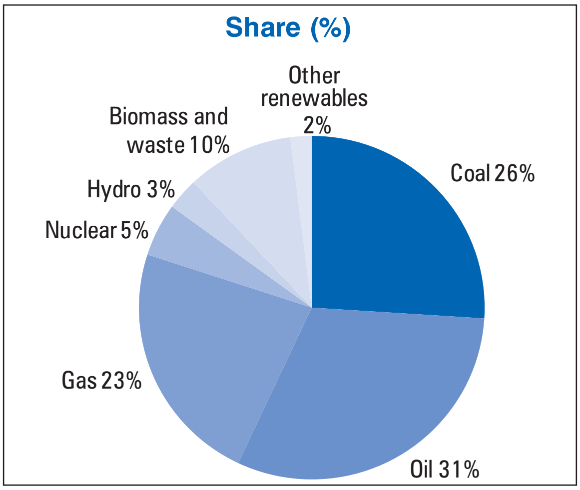
The global energy demand recorded a resounding growth of around 2.3% in 2018, its fastest pace of growth in this

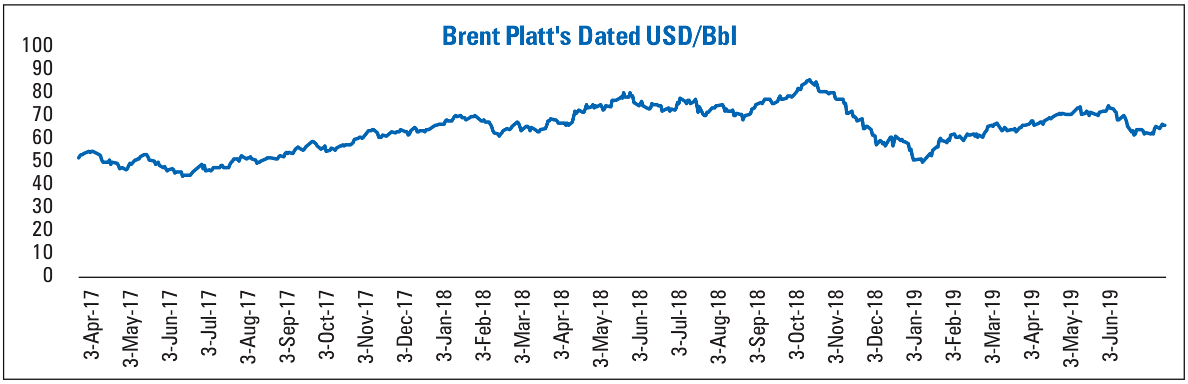


decade, driven by increasing energy needs propelled by a strong global economy. While the demand for oil grew by 1.3%, it was natural gas which emerged as the fuel of the year, registering a growth of around 4.6% and accounting for nearly 45% of the increase in total energy demand. Second to natural gas, energy demand from renewable sources witnessed a growth of 4% with solar power and wind power, both registering a double digit growth. Coal still remains the largest source of electricity and the second largest source of primary energy, though it recorded a growth of 0.7%, witnessing a decline in its share in the global energy mix.

The energy demand grew substantially in China at around 3.5%, accounting for a third of global growth. The United States saw a rebound in energy demand growing at 3.7%, after witnessing slower growth/decline in the past three years, while Europe saw a muted demand growth of around 0.2%. India recorded an increase of around 4% in the primary energy demand contributing nearly 11% of global growth.

Despite major growth in renewables, global energy-related CO_2 emissions grew at the highest rate of around 1.7%, as the world lagged in scaling up the efficiency in energy consumption and deployment of lower-carbon options fast enough to meet the rise in demand. The





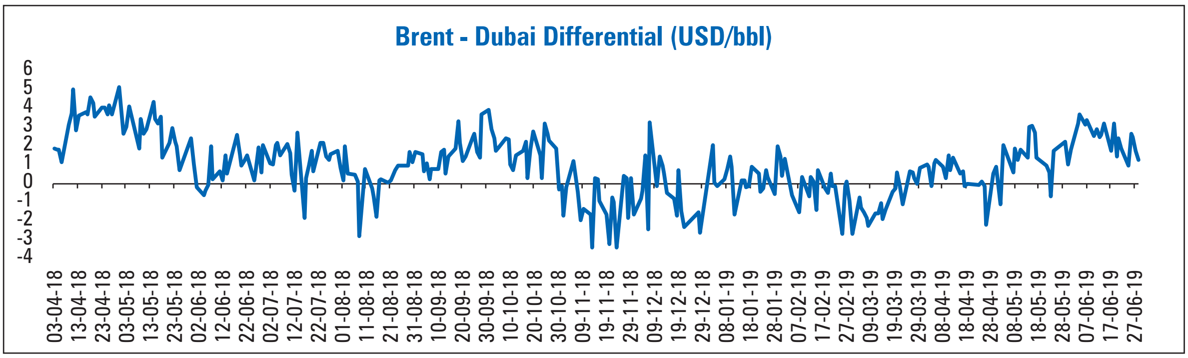
higher emissions are mainly contributed by coal used in power generation, most of which continues to come from the power plants in Asia, though some emissions could be avoided due to acceleration of the coal-to-gas switch, mainly in China and the United States. Notably, China continues to be the leader in renewables, followed by Europe and the United States.

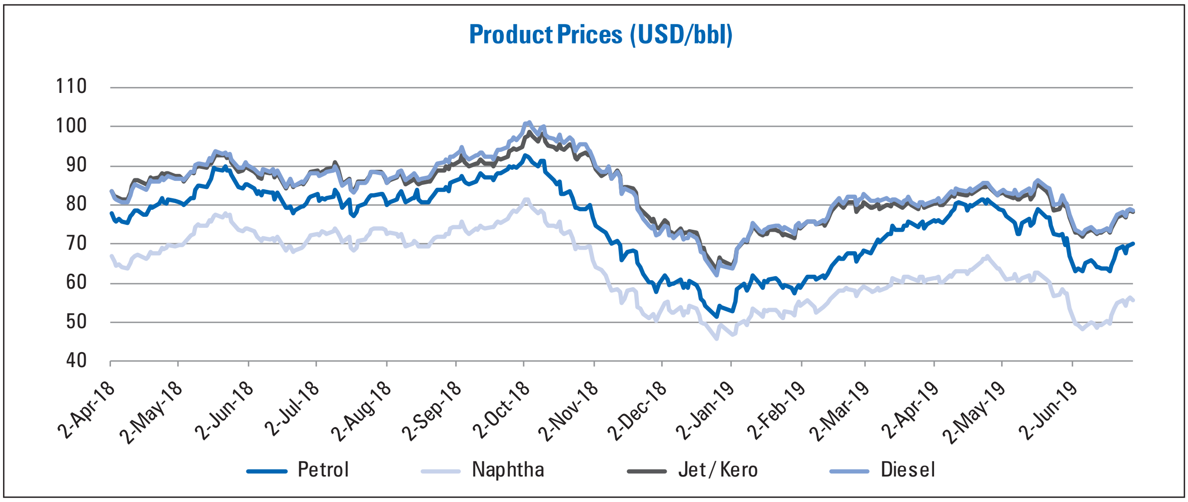
After a prolonged period of oversupply, a possibility of supply crunch in the medium to long term cannot be overruled despite the US shale revolution, owing to factors like geopolitical tensions, dwindling oil production from existing fields, lesser new discoveries and deferment of expenditure in the upstream assets due to the recent downturn. The oil producers need to adjust their strategies maintaining capital discipline, focusing on productivity improvements, mobilizing skilled manpower resources and leveraging technological developments, as energy demand continues to rise and non-fossil fuels seek to claim higher stakes in the energy basket.

The previous year witnessed high volatility in crude oil prices, the likes of which were seen during 2014. Moderated supplies by OPEC and its allies, announcement by the US in May 2018 considering re-imposition of sanctions on Iran and a decline in Venezuelan oil production maintained the benchmark Brent crude price well above USD 70 per barrel level for almost the entire first half of the year 2018-19. Post September 2018, with threat of Iran sanctions kicking in soon and increase in geopolitical risks, Brent crude breached the USD 80 per barrel mark and rose to levels above USD 86 per barrel for the first time in the past three years. However, it retrieved sharply in November 2018 as Iran started pumping oil again, pursuant to partial relaxation granted by the US, increase in US shale oil production, buildup of inventory levels in response to the fears of global oversupply and decelerating global growth. Since then, oil prices have increased in 2019 with intermittent ups and downs. The Brent crude averaged at USD 70 per barrel during the year 2018-19, 23 % more than the average of previous year. Trending alike, the Indian basket of crude oil, averaged at around USD 70 per barrel during the year 2018-19, as against around USD 57 per barrel in the previous year.

With the changing demand-supply dynamics, the Brent-Dubai differential during the year moved in a wide range, while remaining positive in favour of Brent over Dubai for the maximum part of the year, except for some days where the Dubai crude was at a premium over the Brent crude. The differential averaged at around USD 0.8 per barrel during the year as against an average of around USD 1.7 per barrel in the previous year.

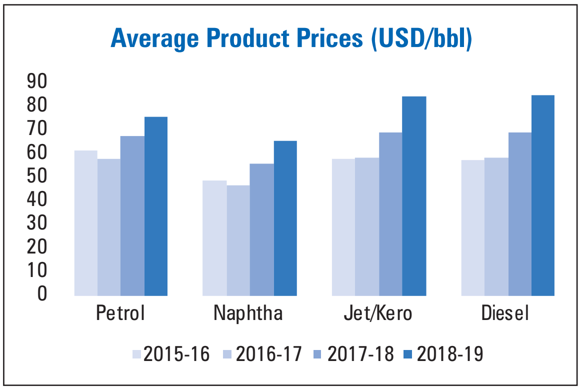
The product prices saw wide variation during the year 2018-19. Motor Spirit (MS) (Unleaded Singapore Platts)/ Petrol prices averaged at USD 75 per barrel, recording an increase of 11% over the previous year. The prices





of High Speed Diesel (HSD) / Diesel averaged at around USD 84 per barrel, recording an increase of 22% over the previous year. The average prices of Naphtha and Jet Fuel / Kerosene (SKO) also increased by 17% and 22% respectively over the previous year.

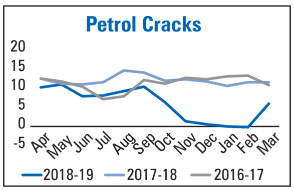
The MS and Naphtha cracks witnessed a decline over the previous year, while Jet Fuel/Kero and HSD cracks increased. MS cracks remained weak for a large part of the year, while witnessing a sharp drop from the levels of around USD 10 per barrel in the month of September 2018 to a staggering low of around negative USD 2 per barrel towards the end of January 2019, thereafter again rising to the levels of USD 7 per barrel by the end of March 2019, averaging at USD 5.9 per barrel, 51 % lower than the average cracks of USD 12 per barrel in the previous year. The average Naphtha cracks were around negative USD 4.1 per barrel, as against the average of USD 0.3 per barrel in the previous year. Jet Fuel/Kero cracks averaged at USD 14.5 per barrel and HSD cracks averaged at USD 15 per barrel, registering an increase of 9% and 12% over the average of the previous year, respectively.

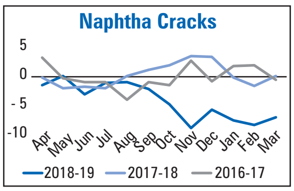


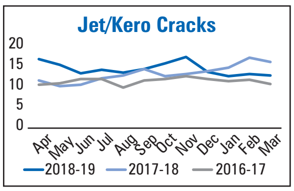
As crude oil prices continue to be impacted by various geopolitical factors including slowing economic activity, global trade tensions and US sanctions on Iran, Libya and Venezuela, there is an increasing pressure on the OPEC and its allies to recalibrate the supplies to maintain the prices at reasonable levels. While Russia has collaborated with OPEC on supply moderations so far, the continuation of this collaboration amidst growing influence of the US as a net exporter of oil, will have a defining impact on the crude oil market dynamics going ahead.

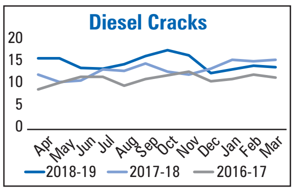
Indian Petroleum Sector

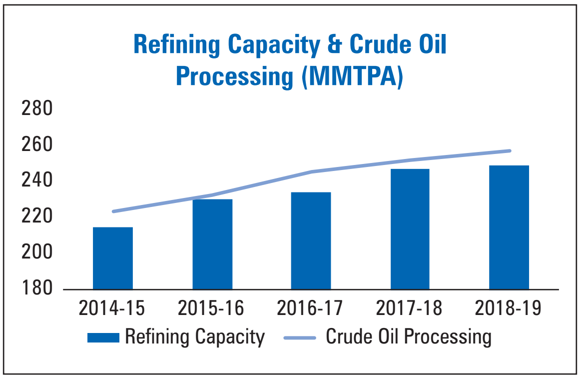
The fastest growing major economy in the world, India is also one of the largest consumers of energy. During the year 2018, India's primary energy demand grew by approx. 4%, outpacing the global demand growth. More than one third of the primary energy consumption comes from oil and gas. The petroleum products consumption in the country grew by around 2.6% in the year 2018-19 as against around 5.9% in the previous year, while the natural gas consumption grew by around 2.7% as against around 6.2% in the previous year. Petroleum products consumption grew at a faster pace in the first few months, due to the lower base effect and increase in economic activity, though it moderated thereafter, as economic growth slowed.

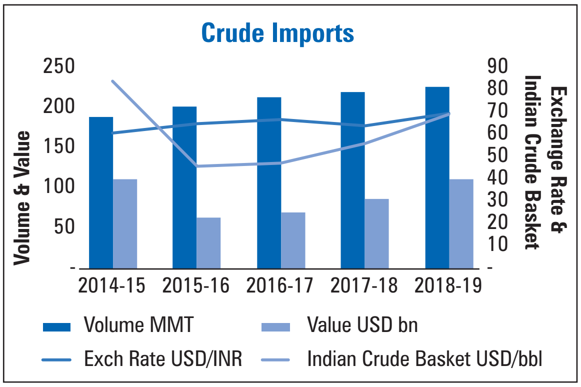












Being the third largest consumer of oil next to the US and China and an importer of crude oil to the extent of 84% of the total requirement, the Indian socio-economic-political landscape is significantly influenced by the movements in international oil prices and the exchange rates. With high crude oil prices, coupled with a sharp depreciation in the Indian rupee against the US dollar, the prices of petroleum products scaled record highs during 2018-19, the country's import bill soared and the current account deficit widened during this period.

The year 2018-19 saw the crude oil import bill rising by 28%, from USD 87.8 billion in the previous year to around USD 112 billion, mainly on account of increase in the crude oil prices and depreciating rupee. While the import volumes grew by 2.8% to around 226.6 MMT in the year 2018-19 from 220.4 MMT in the previous year, the average price of the Indian crude basket increased by around 23% to USD 70 per barrel in the year 2018-19, as against the average of USD 57 per barrel in the previous year. Additionally, a year on year depreciation of 8.4% in the Indian rupee against the US dollar further contributed to the increase in the import bill.

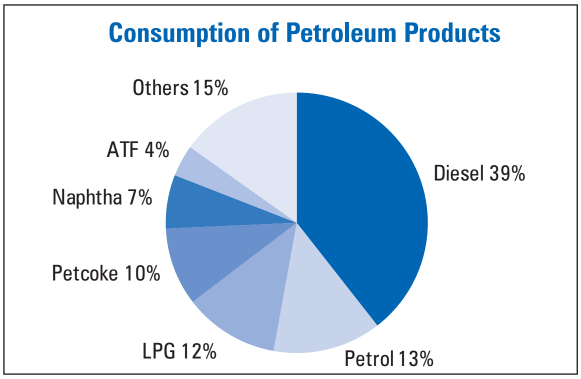
During the year 2018-19, the country produced around 34.2 MMT of crude oil as against 35.7 MMT in the previous year, 4% lower, mainly due to declining production from matured fields, under-performance and operational issues in some fields. Over the past nine years, the country has witnessed a steady decline in crude oil production, both from the offshore as well as onshore blocks due to ageing of the fields leading to fall in the output.

While India is short on crude oil production, it is reasonably long on refining capacity. With total installed refining capacity of 249.4 MMTPA as of 1st April 2019, India is the world's fourth largest and Asia's second largest refiner and a net exporter of petroleum products. The PSU refiners, together with their group companies, contribute 65% of the country's overall refining capacity. The total crude processed by Indian Refiners during the year 2018-19 stands at around 257.2 MMT, as against 251.9 MMT in the previous year, an increase of 2%, with almost 75% of the crude processed being high sulphur crude.

During the year 2018-19, the consumption of petroleum products in India recorded a lower growth of 2.6% as compared to 5.9% in the previous year mainly on account of subdued economic activity. The consumption of petroleum products was at around 211.6 MMT in the year 2018-19 against 206.2 MMT in the year 2017-18. Diesel constituted 39% while Petrol constituted 13%, followed by LPG at 12% of the total consumption of petroleum products in 2018-19. The consumption of Diesel has increased by 3%, Petrol by 8% and LPG by 7% during 2018-19, as compared to the previous year.

As of 1st April 2019, around 7.2 crore connections have been issued under the Pradhan Mantri Ujjwala Yojana (PMUY) resulting in an increase in LPG coverage in the country to a significant 94%, up from around 62% 3 years ago. The sustainability of the scheme is dependent upon regular usage by the target consumers. The companies are devising various strategies, including introduction of smaller refill sizes under the scheme, to encourage usage.

The year saw Oil Marketing Companies (OMCs) enhancing the automation percentage of the Retail Outlets (ROs) across the country to around 96%. As a measure to ensure quality and quantity of fuel dispensed from the pumps, this initiative serves to enhance customer confidence and minimize the risks of fraudulent transactions. Additionally,



furthering the digitalization drive of the Government, 98% of ROs across the country are now capable of transacting digitally, wherein OMCs support the initiative in the form of an incentive to customers of 0.75% of the transaction value while absorbing it as digital cost.

Come April 2020, the country would see the switchover from BS IV Auto Fuels to BS VI Auto fuels, except the NCT of Delhi, which has already shifted to BS VI Auto fuels w.e.f. 1st April, 2018. The industry is ready and geared up for the implementation, as it targets to complete the necessary process modifications / infrastructure changes well before the transition date.

To effectively serve the growing fuel needs of the country and afford convenience to the customers in existing and upcoming markets including highways, rural areas, agricultural pockets and industrial hubs, the OMCs issued advertisements for around 78,000 locations across the country for setting up ROs. Going forward, the OMCs shall be aggressively pursuing the setting up of ROs at viable locations at the earliest.

The country's flagship mega-refinery of Ratnagiri Refinery and Petrochemicals Ltd. (RRPCL), witnessed expression of interest from global oil majors, Saudi Aramco and Abu Dhabi's national oil company ADNOC for partnering on a 50:50 basis with the Indian consortium. The project is expected to significantly benefit from such strategic partnerships together with attracting substantial foreign investment into the country.

The Government of India has been engaging with the international oil producers at various international forums and at Government to Government levels, to foster strategic collaborations and ensure that the crude oil supplies as well as prices are maintained at sustainable levels, avoiding severe shocks which can hamper economic growth in developing nations like India. It has taken various policy initiatives and administered several reforms in the directions of enhancing energy security, inspiring energy efficiency, facilitating energy access, promoting inclusiveness and ensuring energy sustainability, in line with its vision for development of the oil and gas sector in India.

In its endeavour to ensure energy security, reduce dependence on imports and boost domestic production, the Government has, in the recent past, taken significant policy decisions including rolling out of a new Open Acreage Licensing Policy (OALP) and Discovered Oil Field (DSF) Policy. During the year, the OALP Bid Round I closed with the award of 55 blocks and a further 14 and 23 oil and gas exploration blocks were offered for bidding under OALP II and OALP III respectively. Under DSF Bid Round II launched during the year, comprising of 25 contract areas with 190 million tonnes of estimated hydrocarbon reserves, 23 contract areas were awarded. The Government also allowed the private companies to exploit unconventional hydrocarbons, including Shale Gas and Coal Bed Methane (CBM), from their existing acreages.

In another major step towards reduction in import dependence, the Government notified the National Policy on Biofuels 2018 during the year. The policy also aims at reducing carbon emissions along with providing financial support to the farmers by encouraging the use of surplus foodgrains and agricultural residue for production of ethanol. BPCL is committed to participate in and further this initiative. During the year, BPCL laid the foundation stone for a 2G Ethanol project in Bargarh, Odisha while its subsidiary company, Numaligarh Refinery Ltd. started construction of a 2G Bio-Ethanol plant through a Joint Venture named Assam Bio-refinery Private Limited with M/s Chempolis Oy of Finland and M/s Fortum 3 BV of Netherlands as partners.

Taking forward its mission to promote a gas-based economy, the government launched the biggest auction of City Gas Distribution (CGD) networks during the year, offering permits for selling Compressed and Piped Natural Gas (CNG and PNG) in 86 Geographical Areas (GAs) in the ninth CGD bidding round covering 174 districts in 22 States/ Union Territories of the country. Subsequently, the tenth CGD bidding round was also launched offering 50 GAs spread over 124 districts in 14 states. With this, the coverage of CGD networks will expand considerably, encompassing about 70% of the country's population, spreading over 50% of India's area. Additionally, the development of 13,500 Kms of gas pipeline is underway to complete the coveted Gas Grid.

Supported by multi-sectoral reforms and driven by buoyant domestic demand, the Indian economy showed exemplary resilience in responding to the volatility in crude oil prices and adverse exchange rate movements and continued to surge ahead on the growth path. With projected economic growth of around 7% in the next few years, increasing urbanization and improvement in standards of living, the demand for energy is expected to rise significantly and the country is expected to surpass China to become the world's second largest energy growth market in the next decade. The Indian oil and gas sector has witnessed significant structural and policy reforms in the past years and has contributed in a significant way to economic growth in the country. In times of substantial technological changes and growing climatic concerns driving transition to a low-carbon future, the oil and gas sector is fraught with some challenges and uncertainties which need to be factored in the strategies and plans by the companies. However, with the resolve of the Government to increase inclusiveness and promote energy efficiency, the sector is poised to leverage the available opportunities as it continues to fuel the growth of the nation.

Opportunities and Threats

Touching the life of every individual on the planet and being one of the major contributors to the global economy, the oil and gas sector has the potential to shape the future of the world in profound ways. As the industry prepares itself for some very interesting transformation in consequence to significant technological developments, changes in the energy mix towards a low carbon future and demand-supply rebalancing, opportunities abound with their fair share of threats. The competence of the industry players in leveraging opportunities and building capabilities to respond to threats will skim the winners from the runners.

As the Indian economy is expected to grow at a rate above the world average and as developmental efforts proliferate the bottom of the pyramid, the oil and gas sector will continue to partake in fueling growth, aiding development and fulfilling the aspirations of the country. Being the seventh largest economy of the world and home to approx. 17% of the world's population, India's per capita energy consumption is less than one-third of the world's average, despite being the third largest consumer of oil and fourth largest LNG importer in the world. However, India is expected to witness faster growth in oil and gas demand in the world going forward, against the backdrop of robust economic growth, rapid urbanization, increase in consumption and improvement in living standards. India excels in its refining capacity surpassing domestic demand, making it a net exporter of petroleum products. The optimistic future oil and gas demand projections by various agencies give enough confidence to the oil and gas companies to enhance capacities and create infrastructure to successfully serve this demand.

As a big importer of **crude oil**, India is highly susceptible to wayward movements in the prices and exchange rate fluctuations, which can suppress economic growth and deteriorate balance of payment situations, threatening financial stability. The energy security initiative of the Government, aimed at target reduction in import dependence and promotion of investments in raw material resources within India and abroad, present huge opportunities in fostering better resource integration and building capacities and capabilities in the upstream sector, thereby insulating the value chain from crude price shocks.

Natural gas positions itself as a substitutable energy source, as it presents significant opportunities in the form of related diversification and valuable product portfolio enhancement. In pursuit of its vision to make India a gas based economy, the Government has taken several steps along with prioritizing the creation of an integrated gas infrastructure and transmission network, CGD network and import terminals. Moving ahead, demand for natural gas is slated to grow at a rate much faster than oil, as the share of natural gas is expected to rise consistently in the energy basket. To tap this opportunity, the companies need to consciously redesign strategies, undertake necessary alterations in operations, augment infrastructure, judiciously allocate resources and leverage technology and digitalization to be future ready for the shift from fluid to gas.

Given the strong commitment of the Government of India and its support towards development of **renewable sources of energy** through proliferation of sustained investments, policy interventions and creation of infrastructure and support system, the renewable energy sector is set to see high growth in the coming years and an increase in share in the energy basket. The country has set an ambitious target to generate 175 GW of clean energy by March 2022, of which 100 GW shall be from solar energy, 60 GW from wind power and 15 GW from other sources. India added 8.3 GW of solar PV capacity in 2018 and became the third largest solar market next to China and the United States. The growth trajectory of the renewable energy will, however, hinge on the increase in efficiency, reduction in costs backed by technological developments, development of a robust grid and transmission infrastructure and finding storage solutions, overcoming the limitation of round the clock availability of natural sources of power.

Inadequacy of **infrastructure** has time and again haunted the oil and gas industry with increased inefficiencies, suppressed growth and unwarranted cost implications. Creation of midstream and downstream infrastructure in the form of pipelines, processing facilities, import and export terminals, storage facilities, plants and a transmission and distribution network need to gather momentum, as they are complex, capital intensive and high gestation period projects.

Digitalization has been the new age revolution changing the way in which business is conducted and value is delivered across all sectors in the world. The data driven, automated and artificially intelligent block chained processes and applications seek to provide efficiency, convenience, cost reduction and value creation, giving an edge to the business of today. While the oil and gas industry has been a late adopter of digitalization, it is certainly no stranger to it. Digitalization carries a plethora of benefits, including improving exploration and production prospects in the upstream sector, enhancing predictability, enabling remote controlled robotic operations and safety assurance, equipment handling and monitoring, efficiency enhancement and yield improvements, process optimizations, better management of supply and demand scenarios and delivering significant value to the customers. Challenges include the complexity of operations, vintage of capital intensive equipment, a large supplier base, data vulnerability and hazardous nature of the industry.

An opportunity emerging for the oil and gas industry is the permeation of **electric vehicles** as a response to growing climatic concerns and reduce carbon emissions. While the growing electrification of transportation is likely to decelerate the growth in oil and gas demand, it would provide for a much needed diversification by oil companies, thereby providing a hedge against a changing product portfolio. The development in charging technology and reduction in battery prices are some of the trends to watch out for. Increasing efficiencies propelling rapid electrification are proclaimed to peak out the demand for fuel used in passenger cars; however, other sectors – namely commercial vehicles, aviation, shipping and petrochemicals will continue to depend upon oil for its feeds and needs. India has also taken an ambitious target of electric vehicle penetration of 30% of new sales of cars and two-wheelers by 2030, from less than 1% today and the Government is working towards bringing a suitable policy framework to incentivize investments in the EV ecosystem.

A large contribution in the development of modern society comes from **petrochemical products**. With imminent growth in consumption by virtue of rising population, growing global economy, improving standards of living and technological developments, the petrochemical industry is set to become a major consumer of oil and gas, accounting for more than one-third of growth in oil demand to 2030 and around half to 2050. As per capita consumption of petrochemical products in the country is around one-fourth of the world average, this sector presents attractive opportunities for diversification and integration into the hydrocarbon value chain.

Risks, Concerns and Outlook

Higher crude oil prices, though favourable for oil exporting countries and conducive for upstream investments, have adverse impact on oil importing countries like India, spiking up inflation, worsening the twin deficits of current account and fiscal and hurting economic growth. The year 2018-19 witnessed heightened crude oil price volatility, amplified with adverse movement in the exchange rate. With India projected to grow at an impressive rate of around 7% per annum in the next few years, leading to an increase in energy consumption by threefold from the current levels by 2035, the economy faces serious risk from adverse movements in the crude oil prices. Higher prices have a dampening impact on consumption sectors, threatening to lower the demand and impetrate an economic slowdown, while making alternate sources of energy more viable and raising the prospects of quicker adaptation of the same. Additionally, high crude oil prices severely test the sustainability of the structural and policy reforms implemented by the Government of India in the recent past. For refiners and marketers, their ability to pass on the prices to consumers and remain profitable becomes challenging. Also, volatility in oil prices implies risks of inventory gains or losses for the oil and gas companies, as they hold large quantities of inventories, including in-transit inventories.

Almost 63% of crude oil imported into the country comes from Arab Gulf region. With heightened security concerns in the region, not only is there a significant impact on the additional insurance cover for cargoes and vessels, but also, the threat of disruption in continuous availability of crude oil looms large.

The growth and prosperity of the oil and gas sector is dependent upon a robust and a well-designed **infrastructure** augmentation plan, commensurate with the planned / anticipated growth in oil and gas demand, as these projects have high gestation periods and are capital intensive. India has been making concerted efforts towards upscaling upstream capacity, enhancing refining capacity, strengthening the logistics and distribution network and building handling and storage facilities, apart from creating road and port infrastructure. In respect of LPG alone, with the country importing around 48% of LPG and given the potential growth in consumption as a result of the massive penetration drive through PMUY in recent years, India needs to ramp up existing LPG import, storage and bottling facilities.

The Indian oil and gas companies have taken determined steps to augment infrastructure to cater to the growth and ensure efficient and safe operations. The Government has also prompted the establishment of strategic crude oil reserves aimed at ensuring crude availability in the event of supply disruptions. Going ahead, the limitation of expansion in existing infrastructure due to space and cost constraints also have to be factored in infrastructure planning. Efficient execution of the projects without time and cost overruns pose a challenge in ensuring viable infrastructure creation.

Post deregulation of diesel in 2014, the Indian petroleum sector witnessed active **competition** from private companies, impacting the market share of the PSU players. Though the private players are yet to gain a substantial market share, their presence and activity cannot be overlooked. Redefining the marketing strategy, ensuring uninterrupted product availability, increasing presence in potential growth centers, creating value propositions for customers and leveraging technology and digitalization shall be pivotal to effectively respond to the competition.

Health, safety and security of the assets and the people become paramount in ensuring sustainable, responsible and successful operations. While adequacy of laid down processes and systems is a necessity to ensure safe operations, human behaviour plays an important role in adherence to the same. Hence, continuous education and development of a safety culture is necessary for ensuring a safe working environment. Further, with technology and connectivity being all pervasive, cyber security takes center stage in ensuring safety of information, data and financial transactions.

With growing global economic activity, there has been an increase in **carbon emissions** in the past two years, after stagnating for almost three years from 2014 to 2016. The global energy related carbon emissions grew at the rate of 1.7% in 2018, registering the highest growth since 2013. A major contribution came from coal fired power plants. The increase in emissions is despite concerted efforts by many nations to address energy related environmental pollution and resort to cleaner fuels including renewable energy sources. While recent technological developments seek to offer humble solutions, however, given the polluting nature of fossil fuels, addressing climatic concerns and reducing the carbon footprint has and will always remain a significant challenge for the oil and gas industry.

The impending implementation of IMO 2020 regulations mandating the use of cleaner bunker fuel in the shipping industry has brightened the demand prospects of low sulphur marine fuel, raising expectations of an increase in the international crack spreads of gasoil. With requisite modifications and augmentation of capacities, Indian refiners are well positioned to take advantage of the regulation change. However, a significant risk that will have to be dealt with is that of availability of IMO compliant vessels for crude imports, coupled with substantially higher chartering costs.

The Indian petroleum industry today is subjected to the **dual structure of indirect taxes** with Crude oil, Petrol, Diesel, Aviation Turbine Fuel and Natural Gas being out of the GST net and continuing under erstwhile tax regulations. This poses substantial administrative and regulatory compliance related challenges, besides having adverse impact on profitability due to unavailability of input tax credits. In the forthcoming years, the industry will look forward to the taxation reforms bringing the abovementioned products into the GST regime, thereby ensuring seamless tax credits, reducing financial and compliance burden and enabling efficient operations and planning.

With increasing digitalization and technological advancements, investment in **human capital** for upskilling and competency building of the talent pool in the oil and gas industry is imperative to leverage its benefits. The tangible assets and competencies are required to be complemented by the intangible human assets aided by data analytics and digital operations.

Navigating vigilantly and with agility, BPCL is well positioned and fully equipped to deal with the challenges and leverage the opportunities, thereby moving ahead in its journey to become the most admired energy company. The Company has taken decisive strides towards expanding its presence across the hydrocarbon value chain, building capacities, pursuing digital opportunities for operational efficiencies and delivering enhanced value to customers, exploring the evolving energy landscape and ensuring good corporate governance to create value for all the stakeholders.

PERFORMANCE

Refineries

During the year 2018-19, the refineries of BPCL have shown tremendous progress in operational performance. The refinery throughput at BPCL's Refineries at Mumbai and Kochi was 31.01 MMT as against 28.54 MMT achieved in the previous year. BPCL achieved a Gross Refining Margin (GRM) for the year 2018-19 at USD 4.58 per barrel (₹ 7,319 Crores), as compared to USD 6.85 per barrel (₹ 9,356 Crores) realized in 2017-18.

Both the refineries delivered their best ever crude throughput and crude processing performances, showing a growth of 8.7% in crude throughput over the previous year. The higher crude throughput by refineries enabled the highest ever production of MS and HSD by the BPCL group. With an optimized crude mix and maximization of unit intakes, the refineries demonstrated their constant endeavour to maximize value-added products, meeting market demand. Kochi Refinery (KR) has also added Food Grade Quality Hexane (FGQH) to its portfolio and started the production and supply of Polymer grade Propylene during the year.

As part of the Integrated Management System, both the refineries were recertified to the new standards of ISO 9001:2015, ISO 14001:2015 standards for Quality, Environment & Occupational Health and Safety Management Systems. Various business excellence tools such as Six Sigma and 5S are at various levels of implementation.

BPCL's Quality Control (QC) laboratories are equipped with state-of-the-art facilities and strive to achieve the highest quality standards through meeting the standards of reputed external certifying agencies and accreditation bodies. During the year, the Refineries' laboratories continued to perform well in the international laboratory proficiency testing scheme. During the year, the Quality Control department of Mumbai Refinery (MR) rolled out unique initiatives such as integration of lab instruments with Laboratory Information System (LIMS), Service Level Agreements (SLAs) with internal customers, trial run of bar coding of samples to analyse and improve cycle time of testing, etc. The Refineries' QC laboratories also actively took part in the Inter-Laboratory Comparison (ILC) program organized by Centre for High Technology (CHT).

To improve reliability of refinery operations, various innovative initiatives have been adopted by the Advisory Services department like non-intrusive and intrusive wireless monitoring system, Advanced NDT methods such as Time of Flight Diffraction (TOFD), Phase Array Ultrasonic Testing (PAUT), Automated Backscatter Ultrasonic Testing (ABUT), Long Range Ultrasonic Testing (LRUT), Comprehensive Health Assessment of civil & steel structures, Comprehensive Inspection of fire proofing as per OISD 164 of steel structures at Refineries, etc. Also, underwater videography of jetty pipeline support structures at canal and river crossings, laser scanning of coke drums, and on-stream Acoustic Emission Testing are additional initiatives taken at KR. The refineries are in the process of implementing the AIMS (Meridium) software upgrade to the latest version along with new modules.

Digitalisation has been a boon to the modern era and its massive impact on the refineries is going to be more powerful in future. To stay competitive, BPCL needs to embed digital capabilities in all aspects of its operations in order to improve efficiency, reduce costs and achieve maximum optimisation of processes. For this, the refineries have aggressively pursued digitalisation in order to become “Smart” factories. Some of the initiatives have already been implemented and many are in the course of action to achieve the dream of a digitally equipped refinery. A few of the initiatives include wireless vibration monitoring system, robotics and drones used for surveillance and inspection, intelligent P&IDs, machine learning for forecasting failure of rotary equipment, etc.

The refineries have a well-established and an effective Energy Management System (EnMS), accredited with ISO 50001:2011 certification by M/s DNV. The relentless efforts of energy conservation across the refineries resulted in reduction of specific energy consumption from 66.7 in 2017-18 to 64.5 in the current year at MR and 79.1 in the previous year to 71.5 in 2018-19 at KR, their lowest individual values ever. The refineries also achieved the PAT (Perform Achieve and Trade) target for 2018-19.

It has always been BPCL's vision to give back to the environment and conserve and protect it to maintain a healthy atmosphere. For this, various “Go Green Initiatives” have been implemented in both refineries including butterfly parks, tree plantation in mass numbers, rainwater harvesting, use of sewage treated water in the refineries, etc.

It has always been the continuous endeavour to enhance the learnings of people and take their learnings along with that of the organisation. In its effort to nurture its most valuable asset, human capital, BPCL has imparted a series of innovative training programs throughout the year. Various technical and non-technical training programs were imparted to employees to enhance their skills. A group of 32 overseas personnel from M/s Dangote Oil Refining Company Limited, Nigeria were trained for 3 months in MR on various process units. Mumbai Refinery had the privilege of successfully hosting the 23rd Refineries and Petrochemicals Technology Meet (RPTM) in collaboration with Centre for High Technology (CHT) at Mumbai from 12th – 14th January 2019. This mega International event organised on the theme, “Aligning Refineries Towards Sustainable Future” saw participation of more than 1200 delegates from across the world.

Two batches i.e. 88 of BPCL's Mumbai based esteemed shareholders were taken through an exciting journey across our process plants, after familiarizing them with the entire Refinery's Processes and Operations through an informative presentation.

RETAIL

Petroleum retailing in India is continuing to witness a change. PSUs' market share marginally fell from 92.1% last year to 91.1% in year 2018-19, mainly due to network expansion by private players. During this period, while country's Retail Petroleum Sector grew by 3.7%, the PSU's Retail growth was 2.6%, indicating a marginal shift to private players.

FY 2018-19 also witnessed the impact of aggressive marketing activities of OMCs as well as private players. The focus of BPCL's Retail Business remained on customer centricity in existing markets and this helped us retain existing volumes.

The Retail business of BPCL in the year 2018-19, registered a total market sale of 27.30 MMT, with a growth of 2.6%, in line with PSUs' growth of 2.6%. MS volumes grew at 6.4% to 7.4 MMT and HSD volumes grew at 1.4% to 18.93 MMT. In the alternate fuels segment, BPCL recorded a growth of 15.8% on the sale of CNG, while Auto LPG registered a negative growth of 6.7%. SKO also registered a de-growth of 13.3%.

The key focus areas that helped BPCL were service offerings, environmental friendly fuels, network expansion, digitalisation and governance.

With focus on providing environment friendly fuel facilities at ROs, various activities were initiated – BS VI products were placed in National Capital Territory (NCT), 81 CNG ROs were commissioned and our premium branded fuel, 'Speed' sales were promoted well. BPCL achieved sales of 379 TKL for "Speed" with a conversion of 3.6%. The 'Speed 97' network was expanded to 41 ROs and the product was re-positioned as the highest Octane Unleaded Petrol. The Retail SBU also achieved ethanol blending percentage of 4.8% for the period April 2018 – March 2019, the blending percentage going up to 6.7% in March 2019. 'Adblue', an additive for new generation HCVs, introduced last year, has now been made available at 496 outlets.

The other focus area for the business has been network expansion. In 2018-19, 355 New Retail Outlets (NROs) were commissioned, 89 of which were in key priority rural markets. 34 Company Owned Company Operated (COCO) Outlets and 6 One Stop Trucker Shop (OSTS) Outlets were also commissioned. The total retail outlet network after the annual addition stood at 14,802 at the end of 2018-19. Besides NRO commissioning, 203 retail outlets have been revived towards creating a healthier and more effective network. 136 new ROs offering Pure for Sure (PFS) service standards were added to the previous list of PFS ROs, raising the tally to 8,183. BPCL also has 1,403 PFS Platinum ROs across India, equipped with fully automated and computerized offerings, monitored through CCTV, assuring the promise of purity with higher service levels.

Additionally, as part of the network expansion exercise, BPCL advertised for 21,021 locations for setting up Retail Outlets. Over 100 lakh SMS messages were sent for larger participation in this endeavour. On behalf of the OMCs, BPCL coordinated the development and management of the integrated Online Petrol Pump Dealer Selection Portal (https://www.petrolpumpdealerchayan.in/) and Online Draw/ Bid Portal (https://www.omconlinedraw.nic.in/petrolpump/).

Convenience stores under the brand name 'In & Out' operate at 150 retail outlets. Additionally, other small alternate shopping options like florists, vehicle repair shops, etc. operate at select ROs. Apart from shopping convenience, BPCL has added 39 Quick Service Restaurants (QSR) during the year, raising the tally to 121 ROs. BPCL also has many dhabas for the convenience of the trucking community. Besides this, services like money transfer and insurance continue to be operated across 1000 retail outlets. BPCL has sold LED appliances through 775 ROs during the year, a jump of 445 ROs over its last year numbers.

BPCL has commissioned financial inclusion services at 477 ROs in the last year through FINO Payments Bank, its strategic alliance partner, to extend financial operations for the convenience of its customers. These include AEPS (Aadhar Enabled Payment System), Micro ATMs and API based DMT (Domestic Money Transfer) and bill payment services. BPCL has also commissioned 16 FINO Payments Bank branches at its ROs. FINO is currently building an Integrated Payments Solution for BPC, which will enable multiple modes of payments from one platform. A standalone payment solution has been deployed at 268 ROs for testing. Digital transactions facilitated as 'Service to Customers' jumped in value to ₹6,341 crores in March 2019 (increase of 30%). To increase digital transactions, a promotional campaign was rolled out in 100 Smart Cities covering more than 1,650 ROs.

During the year, the Retail SBU launched a Driver Insurance Scheme, giving Accident Insurance benefits of ₹3 lakhs to drivers and ₹1.50 lakh to helpers. Approximately 2 lakh drivers and 2 lakh helpers have been enrolled, with an addition of 9,000 drivers and helpers every month. Through this initiative, fueling data and journey details of more than 9 lakh drivers is being collected using an in-house application named 'Driver Bandhu', to track their journey, map them into various segments and target loyalty benefits, specific to these segments. As part of supporting its front end support teams, BPCL has enrolled 78,269 Delivery Sales Men (DSM)/Delivery Sales Women (DSW) into insurance schemes and 12,994 DSMs/DSWs/TL crew have been covered under the PMSYM (pension scheme).

Through the Umang initiative, the Retail SBU has provided focused services catering to the rural sector. A total of 566 Umang ROs have been commissioned so far under this initiative. The Gross Merchandise Value (GMV) of these ROs improved from ₹ 10.34 crores in March 2018 to ₹ 565 crores in March 2019. Footfalls have increased from 0.25 lakhs in March 2018 to 1.91 lakhs in March 2019. The main facilities offered at these outlets include remittances, deposits, withdrawals and account opening, bill payments, recharges, transactions at Government online portals, online shopping through e-portals etc.

At our ROs, Multi Pump Dispensers (MPDs) display real time retail selling prices and are enabled with a "No Print No Delivery" (NPND) feature, where the delivery of fuel does not happen unless the bill is issued to the end Customer. During the year, 3,750 MPDs were replaced and 17,969 tamper proof and self-destructive pulsars have been changed across the RO network.

On the Digital front, the Retail SBU enrolled more than 2 lakh urban customers under the SBI co-branded credit card program and achieved ₹130 crores transaction value on fuel sales. The Company offers multiple options like mobile, email, website and call centre to stay connected with the members and the dealer network.

The Retail SBU has also enhanced its existing loyalty program, SmartFleet, to tailor it to the growing needs of its fleet customers with a new loyalty program with enhanced state-of-the-art customer friendly features such as "Virtual Card". 6 lakh cards from its old Loyalty Platform were successfully migrated to this new Loyalty Platform.

BPCL launched digitally enabled Integrated Payment Solutions at 145 OSTSs, which have the capability of targeting discount offerings to specific customer/network segments. This will be scaled up at major highway and urban ROs in the next year.

About 9,000 ROs have been equipped with Enterprise grade Dual Connectivity to facilitate robust data transfer between ROs and BPCL Central HOS. The automation system in place allows payment to be integrated with fueling, translating into customer trust, customer identification and acquisition, good governance, better asset utilization, inventory management and effective outlet management.

On the governance front, the Retail SBU developed and introduced the Corporate Safety Management Framework (CSMF) including the Life Saving Rules and Technical Guidelines for ensuring the highest level of safety standards for our operating locations. In line with the corporate philosophy of "Safety First Safety Must", Retail Operations could achieve the target of nil Loss Time Accident (LTA). Also, the Tank Lorry in-transit accidents were reduced by 3.8% over the last year. Fully equipped ambulances were positioned at ten remote locations.

Retail Operations expanded the implementation of the Integrated Management System (IMS) at all operating locations across India. Comprehensive Audits, Governance Audits and Interlock Assessment Audits were conducted extensively. To enhance auditing skills, OISD workshops have been conducted covering 362 officers. On the sustainability front, ISO 50001 was implemented at 28 additional locations, Energy Audits at 17 additional locations, and 5S certification at 35 more locations.

Twenty transport contracts were finalized for safe and secure transportation of products to retail outlets. Besides, the electronic locking system was implemented at 8 supply locations. The second largest solar power plant of capacity 1.45 MW was commissioned in Manmad Installation. The Retail SBU has remained the front runner as far as Terminal Automation is concerned, increasing the number of No Automation No Operation (NANO) certified locations to 50, which is 85% of the automated locations.

INDUSTRIAL AND COMMERCIAL (I&C)

The I&C Business has differentiated itself in the market as a growth leader with its consistent performance over the past years and customer centric approach. I&C's strategy of aligning business to the real needs of the customer, along with improving process and service efficiencies constantly, has reflected well in its business performance.

In year 2018-19, the SBU recorded an overall sales of 5.75 MMT and registered an unparalleled growth of 10.5% to become the industry growth leader, following the trend of the previous year. The SBU also increased its market share amongst PSUs to 15.6%, a significant jump of 0.6% to become the only PSU to have improved its market share in the current financial year.

The I&C SBU has been able to retain profitability by maintaining a delicate balance between volume and value in a highly competitive and discount driven business environment. The SBU has been able to increase value by focusing on sales of high margin products, registering growth in the refinery economic zone and optimizing logistic costs.

Focus areas for the business during the year were seamless customer service and offerings, best value for customers, enhanced logistics solutions and 'Riding the Digital Wave'.

The consistent approach of treating major corporates as business partners has further improved the SBU's long term customer relationship and led to renewal of 86 MOUs. Tie-ups established in the past years with customers such as Haldia Petrochem, L&T, Saint Gobain, SI group, Bhushan Steel, Bharat Forge, Asian Paints, Berger Paints, Central Armed Police Force, HOCL, to name a few were successfully retained. I&C also started its maiden relationship with many major new customers in the field of transport, chemicals and petrochemicals.

I&C further enhanced its product portfolio to customers by introducing Polymer Grade Propylene and Solvent D 80 in this year. With these two new product launches, I&C has forayed into the niche market for these specialty products with an intent to service its varied customer segments. I&C also made further developments in foraying into petrochemicals by initiating test marketing for the first imports of petrochemicals.

BPCL's focused strategy on adding value to the customer was also realized when the offerings of superior quality 'Petrochemicals' were made at comparable prices. The I&C SBU also focused on improving ease of operations at the customer's end, by installing consumer pumps for use of HSD. During FY 2018-19, the I&C SBU commissioned 80 Consumer Pumps for its customers across the country, covering various sectors like mining, industrial, STU and Defence, across geographies resulting in a record sale of 1.488 MMT of HSD.

The SBU pursued its mission of 'Riding the Digital Wave', realizing how the digital transformation in the Oil and Gas industry is going to become a major determinant for market competitiveness in the near future. Various digital initiatives were undertaken during the year such as providing 'Delivery Order Monitoring Solution' for the Indian Army, 'Digital Invoicing' for major customers, Online Bitumen invoice verification, Quality Control Certificate on the external facing e-connect portal, 100% automation of KSRTC, covering 220 depots across the State of Karnataka, introduction of BPCLMITRA, a new innovative software program exclusively designed and developed for KSRTC to control and monitor the automation systems and to record, assign and address the engineering support required at all depots on real time basis.

The Business Unit has further enhanced its logistics capabilities and achieved significant milestones this year. Through its logistics initiatives, like product exchange and rake loading with OMCs, I&C has achieved remarkable cost and freight optimization along with improved customer satisfaction. Hexane has been introduced at Kochi Refinery to cater to customer needs in the southern part of India. The SBU also introduced Bitumen sourcing at all major ports across the Indian coastal line, ensuring improved logistics optimization and enhanced presence in the major markets away from the refinery economic zones.

Consistent performance and improved bottom lines have bestowed a spirited confidence in its capabilities. The I&C SBU looks forward with fervour to the challenges and opportunities the future offers.

GAS

The Gas SBU handled 1,797 TMT of Gas in the year 2018-19. The market sales grew to 1,078 TMT from 1,036 TMT in FY 17-18, a growth of 4.05%. Out of 1,797 TMT, 276 TMT of Gas was supplied to Mumbai Refinery and 443 TMT was supplied to Kochi Refinery to meet their internal requirements. The remaining 1,078 TMT of Gas was supplied to various customers in Fertilizer, Power, CGD, Steel and other industries across the country and BPCL exceeded the 1 MMT sales mark for the second year in a row.

The business achieved its highest ever monthly sales of approximately 150 TMT during September 2018. Imports were also doubled to 10 cargoes of LNG at Dahej Terminal in 2018-19, as compared to 5 cargoes in the previous year. This year saw the addition of four new customers, viz. Enertech Fuel Solutions Pvt Ltd., Hindustan Organic Chemical Pvt. Ltd., INOX Air Pvt. Ltd. and Bhrigu Foods LLP.

As approved by the Board, Bharat Gas Resources Limited (BGRL), a wholly owned subsidiary of BPCL for handling Natural Gas business, was incorporated on 7^{th} June, 2018. The existing Gas business of BPCL and Gas related investments in JVs are being transferred to BGRL and the process is likely to be completed soon. New activities in Gas business namely participation in new CGD bidding rounds, new tie-ups, etc. are being undertaken by BGRL.

LUBRICANTS

The Indian Lubricants market, predicted to grow at a CAGR of 2.5% (KLINE), espouses an opportunity to tap the potential. Broadly categorized as Industrial & Automotive Lubricants segments, both have an equal share of the existing pie of volumes i.e. 2.6 MMTPA. India, which has a very low per capita consumption, in comparison to the industrialized nations, provides a wider opportunity based on the following trends - India aiming to become a $ 5- trillion economy; promotion of "Make in India" inviting investments for industrial growth; signs of

Auto manufacturing hub in India and large growth in both Automotive & Industrial sectors.

While a gradual shift from mineral based to Semi-synthetic and Synthetic Lubricants is observed, the demand for mineral based Lubricants continues to grow.

Over the years, MAK Lubricants has established a well-entrenched position in the automotive and industrial segments. Three distinctive channels viz. Retail, Bazaar, & Industrial aid BPCL's marketing of MAK Lubricants. The Lubricants business thus focusses on BPCL Retail Outlets, bazaar network, authorized service stations, & Industrial and Institutional customers for its larger share of business.

Apart from the domestic markets, MAK Lubricants has expanded its footprints beyond geographical boundaries of India and is establishing itself as a reliable brand in international markets. MAK's overseas business is managed through its export channel.

The Lubricants business of BPCL has registered a healthy growth of 12.5% in the Institutional channel, 5.9% in the export channel, 4.2% in the OEM channel and 4.0% in the Bazaar channel during 2018-19 over the previous year. The retail channel turned around its performance with a growth of 1.53%.

At BPCL retail outlets, the SBU's focus remained on generating secondary sales at the forecourt. Initiatives like the MAK Quick Oil Change (QOC) machine, MAK Dispenser, focus on rural ROs, product specific campaigns, BTL activities at the forecourt, MAK QUIK APP for customers and other value-added activities improved visibility and awareness of the brand and offered a value proposition to customers. In coordination with the Retail SBU, each sales area identified the high potential retail outlets to focus upon. Various activities and campaigns were conducted in these select retail outlets regularly to tap their potential.

Retailers and Mechanics are vital influencers in the customer buying decision of lubricants in the Bazaar channel. Many customized programs for mechanics and ground level activities were conducted to enroll and engage them for increasing the sale of MAK products. Focus on ground level initiatives in select markets and penetration in the secondary and tertiary markets helped the Lubricants SBU to build a strong relationship with the secondary and tertiary customers and created a strong brand in these markets.

In the Direct channel, superior product quality and prompt service play an important role in growth. Despite a tough external environment, MAK has been able to hold its aggregate industrial lubricants volume in the year 2018-19. This has been made possible through customer acquisition and new product introduction, supported by initiatives such as customer seminars and digital marketing. The Company also strengthened its relationship with key strategic partners such as Hero, Kirloskar, TVS, ELGI, etc., which helped it grow in this segment. MAK has also expanded its customer base with a specific focus on the power sector, which is a prominent growing sector in India.

The Lubricants SBU launched its new generation packages to create "buzz" in the market place and also overcome some of the shortcomings of the earlier packaging. Consequently, minimal damage was observed on the long distance transportation of filled packages. The SBU also focused on its network expansion and new distributors were appointed under different categories to strengthen its primary network pan India.

BPCL has consolidated its market presence in SAARC and African countries like Nepal, Sri Lanka, Bangladesh, Tanzania, Congo, etc., and increased its market share substantially. MAK has appointed distributors in UAE, Mozambique, Myanmar and Brazil, thereby expanding its footprint. New packs as well as new products were introduced in the export market to tap the potential. Training of distributors' staff and branding activities were the most important initiatives undertaken in all export markets.

The new MAK Lubricants packs won the SIES SOP Star Award under the 'Rigid Plastic-Ancillary Packaging' category in recognition of the ergonomically functional and innovative, futuristic packaging used.

LPG

The LPG SBU registered sale of 6.49 MMT and for the third consecutive year clocked the highest growth of 8.4% amongst Oil PSUs in 2018-19, gaining market share consecutively for 3 years. This year, BPCL was the only Oil PSU to gain market share, achieving a growth of 0.3% over the previous year. In LPG, BPCL's market share stands at 26.55%. The LPG SBU added 826 Distributors this year, breaking past records and taking the total distributor network to 5,907. Newly added distributors contributed adding 1.2 crore new LPG consumers, taking the total domestic customer base to 7.83 crores. To support the expanding customer base, second cylinder facility was extended to 14.4 lakh customers, leading the 'Double Bottle Connection' coverage to 3.4 crore customers, which is 39% of the total consumer base.

Under the 'Pradhan Mantri Ujjwala Yojana' (PMUY), enrolment of 0.9 crore new LPG consumers was done. Considering that the PMUY beneficiaries are the first time users of LPG and are predominantly from the low literacy rural areas of the country, education on safe usage and benefits of LPG was propagated through several mass awareness campaigns. These included Pradhan Mantri LPG Panchayat (a community meeting of LPG consumers to interact with one another, promote mutual learning and sharing of experiences for smooth transition to LPG adoption), Safety Clinics and 'House to House' safety education by Ujjwala Suraksha Mitra/Ujjwala Didis, Nukkad Nataks, etc. BPCL conducted more than 23,000 LPG Panchayats during the year 2018-19 and reached out to its LPG consumer base in rural belts through deploying LED Vans and Moving Theaters.

The 5 Kg cylinder refill swapping option for 14.2 Kg cylinder was extended in PMUY focus rural areas to address concerns of affordability, a step towards enhancing LPG adoption. A 2 Kg cylinder was also launched keeping in view the applications in small size eateries and requirements of the migratory population in big cities and for students.

LPG Plants in BPCL continue to maintain their record of best practices in HSSE coupled with improvement in productivity and cost leadership. For the 9th consecutive year, BPCL was awarded the 'Best LPG Marketing Organization' by Oil Industry Safety Directorate (OISD).

Vehicle Tracking System (VTS) has been installed in the fleet of Bulk LPG Tankers for monitoring purpose and avoiding night driving. Imparting training to Bulk LPG Tanker drivers to create a pool of trained drivers was one of the focus areas in the area of Safety Initiative. To meet the increasing demand of LPG, several steps were taken to enhance bottling capacities, tankages and import receipt terminals. During the year 2018-19, BPCL commissioned a Green Field LPG bottling plant at Raipur. Plant bottling of 5,858 TMT was registered, recording a growth of 7.5% and achieving capacity utilization of more than 100% from its 52 bottling plants across the country. For the first time, 72 station flexi carousels were commissioned in Loni and Piyala bottling plants to improve bottling capacities.

For ensuring that the subsidy reaches the right customers in the right time, BPCL implemented the PAHAL initiative of the Ministry. Leveraging the 'Information System', BPCL had enrolled 6.8 crore LPG customers for direct transfer of benefit (under PAHAL) and disbursed ₹ 26,564 crores directly into customer bank accounts.

BPCL has proactively joined the Digital India program and embarked upon several customer-centric initiatives under the guidance of the Ministry of Petroleum & Natural Gas, viz.24x7 Emergency Helpline 1906 (toll free) and Smartline 1800-22-4344 to attend to LPG leakages and service related complaints; new LPG connections online through the BPCL website and facility of online payment through e-wallets, credit/debit card & online banking;enabled second cylinder booking through the IVRS system; Mobile App for refill booking & making payment, changing address/mobile number, rating service levels of Distributors, etc.; Last Mile App for Distributors to monitor business more efficiently and DIGI Locker for storing of Subscription Vouchers (SVs).

AVIATION

The Aviation SBU has recorded the highest ever sales of 1,989.68 TMT, a growth of 11.1% over last year against the Industry growth of 9.9%. The Aviation SBU was able to retain most of its major customers. In the domestic segment, the Aviation SBU recorded a growth of 24% mainly due to higher uplifts by Indigo. This is despite the challenging situation faced by the SBU, as OMCs were focussing on refinery evacuation due to surplus ATF leading to heavy discounts.

Three new Aviation Fuelling Stations (AFSs) were commissioned at Kannur, Ranchi and Srinagar airports and four new AFSs under UDAAN i.e. Regional Connectivity Scheme of Government of India at Salem, Shillong, Ambikapur and Pakyong have also been undertaken. These new additions have taken the Company's presence at Indian airports to 56. The Aviation SBU re-commissioned the facilities at Bhavnagar for RCS operations.

Against the total allocation of 19 Airports under the RCS scheme in Phase I & II, BPCL is operating at 11 airports. In close collaboration with our JV partner, M/s. Bharat Stars Services Pvt. Ltd., the SBU aims to bring in efficiency in cost and operations.

Capital expenditure of ₹53.2 crores was incurred during the year, largely on procurement of new Refuellers and self-bunded tanks (Containerized Unit of 30 KL capacity) to cater to the growing ATF demand of domestic airlines.

Though ATF movement started in Bina Kota Pipeline (BKPL), which alleviated ATF placement issues ex-BORL at Delhi Airport, there have been huge under-recoveries due to shutdown of BORL from August to November 2019.

The Aviation business continued to maintain its high standards of Safety, Quality and Operations. The Guru-Shishya program, refresher courses on Quality, Operations & HSSE, induction training for new recruits, Customer Relationship/Synergy meetings and specialized programs for IAF personnel were organized, apart from regular training and safety drills, etc. during the year.

PLANNING AND DEVELOPMENT OF MARKETING INFRASTRUCTURE

The planning, conceptualization and development of Marketing Infrastructure required to meet the business aspirations of the Company has been given special attention and is being overseen by the Infrastructure Task Force team. This year, the major projects considered were Coastal Installation at Krishnapatnam in Potti Sriramalu Nellore District in Andhra Pradesh, construction of a Rail fed Depot at Kalaburgi (Gulbarga), Karnataka, a new pipeline from HOJ 3 Jetty, Haldia to Haldia Installation and construction of a new LPG Plant at Bokaro, Jharkhand. These projects will result in addition of 1,31,720 KLs of product tanks and 900 MT of LPG.

BPCL has also received authorization for setting up a 355 Km long Petroleum & Petroleum Products Pipeline from its Bina Marketing Installation in Madhya Pradesh to Panki (Kanpur) Installation in Uttar Pradesh. This pipeline, estimated to cost ₹ 1204.72 Crores, is aimed to have a more efficient and safe product receipt mode for supplying products to the growing markets in eastern Uttar Pradesh.

In addition to the above, land has been identified and is in an advanced stage of acquisition for setting up of marketing projects in various locations at Meramundali in Odisha, Rasayani in Maharashtra, Jammu in J&K and Bokaro in Jharkhand.

CORPORATE STRATEGY AND BUSINESS DEVELOPMENT (CS&BD)

Corporate Strategy and Business Development (CS&BD) has been set up to track strategy implementation and explore new strategic opportunities across the value chain to enhance efficiencies, find new business models and act as a catalyst for innovation and excellence in execution. In addition to analyzing long term trends and working with SBUs to address imminent challenges, the team has also been rolling out digital innovations to deliver performance on a sustained basis for the corporation.

CS&BD is also leading major initiatives including Analytics, Project Nishchay, Customer Care System and BPCL Start-up.

The **Analytics Centre of Excellence (ACoE)** which was initiated in 2017 has successfully rolled out user friendly graphical dashboards to track SBU performance across multiple dimensions to drive actionable insights and has become an integral part of the decision making process across the organization. ACoE has now undertaken a predictive analytics project with the objective of enabling SBUs in better decision-making, improving processes and achieving better outcomes by building machine learning models in the areas of customer behaviour, pricing, network expansion etc. The machine learning models, are providing businesses with actionable insights to improve marketing performance and derive value by shifting to data-driven decision making. The project has also helped businesses to consolidate data from various data sources to make predictions and provide targeted offerings to improve sales, optimize discount spends and plan campaigns based on identified behaviour pattern.

In line with Government of India's "Startup India" initiative and growing importance of Startups as an innovation engine, BPCL's **Startup** Initiative, christened as "Project Ankur" was started in 2017. The aim of Project Ankur is to develop a supportive ecosystem that nurtures entrepreneurship in the country by backing innovative ideas / concepts that have the potential to grow into promising Start-ups and create a multiplier effect on the entire ecosystem. BPCL has initially allocated ₹ 25 crores for this purpose and this fund is being distributed as grants to deserving applicants. A process has been put in place, whereby a six member Committee, comprising of three internal and three external members, decides on the recipients of the grant.

To collaborate on Startups and have a steady pipeline of applicants, BPCL has signed Memorandum of Understandings (MoUs) with KSUM (Kerala Startup Mission), Invest India New Delhi, IIT Madras, KIIT Bhubaneswar, Axilor Ventures Bangalore and IIM Kozhikode Kerala.

Till 31.03.2019, 25 Startups have been selected for grant funding amounting to a total of approximately ₹ 24.89 Crores. In addition to the grant funding, BPCL is also providing mentoring and guidance. Further, BPCL's Startup Cell has been facilitating Startups to engage with our business units through separate contractual arrangements to implement new initiatives and test out the services provided by the Startups. Some of the interesting startup proposals selected for grant funding include development of a robot for fuel / water tank inspections, collaboration tool for refinery shutdowns, submersible robots for inspections, real time monitoring of corrosion on critical pipelines, mapping / curating national highway amenities data, tele-medicine solutions to provide access to easy healthcare in rural areas, low cost fabrication of LED lights, development of robots for sewage manhole cleaning etc.

Going forward, BPCL is committed to support Startups in a variety of ways including grant funding, equity investment, business exposure, mentoring and guidance.

Project Nishchay, a non-fuel initiative, was launched in 2015-16 with a vision to create multiple non-fuel businesses and achieve disruptive growth through pathbreaking business ideas. Non-fuel offerings were identified for different customer segments. “Umang” , a rural market place for rural customers, and “Fleetgenie”, an Integrated Fleet Management Solution for the unorganized fleet segment.

Umang is a BPCL technology driven initiative for providing a one stop solution to the rural populace through a wide range of 24x7 services. This initiative is making lives easier for rural customers as well as meeting the corporate vision of financial inclusion. During the year, Umang offerings have been expanded to 586 Touch Points spread across the states of Uttar Pradesh, Telangana, Rajasthan, Tamil Nadu, Maharashtra, Andhra Pradesh and Madhya Pradesh. These Touch Points clocked a Gross Transaction Value (GTV) of ₹ 570 crores through a footfall of 13.80 lakhs in the year 2018-19. The initiative has now taken its root in the BPCL network and it is planned to expand the initiative across India, with a target to enroll 6,000 Touch Points in FY 2019-20.

The Integrated Fleet Management (IFM) initiative under the brand name “**Fleetgenie**” – is providing a one stop solution to various pain points of fleet owners. This initiative has been successfully piloted in the erstwhile NH-8 (Mumbai to Delhi) stretch. Over 22,000 full truckloads have been booked on the platform by more than 6,000 registered customers. These customers have not only been benefited by Fleetgenie’s freight exchange offering, but also by its other exclusive services. BPCL’s **Customer Care System (CCS)** is a technology driven initiative for providing a single window to address the concerns of its customers across all SBUs and geographies. It is an integrated platform for customer interactions across all channels such as email, website, social media, Vigilance, National Consumer Helpline as well as walk-ins. During the year 2018-19, BPCL’s CCS SmartLine has handled more than 14.3 lakh calls, an increase of 64% over last year. Currently, the system is handling over 6,000 calls on a daily basis.

Globally **Electric Vehicles (EV)** are being looked at as the solution to the challenges faced due to increasing pollution levels across the world. Towards Government of India’s commitment to reduce pollution levels by 33 to 35% below the 2005 levels by 2030, EVs are expected to play a significant role in achieving this target. In order to grab this opportunity and enjoy the first move advantage, BPCL has been working on various business options in the EV value chain.

Further, BPCL is charting out the growth trajectory and developing a business case for future investment by working on key areas of future growth such as Petrochemicals, Gas marketing etc. **Petrochemicals** has been identified as a key business area for future growth and BPCL aspires to have Petrochemicals contributing to a substantial part of its product portfolio. Significant investments have been planned and execution is underway. Production is expected to commence from the Propylene Derivatives Petrochemical Plant at Kochi in 2019-20.

HUMAN RESOURCES (HR)

With the constantly evolving business scenarios and transformational changes in the energy sector, BPCL has always focused on continuous transformation of Human Resource practices. Our endeavour has been to develop and nurture talent in the Organization so as to remain relevant and achieve Organizational Excellence.

As a learning organization, our pursuit for excellence has led us to elevate our HR practices at par with industry benchmarks and best practices. Accordingly, BPCL has been participating in the CII HR Excellence Award since 2013, which follows a robust model and rigorous assessment process, including an onsite visit by senior panel members. Our focus on continual improvement enabled BPCL to bag the coveted CII “Prize for Leadership in HR Excellence” in the 9^{th} edition during March 2019, joining the elite club of organizations like HUL, TCS, Saint Gobain and Tata Steel who have also achieved this feat.

To reinforce one of our core values of “Development of People”, this year we augmented people capabilities through various technology enabled initiatives such as e-learning courses, e-books and e-journals to our employees. Our basket of people development initiatives include ‘Mercurix’ – inspiring leadership through the art of storytelling, ‘Socratix’ – The Case Study Challenge to build strategic thinking and problem-solving capabilities and VIZDOME – a video learning platform created to capture tacit knowledge of the employees by enabling them to create their own videos. “iPASSION”, a new initiative launched during the year, based on the Howard Gardner’s Multi Intelligence Theory framework, captures the passions/interests of employees in various spheres and provides them opportunities to share their experiences and learn through community networks. BPCL initiated a partnership amongst OMCs in the domain of training by organizing customized leadership communication workshops on ‘business storytelling’ for young officers, with an objective of sharing our knowledge and experience with our industry counterparts. BPCL was awarded the “Most Innovative Training initiative in L&D”

award for VIZDOME during the first L&D Symposium of the Oil Industry at IIPM, Gurugram.

BPCL has continued its multi-pronged approach to strengthen our people capability and to build a robust leadership pipeline by extending best in class learning opportunities to our employees through generic and customized training programs at Premier Institutes and SP Jain Institute of Management, Mumbai for Executive Education; and through MoUs with IIT, Mumbai and ICT, Mumbai. During the year, 870 officers have benefitted from such external learning opportunities. The overall training mandays for the year 2018-19 including all training initiatives internal and external was 27167 mandays.

EMPLOYEE SATISFACTION ENHANCEMENT

BPCL's Employee Satisfaction Enhancement (ESE) cell works across employee categories, with an endeavour to make BPCL a 'great place to work'. With a diverse and strong workforce of around 12,000 employees across the country, ESE works towards ensuring a happy and competitive work spirit amongst all. The ESE team, constituting representatives from within the organization and supported by well trained counsellors through an outsourced resource, i.e. through the 'Employee Assistance Program (EAP)', rendered appropriate and timely advisory to employees.

The areas of focus of the team is individual wellness (physical & emotional), enhancing individual proficiency (skillsets), building relationships and giving back to the society. The modus operandi is to reach out to employees at their work premises and provide positive interventions to build camaraderie, awareness on individual wellness and promote awareness of the EAP service provider. The effort is also to provide pre-designed activities on positivity i.e. building resilience to stress, communication on building relations, building positive network, etc. ESE takes special care to promote the use of professional counsellors (through EAPs), who provide confidential counselling services free of cost to employees and their dependents.

Grievances (individual & group) are redressed by a process of empathetic listening (without bias) and helping find a solution. Genuine cases requiring the attention of the senior management are then presented for consideration, after thorough fact finding. ESE also brings in organizational connect with all employees by wishing them on their birthdays, promotions and thanking them on their retirement. Positive advisory is circulated through its internal E-magazine – ESE Connect : Life Positive.

INTEGRATED INFORMATION SYSTEMS

The IS team has always been at the forefront in technology adoption for better business process management and providing value to the business. During the year 2018-19, the IS team implemented several key IT enabled initiatives which added immense value to the businesses. A few major initiatives are highlighted below:

As part of **MoP&NG initiatives**, system support was provided for implementation of SSSGSV (Sabka Sath Sabka Gaon Sabka Vikas), E-PMUY & EPMUY2 schemes; State sponsored Deposit Free Connection Release Process for Government of Gujarat (LPG Sahay Yojana) & OPH (Other Priority Households) Scheme by Government of Haryana; 5 Kg DBC Connection release under PMUY/ E-PMUY .

Digital Initiatives: Digitally signed Invoices were introduced for "service billing" to customers of Retail and LPG (A total of 14.18 lakh invoices have been processed since July 2018); Vendors have been enabled to submit their "Digitally signed invoices" electronically through our Vendor Portal.

BPCL cares for its retired employees. The existing portal for ex-staff was comprehensively revamped and made more user friendly with a host of new features like Self-update of contact details etc. It was also made available on our mobile application for the external world.

HEALTH, SAFETY, SECURITY & ENVIRONMENT

Health, Safety, Security, and Environment are the indispensable constituents of oil industry activities. Thus, management of operational conditions, chemicals and end products (hydrocarbons and other hazardous materials) associated with the production of oil and gas becomes very important for the workforce. BPCL is committed to protecting people, environment and assets by executing safe operations.

As a testimony to the BPCL group's commitment towards safety, on 31st March 2019, Kochi Refinery touched 4,840 days of continuous operation without any Lost Time Accident (LTA), which is equivalent to 58.90 million man-hours. Mumbai Refinery also achieved 3 million man-hours without LTA. A Behaviour Based Safety (BBS) program, which passively and positively changes existing unsafe workplace behaviours by identifying and reinforcing the use of the right behaviours that protect people in real-world safety problems, has been taken up in Mumbai Refinery while Implementation of Process Safety Management (PSM) principles has been taken up in Kochi Refinery.

BPCL strives to improve personal and process safety by continuous monitoring and effective management. The target is to achieve zero occupational incidents and the primary focus is laid on the Safety Management System, effective containment of hydrocarbons and associated hazards. All the Business Units and Entities of BPCL adhere to the imperative principle of 'Safety First, Safety Must'.

The oil industry is exposed to various risk factors; therefore, having comprehensive preventive measures in the business processes, set protocols and a well-ingrained safety culture is essential. BPCL has a well-structured Emergency Response Disaster Management Plan (ERDMP) which encompasses identification, mitigation, preparedness, response, recovery and restoration. The governance practices adopted by BPCL are well evolved and it brings congruence to the responsibilities and accountabilities.

Management of physical assets (Asset Integrity)plays a key role in determining the operational performance, safety and profitability of the organization. Therefore, to secure the integrity of the assets, they are continuously examined, monitored, inspected, periodically maintained and replaced (if required). All the locations of BPCL strictly adhere to the standard operating procedures and guidelines to ensure the safety of operations.

Incident Reporting is a very critical activity to disseminate learnings; hence, there is a well-defined corporate level process followed for incident reporting. The internal and external incidents reported in the system are investigated, analyzed and thoroughly reviewed. Mock drills are conducted at regular intervals and recommendations are captured. A comprehensive report is prepared using root cause analysis, learnings and recommendations and to prevent any recurrence of minor or major incidents. The above, in addition to technological interventions, has helped in reducing the in-transit transport accidents as well as those at the consumer premises. It's a constant endeavour of BPCL to achieve its Sankalp Mission of Zero Incidents, Zero Harm and Zero Excuses.

Internal and External Audits are considered to be an integral part of operations and their compliance is given very high importance. Implementation of recommendations are constantly analyzed for risks and learnings and many times, operations are stopped unless the job is completed. There are various forums such as seminars, workshops, training, where best practices are shared, capacity building sessions are imparted and safety and security related discussions are conducted. BPCL ensures collaborative learning for safer operations across all locations.

The current global issues are climate change and global warming. The continuous emissions being added to the atmosphere is worsening the situation further. BPCL acknowledges that carrying out comprehensive solutions for climate change is the need of the hour. BPCL feels that leveraging technological advances and innovations for improving performance, energy efficiency and finding more carbon-neutral solutions is indispensable. A Flare Gas Recovery System (FGRS) for emission reduction and energy conservation is in operation in the Refineries. BPCL is capturing data on parameters like energy, water, waste, etc. from refineries and locations across India and taking various initiatives to minimize the operational impacts on the environment. BPCL believes that transitioning to clean energy alternatives will help protect our climate and hence, it has been increasing its renewable energy capacity. The capacity has increased from 26.36 MW to 31.70 MW in FY 2018-19. Energy efficient lighting capacity has been increased from 7.54 MW to 12.66 MW in the year 2018-19. These initiatives have resulted in an annual reduction of 50,000 MT of CO_2 equivalent approximately.

BPCL has been working towards increasing the rainwater harvesting capacity to reduce the dependency on other sources of water. The total catchment area under rainwater harvesting was 7,73,427 Sqm. which has been increased to 7,78,939 Sqm. during the year 2018-19. Similarly, fresh water consumed and waste water generated is regularly monitored. Effluent treatment plants are installed at BPCL refineries and the treated water is used for non-potable uses. BPCL, in its aspiration to reduce its environmental impact, has set up a Sewage Treatment Plant in collaboration with Rashtriya Chemicals & Fertilizers for treating 22.5 Million Litres /Day (MLD) of Municipal Sewage to produce 15 MLD of treated water.

BPCL has institutionalized Sustainability as a core parameter in its philosophy and is making its performance transparent and publicly noticeable on its Sustainable Development initiatives. The focus is on having enhanced energy and operational efficiency, improved processes and technologies, reduced resource consumption, minimizing the impact of operations on the environment and creating a healthy, safe and secure workplace. BPCL is one of the first organizations to publish its report in accordance with the latest framework in the oil and gas sector. BPCL started its sustainability journey in 2007-08, by adopting to Global Reporting Initiative (GRI) - G3, transitioning from GRI – G3 to GRI - G4, then to GRI Standards. The Sustainable Development Reports of BPCL are assured by an independent third-party Assurance Provider as per Accounting Ability (AA) 1000 Assurance Standard (AS) 2008 and International Standards of Assurance Engagement (ISAE) 3000.

BPCL endeavours towards improving its safety and environmental performance continuously and minimizing its operational impact on its stakeholders.

Biofuels

Ministry of Petroleum & Natural Gas has come up with a National Policy on Biofuels 2018, which aims at increasing the usage of biofuels in the energy and transportation sector of the country during the coming decades. The policy aims to utilize, develop and promote domestic feedstock and its utilization for production of Biofuels, thereby increasingly substituting fossil fuels while contributing to national energy security, climate change mitigation, apart from creating new employment opportunities in a sustainable way.

The goal of the policy is to enable the availability of Biofuels in the market, thereby increasing its blending percentage. During the year 2018-19, the Ethanol blending percentage in Petrol is around 4.8% and Biodiesel blending in Diesel is less than 0.1%. However, the Government aims to increase the Ethanol blending percentage in Petrol to 20% and Ethanol blending percentage in Diesel to 5% by 2030.

BPCL, in line with this policy, has been blending 1G Ethanol produced from molasses and sugarcane. However, the current distillation capacity in India is not enough to meet the requirement of Ethanol.

To meet the above requirements, BPCL is in the process of setting up 2G Ethanol Bio-refineries with a production capacity of 100 KLs of Ethanol per day from 400 MT of ligno-cellulosic biomass at Bargarh (Odisha), Bina (Madhya Pradesh) & Bhandara (Maharashtra). These Bio-Refineries will use agricultural wastes such as rice straw, soya stalk, wheat straw, etc. to produce fuel grade 2G Ethanol. Surplus Biomass assessment of all three locations is completed and location & feed of the bio-refineries have been finalized, based on the availability of biomass feed in the region. Basic Engineering Design Package (BDEP) has been finalized with the licensor for the Bargarh 2G Ethanol project. BDEP has been released and PMC for the project is finalized. Land allotment of 58.44 acres for the Bargarh project has been received from Industrial Development Corporation of Odisha (IDCO). Environment Clearance has been received from MoEF&CC and the consent to establish the plant was received from State Pollution Control Board, Odisha.The Government of Odisha has launched the “Odisha Farmer Produced Organisation Policy” 2018 to facilitate such types of Industries. In line with the said policy, Farmer Producer Organisation (FPO) will be formed for Biomass supply in Bargarh. It is expected that the final agreement between BPCL and various cooperatives will be executed by August 2019.

Pre-project activities for Bina and Bhandara are in progress. Land for the Bina project is already available with BPCL. The EIA/RRA study for the Bina project has been completed and the request has been put up for Public Hearing for Environmental Clearance. The Biomass Survey has been completed for rice straw availability within 50 kms radius of the Bhandara project location.

2G Ethanol being a cleaner fuel, will help to reduce environmental pollution. These 2G Ethanol Bio-refineries will also help India to reduce crude oil import dependency. These capital intensive plants will help to generate employment for the local masses and be a catalyst for economic development of the villages.

BPCL has also taken initiatives in the field of production of Compressed Bio-Gas (CBG) from Biomass waste/ Biomass sources like agricultural residue, cattle dung, sugarcane press mud, municipal solid waste, sewage treatment plant waste, etc. Production of CBG has multiple advantages including reduction of import of Natural Gas, reducing emissions, aiding the rural economy, etc. In this context, BPCL had floated an EOI from October 2018 till 31st March 2019 for encouraging entrepreneurs to set up these plants. The response has been encouraging.

BPCL is carrying out a market survey for the availability of Used Cooking Oil (UCO) in Mumbai and Jaipur to assess the capacity of UCO based Biodiesel production. Various researches have revealed that if the content of Total Polar Compound (TPC) increases beyond 25% in the cooking oil when fried, the oil becomes hazardous (carcinogenic) for human consumption. Those cooking oils can be converted to Biodiesel. BPCL is in talks with Biodiesel manufacturers to encourage them to use UCO as their feedstock.

INTERNATIONAL TRADE & RISK MANAGEMENT

The International Trade and Risk Management (ITRM) set-up procures indigenous as well as imported crude oils through term and spot contracts for BPCL group refineries. ITRM also helps to bridge the gaps between domestic market demand and domestic availability of petroleum products by importing deficient products and exporting surplus products. To facilitate transportation of crude oil and petroleum products by sea, ITRM charters ships and manages shipping operations. As BPCL is exposed to volatility in international commodity prices, ITRM also carries out commodity price risk management activities to protect BPCL from any resultant adverse impact.

ITRM procured 30.43 MMT of crude oil for Mumbai and Kochi refineries of BPCL during 2018-19, as compared to 28.49 MMT during 2017-18, in line with increased processing requirement. 4.62 MMT of crude oil was procured from indigenous sources and balance 25.81 MMT was imported in 2018-19. The corresponding numbers for the previous year 2017-18 were 4.38 MMT crude oil from indigenous sources and 24.11 MMT imports.

ITRM continually looked for opportunities to diversify its crude oil sources for enhanced competitiveness and security of supplies. In such endeavours, out of 35 total grades, 8 new grades were procured during the year 2018-19, which is an all-time high. With the import of Brazilian Sapinhoa crude from Latin America, BPCL has now sourced crude oil from all 6 continents, for the first time in its crude oil procurement history. Such diversification efforts also led to a four-fold increase in crude oil import from the US, totaling 1.6 MMT in 2018-19, as compared to the previous year. However, the major source of crude oil for BPCL continues to be the Middle East.

In value terms, the cost of 25.81 MMT of crude oil imported in the year 2018-19 amounted to USD 13.48 billion (₹ 94,275 crores), as against the cost of 24.11 MMT crude oil imported in the previous year 2017-18 amounting to USD 10.19 billion (₹ 65,633 crores). Out of the total imports of 25.81 MMT in the year 2018-19, 22.23 MMT of crude oil was imported on FOB basis, which amounted to USD 11.57 billion (₹ 80,753 crores) and 3.58 MMT of crude oil was imported on delivered basis, which amounted to USD 1.91 billion (₹ 13,522 crores), as compared to total imports of 24.11 MMT in the previous year 2017-18, out of which 23.71 MMT of crude oil was imported on FOB basis, amounting to USD 9.99 billion (₹ 64,417 crores) and 0.40 MMT of crude oil was imported on delivered basis, amounting to USD 0.18 billion (₹ 1,215 crores). The average price paid by BPCL for crude oil imported during 2018-19 was higher at USD 70.36 per barrel, as compared USD 56.95 per barrel during the previous year 2017-18, in line with the increase in international prices of crude oil. The total foreign exchange outgo on account of imports of crude oil (including high sea sales, delivered cargos and excluding high sea purchases) in the year 2018-19 was USD 13.263 billion (₹ 92,708 crores), as compared to USD 10.364 billion (₹ 66,775 crores) in the previous year 2017-18.

In addition to import of crude oil, ITRM imported 3.10 MMT LPG (previous year 2.68 MMT) and 129.59 TMT of other petroleum products (Gasoline, Low Sulphur Fuel Oil (LSFO), Lube Base Oil), and petrochemical (Butyl Acrylate) during the year 2018-19 to meet the shortfall between domestic market demand and availability from indigenous sources. ITRM exported a total 1,806.36 TMT of various refined petroleum products during the year 2018-19, as compared to 1,877.72 TMT in the previous year.

ITRM in-charters vessels for transportation of imported cargoes of crude oil and LPG on FOB basis and coastal movement of crude and products. Out of the total 22.23 MMT of crude oil imported on FOB basis during the year 2018-19, 4.69 MMT (21%) was transported through Contract of Affreightment vessels, 1.31 MMT (6%) through Time Charter (TC) vessels and balance 16.24 MMT (73%) through Voyage Charter (VC) vessels. The freight cost incurred for import of crude oil (on FOB basis) during the year 2018-19 was USD 181 million (₹ 1264 crores), as compared to USD 165 million (₹ 1,061 crores) during the previous year. The increase in freight cost is largely on account of firming up of the freight market during the second half of 2018-19.

All crude oils and petroleum products traded globally are priced against international benchmark prices, which are highly volatile. Prices of indigenous crude oils, as well as domestic prices of petroleum products, are also benchmarked to international prices. Freight charges of ships in-chartered for transportation of imported cargoes, inclusive of charter hire rates and bunker fuel prices, are also finalized based on international benchmark prices. BPCL is therefore exposed to price risk arising from an adverse movement in prices of these commodities. In order to protect BPCL from such adverse price movements, BPCL has a comprehensive Commodity Risk Management Policy wherein the price risks have been identified and the process for monitoring, measuring, mitigating and reporting have been spelled out. During the year 2018-19, ITRM hedged BPCL's exposure to commodity price risks by hedging through commodity derivatives transactions only in the international market in the Over-The-Counter (OTC) segment, using various instruments of hedging, in accordance with BPCL's Commodity Risk Management Policy and in compliance of all relevant regulatory directives and guidelines. There was no commodity derivatives transaction in the domestic market or on Exchanges in the international market.

RESEARCH AND DEVELOPMENT

The R&D Centers of BPCL continued the trend of developing cutting edge technologies, innovative products/processes and cleaner fuels to increase the Company's profitability and reduce environmental footprints.

The Divided Wall Column (DWC) technology was successfully implemented in Kochi Refinery (KR). The implementation resulted in sharp separation, upgradation of Naphtha to ISOM feed and reduction in overall Naphtha production. Through this demonstration, BPCL became the first Indian company to design the DWC unit and successfully demonstrate the indigenously developed technology.

BPMARRK®, a tool developed for rapid crude assay estimation with improved features, was made available as per the refinery demand. Refineries are extensively utilizing BPMARRK® for expanding the crude oil basket.

K-Model, an innovative solution to assess processability of crude oil blends in refineries, was developed and is currently being used for crude oil compatibility analysis. This innovation has helped the refinery operations and International Trade team to purchase and process a wide range of crude oils and its blends through quick decisions.

R&D successfully developed the most efficient LPG burner with efficiency of 75%, much higher than the commercially available LPG burners, which exhibit a maximum efficiency of 68%. The existing commercialized catalyst, Gasoline Sulphur Reduction catalyst, BHARAT GSR CAT, has led to substantial value addition by producing low sulphur Gasoline.

On the product front, commercial production of Water Detecting Paste for water estimation in Ethanol Blended Motor Spirit (EBMS) and the Quick Test Method Kit for ethanol estimation in EBMS has been started. The commercial lot shall be made available to retail locations pan-India.

The successful commercial trials were performed for MAK-BIOCUT: Eco-friendly Lubricant and MAK-Freezol-S during 2018-19. Research work was carried out in developing several other products such as high-performance engine oil for high powered racing bikes, heavy-duty diesel engine oil for ultra-low emission BS VI engines, fire resistant hydraulic fluid for the coal sector, long life wheel bearing grease for heavy commercial vehicles, and universal tractor transmission fluid for farm tractors.

During the year 2018-19, various simulation models were developed for refinery units such as CDU/VDU furnace, NHT, ISOM, DHT, DHDS, hydrocracker, etc. These models helped in simulating, troubleshooting and optimizing refinery units.

The performance of in-house additives such as neutralizing amine, filming amine, demulsifier and antifoulant were successfully demonstrated in Mumbai Refinery (MR).

The R&D efforts have been well recognized in many forums. A Special Technical Award for Innovation in the Hydrocarbon Sector was bestowed upon ‘K Model’ in PETROTECH-2019. CRDC’s indigenous cost effective dewaxing catalyst viz. BHARAT-HiCAT bagged the prestigious ‘Best Innovation in R&D’ Award instituted by MoPN&G in RPTM-2019. The soil rehabilitation project, Water Detecting Paste and Bharat Ecochem were adjudged winners under various categories (Environment Leadership, Additive Manufacturing and Quality Enterprise Leadership) during the Project Evaluation and Recognition Program (PREP) 2018 by Frost & Sullivan. BPMARRK® received Jury’s Special Mention Award in the event.

EXPLORATION AND PRODUCTION OF CRUDE OIL AND GAS OPERATIONS OF THE COMPANY THROUGH WHOLLY OWNED SUBSIDIARY

Operations of the Company

Bharat PetroResources Limited (BPRL) has participating interest (PI) in twenty six blocks of which thirteen are located in India and thirteen overseas, along with equity stake in two Russian entities holding the licence to four producing blocks in Russia. Seven of the thirteen blocks in India were acquired under different rounds of New Exploration Licensing Policy (NELP), five blocks were awarded under Discovered Small Fields Bid Round 2016 and one block was awarded during the year 2018-19 under the Open Acreage Licensing Policy Bid Round I. Out of thirteen overseas blocks, six are in Brazil, two in United Arab Emirates and one each in Mozambique, Indonesia, Australia, Israel and Timor Leste. The blocks of BPRL are in various stages of exploration, appraisal, pre-development and production phase. The total acreage held by BPRL and its subsidiaries is around 31487 km2 of which approximately 62% is offshore.

The PI in respect of Blocks in India, Israel and Australia are held directly by BPRL. BPRL has wholly owned subsidiary companies located in the Netherlands, Singapore and India. The PI in the Block-JPDA 06-103, in Timor Leste is held by BPRL’s wholly owned subsidiary company in India, i.e. Bharat PetroResources JPDA Limited. The subsidiary located in the Netherlands, i.e. BPRL International BV, in turn has four wholly owned subsidiary companies viz. BPRL Ventures BV, BPRL Ventures Mozambique BV, BPRL Ventures Indonesia BV and BPRL International Ventures BV. BPRL Ventures BV has 50% stake in IBV Brasil Petroleo Limitada, which currently holds PI ranging from 20% to 40% in six blocks in offshore Brazil. BPRL Ventures Mozambique BV has PI of 10% in a block in Mozambique, and BPRL Ventures Indonesia BV holds PI of 12.5% in a block in Indonesia. BPRL, through BPRL International Ventures BV, has 30% stake in Falcon Oil and Gas BV, which holds 10% stake in the Lower Zakum concession in offshore Abu Dhabi, UAE. Further, BPRL’s Singaporean wholly owned subsidiary, i.e. BPRL International Singapore Pte Ltd (BISPL) holds

33% each in two Special Purpose Vehicles (SPV) i.e. Taas India Pte Ltd (TIPL) and Vankor India Pte Ltd (VIPL) along with respective subsidiaries of Oil India Ltd (OIL) and Indian Oil Corporation Ltd. (IOCL). During the year 2018-19, a consortium of BISPL and IOC formed a SPV, viz., Urja Bharat Pte Limited (UBL) in Singapore which was the Onshore Block 1 concession in Abu Dhabi.

RUSSIA

BPRL along with OIL and IOCL, jointly referred to as the Indian Consortium (IC), holds 23.9% stake in JSC Vankorneft and 29.9% stake in LLC Taas Yuryakh Neftegazodobycha ("TYNGD"). In JSC Vankorneft, Rosneft holds 50.1% shares, ONGC Videsh Ltd. (OVL) (through its subsidiary) holds 26% shares and IC (through subsidiary companies) holds the remaining 23.9%. During the year, JSC Vankorneft produced approximately 15.9 MMT of oil and 7.1 BCM of gas (BPRL's effective share being 1.25 MMT oil and 0.56 BCM Gas). During the year, IC received dividend amounting to approximately USD 250 million (with BPRL's effective share of approximately USD 82 million). In TYNGD, Rosneft (through subsidiary) holds 50.1% shares, BP (through a subsidiary) holds 20% shares and IC (through subsidiary companies) holds the remaining 29.9% shares. During the year, TYNGD produced approximately 3.26 MMT of oil and 1.2 BCM of gas (BPRL's effective share being 0.32 MMT oil and 0.11 BCM gas). IC has started receiving dividends from TYNGD. During the year, IC received dividend amounting to approximately USD 137 million (with BPRL's effective share of approximately USD 45 million).

UNITED ARAB EMIRATES (UAE)

BPRL, in consortium with IOCL, formed a 50:50 SPV viz. UBPL in Singapore, which was awarded the Onshore Block 1 concession in Abu Dhabi in March 2019 after emerging as the winning bidder in the Abu Dhabi 2018 Block Licensing Round. The award has been endorsed by the Supreme Petroleum Council (SPC) on behalf of the Government of the Emirate of Abu Dhabi and represents the continued expansion of BPCL's upstream exploration operations. The transaction marks entry of BPRL as an Operator of overseas assets for the first time, in the prospective UAE region and is consistent with its stated strategic objective of balancing its portfolio by adding exploration assets in prolific basins to its existing portfolio. The Concession has three exploration phases spread over total maximum period of 9 years effective from March 2019. During the exploration phase, the IC through UBPL will have a 100% PI and be the "Operator".

BPRL, in consortium with OVL and IOCL acquired 10% stake in the offshore producing oil asset, Lower Zakum Concession in Abu Dhabi, UAE. The IC's share in the Lower Zakum Concession is held through Falcon Oil & Gas B.V, a SPV incorporated in the Netherlands, where BPRL holds 30% shares through its step down subsidiary BPRL International Ventures B.V in the Netherlands. The Concession has a term of 40 years effective from March 2018. The international shareholders in the Lower Zakum concession are JODCO (10%, a wholly owned subsidiary of Japan's INPEX Corporation), China National Petroleum Corporation (10%), Italy's ENI (5%) and France's Total S.A. (5%). The Abu Dhabi National Oil Company (ADNOC) holds a majority 60% stake in the concession. The Lower Zakum field, located in Abu Dhabi Offshore shallow water, has been producing crude oil since 1967. The production from the field during the year 2018-19 has been 144.27 million barrels, with IC's entitlement being approximately 14.43 million barrels, while BPRL's equity oil entitlement being approximately 4.33 million barrels. The crude oil is marketed as Das Blend. BPCL Group Refineries have lifted approx. 5.1 million barrels of Das Blend Crude including BPRL's entitlement in the Concession till June 2019.

MOZAMBIQUE

BPRL, through its Netherlands based step-down subsidiary company, i.e., BPRL Ventures Mozambique B.V, holds 10% PI in the Rovuma Offshore Area 1 concession in Mozambique. Anadarko Mocambique Area 1 Limitada, a wholly owned subsidiary of Anadarko Petroleum Corporation, USA, is the Operator with 26.5% PI and the other consortium partners are Mitsui E&P Mozambique Area 1 Limited (20%), ENH Rovuma Área Um, S.A. (15%), OVL (10%), Beas Rovuma Energy Mozambique Limited (10%) and PTTEP Mozambique Area 1 Limited (8.5%). With the discovery of approximately 75 trillion cubic feet of recoverable natural gas, the Area 1 partnership is going ahead with an initial plan for the development of an integrated onshore LNG project consisting of two liquefaction trains with total nameplate capacity of 12.88 MMTPA (2 x 6.44 MMTPA) in the Afungi peninsula, Cabo Delgado province, northern Mozambique, utilizing the gas from the offshore Golfinho-Atum field. The Area 1 partnership has achieved a number of major milestones which have positioned the two-train Golfinho-Atum project to be Mozambique's first onshore LNG project. The partnership continued with the implementation of the Resettlement program and onshore site preparation activities to de-risk the project schedule as much as possible ahead of FID. With necessary approvals from the Government of Mozambique in place, securing eight long-term LNG Sale and Purchase Agreements for an overall off-take volume of approximately 11 MMTPA and receiving project financing commitment from lenders, the Area 1 Concessionaires announced Final Investment Decision (FID) on the two-train onshore LNG Project in

June 2019. During the year, Area 1 group has also been designated as the first mover constructing entity for the construction of the marine facilities, namely, LNG Marine Terminal and Material Offloading Facilities which will be shared with adjacent Area 4 group.

BRAZIL

IBV Brasil Petroleo Limitada (IBV) (incorporated in Brazil), a joint venture company of BPRL Ventures BV, and Videocon Energy Brazil Ltd, step down subsidiaries of BPRL & Videocon Industries Limited respectively, holds PI in six blocks in three concessions in Brazil.

In Sergipe Alagoas (BM-SEAL-11) concession, which currently consists of three blocks, Petrobras is the Operator with 60% PI and IBV holds the remaining 40% PI. During the exploration periods, four discoveries of oil and gas i.e. 'Barra', 'Farfan', 'Cumbe' and 'Barra#1' have been made in this concession. Presently, the consortium is carrying out appraisal activities in three appraisal plans namely "Barra", "Farfan",& "Cumbe" in blocks SEAL-M 426 and SEAL-M 349 which are valid till 1st December 2020. The Block SEAL-M 497 wherein Poco Verde appraisal plan was in progress, is proposed for relinquishment by the Operator. The Operator i.e., Petrobras is taking steps for assessing reservoir extent including extended well testing in Farfan and based on the results of the appraisal further development activities would be commenced.

In Potiguar (BM-POT-16) concession, Petrobras is the Operator with 30% PI, the other partners are IBV (20% PI), Petrogal (20% PI) and BP (30% PI). The minimum commitment activities have since been completed, including drilling of one exploration well called "Ararauna" in POT-M-760. Based on the oil and gas shows observed in Ararauna well, ANP has approved Ararauna appraisal plan, covering both the blocks in BM-POT-16 concession, consisting of firm commitment of drilling one well and G&G studies. The Regulator ANP has approved the postponement of deadline of Ararauna Appraisal Plan till November 2021. There are number of sizable prospects identified based on the old 3D seismic data interpretation. To mature these prospects to drilling, consortium has completed acquisition of new 3D seismic data and the same is being analysed for better understanding of fault entrapment. The new 3D seismic study will help to reduce the risk/ uncertainty involved in fault entrapment.

In Campos (BM-C-30) concession, during the exploration period, Wahoo discovery was announced. After the completion of the exploratory period in November 2010, the consortium decided to move on to Appraisal phase. Under the Appraisal plan, drilling of two firm Appraisal wells, screening of Development concepts and Pre-FEED engineering studies on identified facility options were completed. ANP has, in March 2016, approved the extension of Wahoo Appraisal Plan from September, 2015 to June, 2022. The operator M/s Anadarko resigned from the operatorship and withdrew from the concession contract in March 2018. BP has been selected as the new Operator and formal approval is being obtained from the Regulator for PI redistribution and appointment of new Operator. Post redistribution of Anadarko's PI, IBV Brasil and BP will have 35.7% PI each and TOTAL will have 28.6% PI in the concession. The consortium is in the process to study various available options including possible tie back arrangement with nearby developed oil fields before any firm commitment is made towards field development. The objective is to address all the uncertainties involved in the project to facilitate a commercially viable field development option.

INDONESIA

A subsidiary of BPRL, i.e. BPRL Ventures, Indonesia BV, has PI of 12.5% in Nunukan Block in Indonesia. Other Joint Venture (JV) partners are PT Pertamina Hulu Energi with 64.5% PI as Operator; and Videocon Indonesia with 23% PI. There has been discovery of oil and natural gas in Badik 1 and West Badik-1 wells. Based on the discoveries in Badik & West Badik Fields, the Plan of Development (POD-1) of these fields has been approved by the Ministry of Energy and Mineral Resources, Indonesia. The exploratory well, Parang-1 drilled in 2017, has a discovery of gas in five zones and oil in one zone which was also ranked amongst the Top 10 discoveries of the world for 2017 by IHS Markit. Front End Engineering Design (FEED) for Badik & West Badik Development and the 3D seismic acquisition over Parang & adjoining prospects have been completed during the year 2018-19. The appraisal of the Parang discovery and further exploration in the adjoining prospect (Keris) to enable an integrated development of the fields is being planned during the year 2019.

ISRAEL

BPRL acquired 25% PI in the License of exploration Block 32 awarded to the IC in the 1st Offshore Bid Round 2016, conducted by the State of Israel. OVL is the Operator while IOCL and OIL are the other partners in the block, each having a PI of 25%.The seismic and other G&G data acquisition, reprocessing /interpretation of data etc. is currently in progress under the license area.

AUSTRALIA

BPRL farmed into EP - 413 (on-land) Shale Gas Block, in December 2010 and currently has a PI of 27.803% in the block in consortium with Norwest Energy NL, and AWE Perth Pty Ltd. (formerly known as Arc Energy Ltd), 100% subsidiary of Australia Worldwide Exploration. The operator for the block is Norwest Energy who has a PI: 27.945% in the block. An exploratory well Arrowsmith -2 was drilled in May 2011. This Block is being explored for Shale gas/tight gas. As a part of the work commitment, acquisition of 3D seismic data has been carried out over 105 sq kms of the block area. The processing and interpretation of 3D Seismic data that was acquired earlier has been completed during the year. Further activities in the block will be commenced once the Regulator issues the revised regulations. The work commitments of permit year 3 have been swapped by the work commitment of permit year 4. The permit is currently due to expire on 22.02.2022.

TIMOR LESTE

BPRL, through its wholly owned subsidiary, Bharat PetroResources JPDA Limited, currently holds 20% PI in the Block JPDA 06-103. The other consortium members are Videocon JPDA 06-103 Limited & GSPC JPDA Limited, both holding 20% PI, Pan Pacific Petroleum (JPDA 06-103) Pty Limited holding 15% PI, Oilex Limited (as Operator) holding 10% PI and Japan Energy E&P JPDA Pty Limited holding 15% PI in the said block. The Joint Venture (JV) had submitted its request to ANP for termination of Production Sharing Contract (PSC) without claim or penalty. ANP, however rejected the claim of the JV and delivered its notice to terminate the PSC imposing Contractors Liability upon Termination. The JV, while accepting the termination, requested for negotiation for amicable settlement of contractor's liabilities upon termination. As no consensus could be achieved during negotiations, ANPM initiated Arbitration Proceedings against the JV in the International Chamber of Commerce under the provisions of PSC and the Arbitration Proceedings are under progress.

INDIA

Under NELP-IX bid round, BPRL led consortium was awarded one on-land block CB-ONN-2010/8, in Cambay basin. BPRL is the Lead Operator with 25% PI and the other consortium partners are GAIL (India) Ltd - 25% PI (Joint. Operator), Engineers India Ltd (EIL) - 20% PI, BF Infrastructure Ltd (BFIL) - 20% PI and Monnet Ispat & Energy Ltd (MIEL) - 10% PI. Due to MIEL's cash call payment default under the JOA, the other non-defaulting parties have agreed to distribute MIEL's 10% PI in proportion to their existing share for which a request has been submitted to Director General of Hydrocarbons (DGH) and the same is under approval. There are two oil discoveries in the block CB-ONN-2010/8 in exploratory wells - Pasunia#01 (PA#01) and Pasunia#02 (PA#02). The Field Development Plan (FDP) was approved by DGH/ Management Committee in June 2018. At present, FDP is being implemented as an Exclusive Operation by BPRL (50%), GAIL (27.78%) and EIL (22.22%). The PI assignment for Exclusive Operation is under approval by the Government of India (GOI). The Petroleum Mining Lease (PML) of the Pasunia discovery has been granted by Government of Gujarat for a period of 15 years for the entire block area. Significant development has taken place towards grant of Environment Clearance (EC) by Ministry of Environment and Forest for carrying out development activities. Presently, various tendering activities are also in progress towards implementation of FDP.

Under Open Acreage Licensing Policy (OALP) Bid Round 1, block CB-ONHP-2017/9 in Cambay basin was awarded to BPRL and the Revenue Sharing Contract (RSC) of the block was signed with the GOI in October 2018. Application for grant of PEL has been submitted and the approval is awaited. Seismic reprocessing of existing raw 3D data is in progress. Further, pre-drilling Environmental Impact Assessment (EIA) study is in progress, which is required for EC for drilling of exploratory wells.

BPRL has also been awarded five Contract Areas (two offshore and three onshore) through the Discovered Small Field (DSF) bid rounds of 2016. The two offshore blocks (B15 and B127E) are in the Mumbai Offshore basin, two in Rajasthan (Bakhri Tibba and Sadewala) and one in Cauvery Basin, Tamil Nadu (Karaikal). PML has been received for all fields except for Karaikal. Based on the G&G studies a techno-commercial analysis was carried out for the Contract Areas B15, B127E, Bakhri Tibba and Sadewala. The report has been submitted to DGH and is awaiting the approval of the Management Committee in this regard.

BPRL has a PI of 40% in an On-land Block CY-ONN-2002/2 in Cauvery Basin wherein ONGC is the Operator with 60% PI. During the exploration phase, the consortium has made one oil discovery viz. Madanam Oil Discovery. The block currently has six producing wells with a combined daily average oil production of 1890 BBLs. During the year 2018-19, 691,506 barrels (109,941 m3) of oil and associated gas of 25,491,209m3 has been produced from the block. Other developmental activities in the block like setting up of Crude Processing Facility and laying of pipelines are in progress.

The GOI, during 2004, awarded on-land block, CY-ONN-2004/2, Cauvery Basin, to the consortium of ONGC and BPRL. A PI of 20% is held by BPRL in this block with ONGC holding 80% PI as the operator of the block. The consortium has completed drilling of four exploratory wells and two appraisal wells as on date. Out of the four exploratory wells drilled, one Well (PN#8) produced oil and gas during testing, and was declared as discovery well. With the approval of FDP by the Management

Committee, the block has entered into the Development Phase effective 13.7.2017.

BPRL has a PI of 33.33% in RJ-ONN-2005/1, an On-land block in Rajasthan, in consortium with Hindustan Oil Exploration Corporation (HOEC), BPRL, IMC Limited and Jindal Petroleum Limited (JPL). HOEC is the Lead Operator and BPRL is the Joint Operator of this block. The Phase I of exploration period including all granted extensions expired on 12.10.2015. All the Minimum Work Program (MWP) commitments except drilling of six wells have been completed in the block. The drilling of exploratory wells was delayed because of inordinate delay in obtaining Ministry of Defence (MoD) clearance and environmental clearance. The lead operator HOEC expressed interest to withdraw from the block. BPRL and IMC have submitted joint proposal for recommencement of exploration activities in the block in order to complete the MWP. The proposal is under consideration by DGH.

In the Cambay Basin, CB-ONN-2010/11, an On-land block was awarded by GOI to a Consortium consisting of GAIL, BPRL, EIL, BFIL and MIEL. GAIL with 25% PI is the Operator of the block. BPRL with 25% PI is the Joint Operator of the block. The Declaration of Commerciality for the discovery Galiyana#1 was approved by Management Committee on 10.04.2019. Operator is in the process of submitting FDP for the same.

In the Assam Basin, AA-ONN-2010/3, an On-land block was awarded by GOI to a consortium consisting of OIL, ONGC and BPRL. OIL, with 40% PI is the Operator of the block, while BPRL and ONGC hold 20% and 40 % PI respectively. Pre-drilling activities for the committed MWP well are currently in progress.

MB-OSN-2010/2, a shallow water offshore block in Mumbai Offshore basin was awarded by GOI to a consortium consisting of OIL, HPCL and BPRL. OIL with 50% PI is the Operator of the block. BPRL has 20% PI in the block. The Seismic Data which was interpreted in-house as well as by independent consultants showed that the prospectivity of the block is not encouraging to proceed with further exploration in the block; hence, it was decided to relinquish the block. The proposal for relinquishment of the block was submitted by the consortium to DGH and the same has been approved.

BUSINESS PROCESS EXCELLENCE CENTRE (BPEC)

During the year, BPEC processed 4.5 lakh vendor invoices amounting to ₹ 14,700 crores. There was a significant improvement in the processing cycle, with almost 70% of the invoices being processed within 7 days of receipt at BPEC. Digital Invoice Management was implemented in October 2018, wherein the vendors can submit the invoice through the vendor portal, thereby reducing the cycle time required for invoice processing. The Trade Receivables Discounting System was implemented in December 2018 for MSME vendors to discount their invoices. During the year, 405 invoices valuing ₹ 30 crores were discounted successfully. BPEC encouraged the vendors to obtain the Bank Guarantees under the SFMS platform (Structured Financial Messaging System), thereby reducing the time required by the banks for confirming the same.

BPEC started with the process of centralized customer account Matching and Clearing, Collection and Dispute Management in September 2018 for Retail and LPG Business Units. This has resulted in effective controls over customer account management. Going forward, the processes of customer credit management, processing of debit/credit notes and customer refund requests will come under the BPEC fold.

BRAND & PUBLIC RELATIONS

In building the brand image of BPCL, Corporate Brand & PR worked relentlessly through the year, crossing many milestones. Several accolades received by the team justified the work aimed by it. Focus areas of the brand team during the year were initiatives instituted by the Government of India like PMUY and PM LPG Gram Panchayat, MOP&NG e-Seva etc; Brand building through the digital media, internal engagement, Below the Line (BTL) activities and social responsibilities.

On the initiatives initiated by the GOI, the following activities were relentlessly pursued:

MoPNG e-Seva: BPCL has been chosen to coordinate a Digital Initiative ‘MOPNG e-Seva’, a social media based grievance redressal platform of Ministry of Petroleum & Natural Gas to resolve oil & gas complaints. A total of 33,620 queries were received and resolved on MoPNG e-Seva as on 31st March, 2019.

PMUY and PM LPG Panchayat Campaigns : Various campaigns were launched to disseminate information and create awareness about PMUY and PM LPG Panchayat. These effectively helped to achieve release of over 7 Crore LPG Connections under PMUY since 1st April, 2016.

The following activities were initiated to mark BPCL’s digital media presence:

Active Social Media Presence

Bharat Petroleum has amplified its presence on social media through a plethora of digital initiatives and campaigns. Brand BPCL was propagated through leveraging of BPCL owned social media assets like Twitter, Facebook, LinkedIn and YouTube. The major campaign of

'Star PSU Award' was launched on Facebook and Twitter to create buzz about the coveted achievement. With a view to engage with the younger generation, a Corporate Instagram account has been started. With all these concerted efforts, BPCL has developed a vibrant and active social media culture with a strong follower base of over 8.6 lakhs and more than 100 lakh impressions.

Online Reputation Management (ORM)

Leveraging the power of technology, customers have shifted to the conveniences of digital and social media for posting their complaints. BPCL accords top priority to resolution of complaints raised via these modes. ORM is a powerful online listening and responding tool to augment the equity of Brand BPCL. Armed with the robust ORM tool, BPCL is equipped to monitor and respond to around 20,000 conversations received across the Internet every month. Moreover, the ORM tool is being used effectively to monitor feedback, suggestions and complaints and also to facilitate decision making through analysis of reports on parameters like demographics and sentiment.

The following activities were initiated towards employee engagement:

Brand Quiz Baadshah

'Brand Quiz Baadshah' a knowledge enhancement proprietorship initiative, is aimed at increasing knowledge on brands through the quizzing route. 12,646 participants, of which 6320 employees and 6326 channel partners took part in the initiative. The objective of this mammoth event was about bringing in inclusive knowledge growth within the BPCL fraternity. BPCL Brand Quiz Baadshah – 2018 was adjudged as the largest Corporate Brand Engagement Program in Asia for employees and channel partners (Retail Outlet dealers, LPG Distributors, Lube Distributors) and justifiably entered the Asia Book of Records and India Book of Records in 2018.

BPC's Got Talent

Corporate Brand and PR had initiated the 'BPC's Got Talent' competition on our In-house radio – BPC Tarang. The objective of this initiative was in line with BPC Tarang's motto of Energise, Engage and Entertain. This employee engagement initiative connected staff across regions, cadres, languages and cultures. This also created a feeling of oneness and brought employees together.

On the BTL activities, BPCL focussed on major exhibitions to build brand image:

Vibrant Gujarat Global Trade Show 2019

BPCL showcased opportunities for business associations and offerings of its Businesses and Refineries at its pavilion at the Vibrant Gujarat Global Trade Show 2019 from 18th to 22nd January 2019 at Gandhinagar. The Trade Show, which had participation from over 1000 companies and attracted over 20 lakh visitors, was inaugurated by Hon'ble Prime Minister, Shri Narendra Modi. The BPCL pavilion was visited by many senior delegates from India and abroad.

PETROTECH 2019

The Conference and Exhibition of the XIII edition of PETROTECH, organized by PETROTECH Society under the aegis of MOP&NG from 10th to 12th February, 2019, had 7000+ delegates from over 70 countries. BPCL showcased opportunities for business associations and the offerings of various Businesses and Refineries at its corporate pavilion. Developed on the four pillars of Hon'ble Prime Minister's vision for the Energy Future of India - Energy Access, Energy Security, Energy Sustainability and Energy Efficiency, the pavilion was accorded the Winner for the Best Display at the exhibition.

Corporate Brand team also focused on its social responsibilities through the following:

Community Building

As a good corporate citizen, BPCL sponsored many events like the Mumbai Infrastructure Global Solutions Summit 2018, Corporate Governance Summit, Global Sustainable Aviation Fuels Summit, TB Free India Summit, Labour Summit, CII 8th National PR Conclave, CII MSME Conclave, 44th National Competition for Young Managers by AIMA, 22nd All India Police Golf Tournament by Border Security Force and International Art Summit, among several others.

BPCL also participated in many major conferences like the 23rd Refinery Technology Meet (RTM) by Centre for High Tech, CERA Conference by FIPI, 16th National Conference by Engineering Council of India, 40th All India Public Relations Conference by Public Relations Society of India, R&D Conclave by FIPI, and 13th International Conference on Corporate Social Responsibility by Institute of Directors.

As a Corporate, working towards uplifting the weaker sections of society, BPCL regularly contributes to various fund-raising events organized by NGOs and cultural events organized by various associations like National Society for the Blind, The Blind Welfare Association for National Blind Cricket Tournament 2019, Antarchakshu by Xaviers Resource Centre for the Visually Challenged and many others.

On the sports front, BPCL has sponsored various tournaments. To name a few are: 17th Delhi International Grandmasters Chess Tournament by Delhi Chess

Association; Adventure Racing World Series Expedition India; AIBA Women's World Championship 2018 by Boxing Federation of India, amongst others. In addition, BPCL sponsored many college festivals to encourage the youth to participate in cultural activities and organize such events on campus.

BPCL Energising Lives : Case Study Challenge

BPCL associated as title sponsor with a Case Study Challenge at Faculty of Management Studies (FMS), Delhi University, to build Brand Equity for BPCL amongst the student community. Similar initiatives have been undertaken by them in other management colleges, such as Somaiya Institute of Management Studies and Research, Mumbai, S.P. Jain Institute of Management and Research, Mumbai and SRCC, Delhi University. BPCL intends to bring the academia and industry closer for a win-win solution, which incorporates fresh ideas from millennials on contemporary business issues like brand building in current times.

AWARDS & RECOGNITION

In the prestigious Fortune Global 500 list for 2019, BPCL's rank is 275, a jump from last year's 314. BPCL's rank is 628 in the Forbes Global 2000 list for 2019, a considerable rise from the rank of 672 in the 2018 list. For its outstanding global, financial and industry performance, BPCL has been ranked among the top 20 Oil and Gas Refining and Marketing companies in the Platts Top 250 Global Energy Company Rankings for 2018. BPCL ranks 6th in Oil & Gas Refining and Marketing in the Asia/Pacific Rim, 9th in Oil & Gas Refining and Marketing globally and 13th in overall performance in the Asia/Pacific Rim. On an overall global performance, Bharat Petroleum has been ranked 41st.

BPCL was recognized by India Inc. with the 'SKOCH Award for Corporate Excellence 2018' under the category 'Market Leadership', for maintaining its market share and high brand equity.

Mumbai Refinery (MR) received the Innovation Award 2017-18 by MOP&NG for the Best Innovation in Refinery Team for production of de-aromatized solvent [D-80] in LOBS unit using narrow cut Kerosene as feed from Hydrocracker Unit. MR was also bestowed with an OGCF Award for achieving the Best Improvement in Furnace Efficiency among the PSU refineries. MR has been conferred with the "Leaders Award" under the prestigious "Sustainability 4.0 Awards – 2018", conducted jointly by Frost & Sullivan and TERI (The Energy & Resources Institute). MR has also been adjudged as the winner of the 'MQH – Best Practices Competition' under the Manufacturing category, conducted by IMC Ramkrishna Bajaj National Quality Award (RBNQA) Trust, Mumbai.

MR received the prestigious Dun & Bradstreet - Infra Award 2018 in the Industrial Plants category for its Diesel Hydro Treatment (DHT) project, signalling international recognition in the field of Project Management & Execution. In addition, MR was awarded the prestigious FIPI (Federation of Indian Petroleum Industry) 2017 trophy for completing the DHT Project ahead of the time schedule with cost savings, while maintaining quality and safety standards during its implementation. MR was also recognized with the Runner-up Award in the category 'Project of the Year-Large Category' (Project costing more than ₹1000 crores) by the Project Management Institute' (PMI), India.

In recognition of MR's commitment towards Business Excellence and Manufacturing Competitiveness, International Research Institute for Manufacturing (IRIM) has conferred MR with the Gold Award - (Special category) under the prestigious 'National Awards for Manufacturing Competitiveness (NAMC) 2017-18', along with a special award for 'Strategic Leadership'. MR has been conferred with two prestigious awards for Excellence in Energy Conservation and Human Resources Management by Indian Chemical Council (ICC), Mumbai.

Kochi Refinery (KR) bagged the prestigious Apex India Foundation Occupational Safety and Health Platinum Award for the Best Safety Practices (HSE) in the Propylene Derivative Petrochemical Project (PDPP) for the year 2018. KR was also awarded the Apex Gold Award for Environmental Excellence in Operations for the year 2018. KR bagged the Kerala Management Association (KMA) CSR Award 2018 for "Child & Elderly Care" and Runners up for "Environment & Greenery" in the Public Sector.

KR has been conferred with the highest award in the State for Energy Conservation - the Kerala State Energy Conservation Award 2018 in the category of Large Scale Energy Consumers in Kerala. KR won the Technology Excellence Award 2018 instituted by the Indian Technology Congress Association (ITCA), in recognition of the significant interdisciplinary engineering contribution to the commissioning of the Integrated Refinery Expansion Project and positioning KR as the largest public sector refinery in India. KR was adjudged the Winner in the category of HSE Excellence in the Oil & Gas sector at the India HSE Summit Awards 2018 by M/s. Synnex, Mumbai.

BPCL won six Public Relations Society of India (PRSI) National Awards for Excellence in the field of Communications and Public Relations and overall performance in the categories of Best Public Sector Organization, Best Communication Campaign (Internal Publics) for Brand Quiz Baadshah – 2018, Annual Report, Best Employee Communication Program for BPC Tarang (Internal Radio), Best Use of Social Media Campaign and Best PSU Implementing RTI.

BPCL bagged the Winner Award in the category "Strategy Excellence in Raw Material Procurement" at the Manufacturing Supply Chain Summit 2019, organised by Future Supply Chain, Mumbai. BPCL won the Finalist position in the SAP Solution Manager Excellence Award 2019 given by INDUS, SAP user Group for the Indian subcontinent, which allows SAP and SAP users to exchange information of mutual interest and share experiences, knowledge and ideas.

Corporate HSSE has received the Corporate Governance Award from Indian Chamber of Commerce in recognition of the excellent performance demonstrated in the area of Corporate Governance & Sustainable Development and for nurturing innovation. BPCL received the 'Golden Peacock Award 2018' for 'Excellent Corporate Governance' from the Institute of Directors for its stellar achievement in meeting a high level of commitment to all stakeholders, while conducting its governance in a fair, transparent and ethical manner.

International Trade Department received a Recognition Award from Mumbai Customs for consistency in maintaining the highest standards of Corporate Governance including complying with Customs laws and other regulations.

BPCL was conferred with the prestigious Golden Peacock Award 2018 for CSR for its initiative, "Solid Waste Management project in Chennai" and SKOCH Silver Award for Leadership in the Oil and Gas Sector in the CSR Category for Project Boond on water conservation.

SLC Maharashtra was awarded the All India First prize for 'Best Performance Award in National Level Competitions for SAKSHAM 2018' for setting an all-time record of enrolling 15.35 lakh students.

BPCL won the Gold Award for our Corporate Website and the Silver Award for our Wallpaper at the Annual Awards of the Association of Business Communicators of India (ABCI).

Chennai LPG Bottling plant was conferred with the 'Star Award' for demonstrating the Best Health & Safe Practices with Nil LTA for the year 2016 by the National Safety Council, TN Chapter, Chennai. Cherlapally LPG Plant won the International Association for Management of Technology (IAMOT)'s Industry Innovation Award in the category of 'Relevant and Significant Process Innovation' for the 'Closed Loop Automated Fire Fighting System'. BPCL Rajasthan (Jaipur LPG Plant, Ajmer LPG Plant, Bikaner LPG Plant and Jobner Installation) bagged four Factory Safety Awards 2019 for the best Plants in the industry for implementation and compliance of factory rules at their establishments.

The project "Railway Siding at Irugur, Coimbatore" was conferred the Winners' Trophy in the category of "Project Excellence Award" as well as the "Young Project Professional Award" in the "Project Management World Summit & Awards" held at Mumbai. Trivandrum AFS received the Award for "Outstanding Performance in Industrial Safety" in the Medium Industries Category from the Factories & Boilers Department, Government of Kerala. Bhubaneswar AFS won the Kalinga Safety Award - 2017 (Gold) in the category of Oil Depots in Odisha from Institute of Quality & Environment Management Services, Bhubaneswar.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Corporation has a robust internal control system (including Internal Financial Controls over Financial Reporting) that facilitates efficiency, reliability and completeness of accounting records and timely preparation of reliable financial and management information. The internal control system ensures compliance with all applicable laws and regulations, facilitates an optimum utilization of resources and protects the Corporation's assets and interests of investors. The Corporation has a clearly defined organizational structure, well documented decision rights, detailed manuals and operating procedures for its business units and service entities to ensure orderly and efficient conduct of its business. The internal control systems (including Internal Financial Controls over Financial Reporting) are reviewed on an ongoing basis and necessary changes are carried out to align with the changing business/statutory requirements.

A state-of-the-art ERP solution (SAP) and Business Information Warehouse has inbuilt controls including the authorization controls. This further enhances controls and seamless exchange of information with access controls. The SAP systems will provide an audit trail of the transactions. The Corporation has a whistle blower policy and anti-fraud policy to address fraud risk.

The Corporation's independent Audit function, consisting of professionally qualified persons from accounting, engineering and IT domains, review the business processes and controls to assess the adequacy of the internal control system through risk focused audits. The Internal Audit Department plans the annual audit plan to cover various aspect of the business. The audit reports published by the Internal Audit Department are shared with the Statutory/Government Auditors, who review the efficacy of internal financial controls. Key business process changes have been reviewed by the internal team before implementation.

The Audit Committee of the Board regularly reviews significant findings of the Internal Audit Department covering operational, financial and other areas and provides guidance on internal controls.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key financial ratios along with detailed explanations are given below :

S. No.	Ratio Type	2018-19	2017-18	Variation (In %)	Explanation for changes
1.	Debtors Turnover Ratio	56.91 times	55.78 times	2.03%	
2.	Inventory Turnover Ratio	15.86 times	13.59 times	16.70%	
3.	Interest Coverage Ratio	11.33 times	17.73 times	-36.10%	The interest coverage ratio has declined during current year as compared to previous year by over 36% mainly on account of substantial increase in finance cost from ₹ 833.25 Crores to ₹ 1,318.96 Crores on account of increased borrowings and cost of borrowings.
4.	Current Ratio	1.12 times	1.02 times	9.80%	
5.	Debt Equity Ratio	0.79:1	0.68:1	16.18%	
6.	Operating Profit Margin (OPM) (%) OPM=(Profit Before Tax minus Other Income) / Sales	2.22%	3.03%	-26.73%	The operating profit margin ratio has declined by over 25% mainly on account of reduced operating profit and substantial increase in sales value on account of increase in international crude and finished products prices.
7.	Net Profit Margin (%)	2.12%	2.89%	-26.64%	The net profit margin ratio has declined by over 25% mainly on account of reduced profit after tax and substantial increase in sales value on account of increase in international crude and finished products prices.
8.	Return on Net Worth (%)	19.41%	23.41%	-17.09%	The return on net worth has declined by over 17% mainly on account of reduced profit after tax.

ANNEXURE A

Particulars in regard to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to the Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY

(i) Steps taken for impact on the conservation of energy

Energy conservation efforts received continuous focus and are one of the key focus areas of BPCL Refineries, both in terms of improvement in operations/maintenance as well as the development of new projects. Continuous monitoring of energy consumption and hydrocarbon loss is undertaken using sophisticated instruments, periodical audits, global benchmarking and data acquisition system. Elaborate and systematic energy accounting, Management Information Systems and state-of-the-art online monitoring dashboards are the hallmarks of Refinery operations. Relentless efforts towards energy conservation on a sustained basis have resulted in significant saving of energy and natural resources.

Mumbai Refinery

Mumbai Refinery has in place, a sound and effective Energy Management System (EnMS), accredited with ISO 50001:2011 certification by M/s DNV. Continuous monitoring of energy performance and keeping abreast of the latest technologies for energy conservation have helped Mumbai Refinery achieve a robust energy performance during the year. The sustained efforts have resulted in a reduction of Specific Energy Consumption (SEC), which is a measure of overall energy consumption, from 66.6% in 2017-18 to 64.5% during 2018-19. The Fuel & Loss percentage (on crude throughput) for the year 2018-19 was 5.44% as against 6.19% in 2017-18.

Mumbai Refinery was judged as the winner of the Oil and Gas Conservation Fortnight Award-2018 under the category of Best Improvement in Furnace Efficiency and presented with the award during the inaugural function of the 23rd Refining & Petrochemicals Technology Meet on 12th January 2019 at Mumbai. The following major energy conservation measures were adopted by Mumbai Refinery during the year 2018-19, which have resulted in significant fuel savings:

- Reconfiguration of Naphtha splitter in Isomerization unit
- APC Implementation in Amine Treatment Unit & Sour Water Stripper (SWS-4, DHDS ATU & Old SWS) to reduce energy
- Diversion of Splitter overhead gases in CCR to F101 burners
- Reduction of overhead pressure in CDU-4
- Processing of return kerosene in DHDS and stoppage of return kerosene to DHDT to increase preheat in DHDT
- Diversion of SWS I streams to SWS IV and shutting down of SWS I
- Steam trap management in CCU/ MTBE/ DHT/ RMP SRU/ BBU/Offsite & utilities area and extension to RMP SRU, BBU and DHT areas
- Reduction of steam consumption in DHT complex by bypassing DHT lean amine cooler
- Replacement of existing Raw water supply pump 139-P-901C in DM plant by new Low Life-cycle Cost (LLC) pump
- Implementation of Electrical Heat Tracing (EHT) of Bitumen delivery headers

Mumbai Refinery has successfully met the Perform Achieve and Trade (PAT) target set by M/s. BEE under the aegis of MOP & NG for PAT Cycle 2 (FY 2018-19).

Kochi Refinery

The following energy conservation and loss control measures were adopted during the year 2018-19, resulting in significant fuel savings:

- Conversion of Main Air Blower in Fluidized Cracking unit from medium to high pressure steam driven turbine.
- Operational and instrumentation improvements in compressors.
- Modification and improvement in pre-heat trains.
- Advanced Process Control system installation in heaters.
- Installation of solar plant and replacement of conventional lighting with LEDs.

Kochi Refinery has successfully met the Perform Achieve and Trade (PAT) target set by M/s. BEE under the aegis of MOP & NG for PAT Cycle 2 (FY 2018-19).

ii) Steps taken by the Company for utilizing alternate sources of energy

Mumbai Refinery

A Solar power plant has been installed at the Refinery Admin building to harness solar energy. In the year 2018-19, solar power generated was 916.3 MWH against 50.46 MWH during 2017-18. During the year 2018-19, Mumbai Refinery has added 348 KWp of solar power generating capacity to the existing capacity, taking the total generating capacity of solar power to 1 MWp.

Kochi Refinery

The annual electricity generation through solar was 90 MWH in 2018-19. Kochi Refinery installed a 120 KW solar plant on top of the VGO-HDS unit substation. Also, 20% of the total lighting load was replaced with energy-efficient LEDs and it has resulted in savings of 0.19 MW.

iii) The capital invested in energy conservation and estimated savings

Mumbai Refinery

S. No.	Description of Schemes in FY 2018-19	Capital Investment (₹ Crores)	Energy Savings	
			Fuel (MT/year)	Power (MWH/ year)
1	CDU4 column pressure reduction from 1.70 to 1.60 Kg/cm^2 through APC for fuel & steam saving	0.06	2833	
2	Provision of Electrical Heat Tracing (EHT) to Bitumen delivery headers viz. VG10 & VG40 for steam saving	1.40	391	452
3	De-staging of FCC BFW Pump (20-P-14) to match the operating head and flow rate	0.03		280
4	DHDS FGTF sour gas temperature reduction for steam saving	Nil	167	
5	Reconfiguration of Naphtha splitter in ISOM unit for fuel saving	0.35	1433	
6	DHDS and DHT charge heater excess oxygen optimization for fuel & power saving	Nil	433	26
7	DHT lean amine AFC 137EA802B (lean amine AFC) stopped for power saving	Nil		115
8	Stoppage of waste Nitrogen blower in ARU for power saving	Nil		74
9	Processing of return kerosene in DHDS and stoppage of return kerosene to DHDT to increase DHDT feed preheat for fuel saving	Nil	900	
10	Diversion of old SWS ammonia rich gas to old SRU incinerator for fuel saving	Nil	133	
11	Replacement of suction filter of CDU4 FD fan	0.18		64

S. No.	Description of Schemes in FY 2018-19	Capital Investment (₹ Crores)	Energy Savings	
			Fuel (MT/year)	Power (MWH/ year)
12	Reduction of steam consumption in DHT complex by bypassing DHT lean amine cooler	Nil	626	155
13	Replacement of existing raw water supply pump 139-P-901C in DM plant by new LLC pump	0.13		264
14	Steam trap management in offsite & utilities area	1.78	2700	
15	Steam trap management in CCU/ MTBE	0.65	1791	
16	Flexible / reusable insulation covers for valves in Utilities area	0.30	102	
17	Diversion of SWS I streams to SWS IV and shutting down of SWS I	Nil	1905	904
18	APC Implementation in ATU & SWS (SWS-4, DHDS ATU & Old SWS) for steam saving	0.06	2348	
19	Stoppage of one CDU4 LGO CR pump at lower intakes (<23000 t/d) for power saving	Nil		2168
20	VDU3 O/H 1st stage ejector operation optimization for steam saving	Nil	238	
21	Flaring reduction in CCR	0.17	687	86
22	Provision of Air to Air Heat Exchanger in Boiler House for power saving	0.10		2540
23	Shutting down of old HGU deaerator pump 121-P-16 and DHDS wash water pump 120- P-07 taking direct suction from de-aerator	Nil		58
24	SWS-4 sour water pump 145 P 106 offloaded for power saving	Nil		52
25	Stopping of CCR Splitter overhead AFCs for power saving	Nil		130
26	Provision of jacket type insulation to the Auxiliary Steam Turbine at CPP and Boiler House	0.11	88	
27	LOBS Condensate Recovery System	1.18	319	
28	Procurement, installation and commissioning of Solar Power plant	2.37		408
29	Provision of CORROCOAT in MOC water pumps for efficiency improvement	0.08		144
30	Conventional flameproof light fitting to LED	4.50		8967
31	Steam trap management RMP SRU(Train C) & BBU area	0.73	826	

Kochi Refinery

SL. No	Description of Schemes in FY 2018-19	Capital Investment (₹ Crores)	Energy Savings	
			Fuel (MT/ year)	Power (MWH/ year)
1	Maximization of extraction in steam turbines of Delayed Coker Unit	Part of IREP cost	43065	
2	Conversion of main air blower in Fluidized Cracking unit from medium to high pressure steam driven turbine	1.91	49680	
3	Reduction in high-pressure steam used for re-boiling in De-butanizer of Petro Fluidized Cracking unit by utilizing Heavy Cycle Oil stream	Part of IREP cost	30240	

SL. No	Description of Schemes in FY 2018-19	Capital Investment (₹ Crores)	Energy Savings	
			Fuel (MT/ year)	Power (MWH/ year)
4	Operation of Isomerization unit in once-through mode bypassing de-isohexanizer column	Part of IREP cost	22329	
5	Surge test and surge margin shifting in main air blower in Fluidized Cracking unit and Petro Fluidized Cracking units	0.18	10800	
6	Reduction in very high-pressure steam in wet gas compressors by surge margin shifting	0.06	3240	
7	APC system commissioned for Vacuum heater in CDU 2	Nil	50	
8	Replaced 3550 nos. of conventional lighting by LED lighting in Plant, Control Rooms, substations, Lab Warehouse, and office rooms	0.93		969586

B. TECHNOLOGY ABSORPTION

Mumbai Refinery

i) The efforts made towards technology absorption and

ii) The benefits derived such as product improvement, cost reduction, product development or import substitution:

- Reconfiguration of Naphtha Hydro treating Unit (NHT) and Naphtha splitter of Isomerization unit resulting in reduced naphtha production and commensurate higher MS/HSD production.
- Vacuum Pressure Swing Adsorption Unit (VPSA) was commissioned to augment the capacity of sulfur recovery units. VPSA unit provides oxygen with 93% purity thus facilitating increased High sulfur crude processing capability.
- Manufacturing and supply of new grade of Hexane (polymer grade) commenced during the year. An agreement signed with M/s. GTC Technology, USA to jointly patent the production of Hexane and Special Boiling Point product from the Isomerization Unit.
- Manufacturing of a new product D80 (De-aromatized solvent) commenced.
- A successful trial carried out in the LOBS Dewaxing unit to ascertain the possibility of making MAK BASE Light. The product meets MAK BASE Light, ULPO and MAK Drilling Oil specifications
- Completed implementation of Advanced Process Control optimization in all major process units of the Refinery and achieved 95% coverage against 85% in the year 2017-18.
- CDU-4 crude blender is commissioned and the blender is successfully running on ratio-control mode. Significant reduction in the standard deviation (> 50 %) of draw temperatures was observed which resulted in consistent product quality post commissioning of Crude blender.

iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

(a) The details of Technology imported, and (b) the year of Import

Technology		Year of Import
1.	Haldor Topsoe Exchanger Reformer Installation in Hydrogen unit by M/s. Haldor Topsoe, Denmark	2017
2.	Diesel Hydro-Treater unit licensed by M/s. Haldor Topsoe, Denmark	2017
3.	Hydrocracker revamp for increasing capacity by M/s. Chevron, USA	2017
4.	NHT-Isomerisation unit licensed by M/s. GTC, USA	2017

(c) **Has technology been fully absorbed?**

Yes.

(d) **If not absorbed, areas where this has not taken place, reasons thereof and future plans of action.**

Not Applicable.

Kochi Refinery

i) The efforts made towards technology absorption and

ii) The benefits derived such as product improvement, cost reduction, product development or import substitution:

- Aspen utility optimizer package has been implemented for optimization of utility consumption in the Refinery.
- Chloride Guard bed was installed in the light reformate stream of Continuous Catalytic Reformer (CCR) to improve feed quality to Aromatic Recovery Unit.
- To remove traces of caustic in Di-sulfide oil (DSO) from LPG Merox unit of Delayed Coker Unit & CDU3, DSO wash water vessel was provided, thereby enabling direct processing in Diesel Hydro-Treating unit without routing it back to the crude oil tanks as slop.
- Isomer unit DIH column operating conditions were adjusted to produce Food Grade Quality Hexane, a new product in KR's portfolio.
- FCC catalyst was reformulated for maximizing Diesel. PFCCU catalyst was reformulated for maximizing Motor Spirit/Diesel.
- Divided Wall Column (DWC) Technology was successfully implemented in the Gasoline splitter unit to generate better feedstock for CCR and ISOM unit.
- A field trial was started for "Prototype desalter" installed in CDU3 designed by in-house R&D in collaboration with Engineers India Limited.

iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) :

(a) **Details of technology imported (during last 3 years); and (b) year of import**

Technology		Year of Import
1	Acrylic Acid Unit licensed by M/s. Air Liquide E&C, Germany	2016
2	Oxo Alcohol Unit licensed by M/s. JM Davy Process Technology, UK	2016
3	Acrylates Unit licensed by M/s. Mitsubishi Chemical Corporation, Japan	2016
4	Naphtha Hydro-treating Unit licensed by M/s. UOP, USA	2017
5	Light Naphtha Isomerisation Unit licensed by M/s. UOP, USA	2017
6	Continuous Catalytic Reformer Unit licensed by M/s. UOP, USA	2017

(c) **Has technology been fully absorbed?**

Yes.

(d) **If not absorbed, areas where this has not taken place, reasons thereof and future plans of action**

Not Applicable.

iv) EXPENDITURE ON R&D DURING 2018-19

Particulars	Expenditure (in ₹ Crores)
Capital Expenditure	47.31
Revenue / Recurring Expenditure	53.41
Total	100.72

RESEARCH & DEVELOPMENT (R&D)

1. Specific areas in which R&D has been carried out

1. Simulation models for Refinery Units
2. Real-time refinery monitoring and optimization
3. Process Intensification
4. Divided Wall Column (DWC) technology
5. High-performance LPG burner
6. 2nd generation Bharat Metal Cutting Gas
7. Development of water detecting paste and quick test method kit for Ethanol Blended MS (EBMS)
8. Development of comprehensive treatment additive package for the overhead system in Crude Distillation Unit
9. Indigenous antifoulant development
10. A predictive model for crude oil compatibility to enable an increase in heavy crude oil processing
11. Catalytic process for benzene conversion to cyclohexylbenzene (CHB)
12. 2nd generation dewaxing catalyst
13. Furnace cleaning chemical
14. Additive for petcoke sulfur reduction
15. Pour point depressant for biodiesel
16. Studies on microbiological corrosion in hydrocarbon systems
17. Development of 2G Ethanol process
18. High-performance engine oil for high powered racing bikes
19. Heavy duty diesel engine oil for ultra-low emission BS VI engines
20. Biodegradable cutting oil
21. Fire resistant hydraulic fluid for the coal sector
22. Universal tractor transmission fluid for farm tractors
23. Long life wheel bearing grease for heavy commercial vehicles
24. Alternate formulations for existing products

2. **Benefits derived as a result of the above R&D**

1. Divided Wall Column (DWC) technology for naphtha separation has been successfully demonstrated. It has enabled the refinery to upgrade approximately 80 TMTPA of naphtha product to ISOM feed.
2. A new LPG burner has been designed with efficiency of more than 75%, which is much higher than the commercially available LPG burners exhibiting a maximum efficiency of 68%.
3. 2^{nd} generation Bharat Metal Cutting Gas offers higher cut length, improved finish with minimal slag formation and high product stability for over six months with consistency in homogeneity.
4. Refinery units' models developed by R&D serve as a tool to simulate, troubleshoot and optimize unit performance.
5. HiGee deaeration offers maximum gas-liquid throughput limit and intimate contact for high mass transfer coefficients. These factors lead to significantly smaller size units (10-20 times) compared to conventional columns for the same production capacity. Therefore, a significant reduction in capital and revenue expenditure can be achieved.
6. Water Detecting Paste (WDP) is a quick solution to determine water content in EBMS in order to maintain product quality. Additionally, in-house developed a Quick Test Method (QTM) kit enables rapid estimation of ethanol in ethanol blended fuels. These products have helped to deliver EBMS with the Pure For Sure promise.
7. Technically superior and cost-effective additive package of antifoulant, demulsifier, neutralizing amine and filming amine was developed. The performance has been demonstrated on plant scale. The commercialization of these additives will result in corrosion and fouling control in refineries.
8. K Model is an innovative solution to assess the processability of crude oil blends in refineries. This innovation has helped the refinery operations and International Trade team to purchase wide ranges of crude oils.
9. High performance engine oil for racing bikes would cater to lubrication demands of high power motorcycles and help generate new business.
10. Heavy duty diesel engine oil for ultra-low emission BS VI engines would be required by new vehicles fitted with engines meeting BS VI emission norms leading to a new business avenue.
11. Bio-degradable cutting oil offers quality cutting performance with excellent lubricity, surface finish and tool life as compared to the conventional mineral base cutting oils. This next generation cutting fluid would offer enlargement of the product portfolio with environment protection.
12. Fire resistant hydraulic fluid for the coal sector is an advanced, synthetic, anhydrous, less flammable hydraulic fluid based on organic esters and performance additives. This fluid is designed to give good performance in conventional hydraulic systems and have better fire resistance than mineral oils. It is biodegradable with low eco-toxicity.
13. Universal Tractor Transmission Oil (UTTO) exclusively meeting the performance of John Deere JDM J20C for application in transmission & differential gears, hydraulics and wet-brake systems of tractors. This product has new business potential.
14. Gel type lithium based long life grease for wheel bearing application of heavy commercial vehicles. It provides smoother operation and gives longer re-lubrication interval, thereby reducing overall maintenance cost and grease consumption. This grease is also suitable

for passenger vehicles as well as two and three-wheelers. Positioning this grease for wheel bearing of automotive application would help in generating new business.

15. The alternate formulation for existing grades would provide operational flexibility, besides reducing the input cost of respective grades.

3. Future plan of action

1. Alternate formulations for existing products
2. Additive development for cross country pipelines
3. Technology development for value-added chemicals
4. Improved formulation for de-waxing and hydrofinishing catalysts
5. Bio-remediation of all petroleum hydrocarbons
6. Synthetic petrol engine oil for latest generation passenger cars fitted with modern after treatment devices
7. Engine oil for modern 4-stroke motorcycles
8. High-performance gas engine oil with extended life
9. Food grade lubricants for incidental food contact
10. Market general transmission oil for three-wheeler EV
11. Specialty lubricant for the textile industry
12. Rust preventive oil for automotive ancillaries for long term protection

C. FOREIGN EXCHANGE EARNINGS/OUTGO

The details of foreign exchange earnings & outgo are given below:-

(₹ Crores)

Particulars	2018-19	2017-18
Earnings in Foreign Exchange - Includes receipt of ₹ 1,799.60 Crores (previous year ₹ 1,390 crores) in Indian currency out of repatriated funds of foreign airline and ₹ 677.75 Crores (previous year ₹ 535.17 crores) of INR exports to Nepal and Bhutan of I&C, Retail and Lubes Customers.	**13,220.49**	10,370.81
Foreign Exchange Outgo - on account of purchase of Raw Materials, Capital Goods, Chemicals, Catalysts, Spare Parts, International Trading Activities.	**1,11,486.10**	77,477.92

ANNEXURE B

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

"We are a Model Corporate Entity with Social Responsibility" is one of the vision statements of Bharat Petroleum Corporation Limited (BPCL). Recognising its equal responsibility towards the community near its business units and far-flung communities, BPCL has contributed steadily towards the goal of achieving sustainable development over the years. As per the Companies Act 2013, we have our CSR policy and guidelines in place, the highlights of the same being:

- In every financial year, at least 2% of average net profits of the Company made during the three immediately preceding financial years will be earmarked for undertaking CSR activities.
- BPCL has a CSR Committee of the Board headed by an Independent Director, which regularly reviews and monitors all CSR projects.
- A robust governance structure with a dedicated team of CSR professionals strives towards identifying and implementing impactful social projects, which are in alignment with the areas specified under Schedule VII of the Companies Act, 2013 of which the Company takes up CSR projects largely in the five core thrust areas of:
  - Education
  - Water Conservation
  - Skill Development
  - Health/Hygiene and
  - Community Development

The details of the CSR policy, projects and programmes are available on the website of the Company www.bharatpetroleum.in

2.	**The composition of the CSR Committee:**	The CSR Committee of Directors comprises - 1. Shri Rajesh Kumar Mangal, Chairman of the Committee, Independent Director 2. Shri Rajiv Bansal, Government Nominee Director 3. Dr. K. Ellangovan, Government Nominee Director 4. Shri K. Padmakar, Director (HR) 5. Shri K. Sivakumar, Director (Finance) (up to 07.05.2018) 6. Shri Vishal V Sharma, Independent Director (w.e.f. 24.12.2018) 7. Shri N. Vijayagopal, Director (Finance) (w.e.f. 17.12.2018)
3.	**Average net profit of the Company for the last three financial years:**	₹ 10,165.92 Crores
4.	**Prescribed CSR Expenditure for 2018 - 19:**	₹ 203.32 Crores
5.	**Details of CSR Spend during the financial year 2018-19**	a. Total Amount to be spent: ₹ 350.19 Crores (including the carry forward of ₹ 146.87 Crores of previous years) b. Amount unspent: ₹ 172.25 Crores c. Details of the manner in which the amount was spent - Enclosed in Attachment

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report.

Corporate Social Responsibility (CSR) has been deeply rooted with BPCL's business strategy, thereby fostering inclusive and sustainable development for society with a strong focus on the neglected sections of the community. BPCL's CSR initiatives are in line with the guidelines issued by Department of Public Enterprises and Ministry of Corporate Affairs, Government of India. For the last eight years, BPCL has been following an institutionalised approach in five core thrust areas, which are also key pillars of Sustainable Development Goals and significant indicators for the Human Development Index i.e. quality education, water conservation, skill development, health and community development. The strategy balances identifying, implementing, sustaining and monitoring CSR projects to maximise the sustainability, governance and scalability.

BPCL weighs its performance by its Triple Bottom Line contribution to building economic, social and environmental stability. Throughout its journey, BPCL has piloted several projects in the development sector Pan India. Outcome and impact evaluation have exhibited that projects have triggered positive results and established a sense of community ownership in the broader social context. Today, through an institutionalised planning process, partnership with expert agencies and effective community engagement, BPCL is ready for scaling them up across districts/geography. Just as BPCL has progressively scaled up its outreach, it has also steadily increased our spending while consciously keeping a balance between 'Delivering & Spending'.

BPCL provided a budget of ₹ 203.32 Crores in 2018-19 and has allocated the entire budget for various projects within the items enumerated in Schedule VII, which includes several initiatives of national importance. In addition, BPCL has also carried forward ₹ 146.87 Crores unspent budget from previous years.

Against the above allocation of ₹ 203.32 Crores and carry forward amount of ₹ 146.87 Crores, an expenditure of ₹ 177.94 Crores was incurred. The shortfall from the stipulated prescribed spends is on account of the following reasons:

1. In the beginning of the financial year, BPCL had strategized to commit funds for major projects within identified thrust areas that were envisaged to begin in the financial year 2018-19 e.g. Affordable Cancer Care in Assam, Integrated Development Project in Gadchiroli, etc. As these are long-term projects, their expenditure will be incurred in the subsequent year.
2. Significant shared value creation in the development sector becomes constructive and concrete through efficient implementation partners, sustained long term and continued intervention. The majority of its projects span between one to five years. A number of projects were approved in the 2nd, 3rd and 4th quarters of the financial year 2018-19 with implementation spread over more than one year. Furthermore, as per the Company's CSR Policy, projects are executed in a project mode with payments being linked to achievement of key deliverables. The actual expenditure against approved projects rolls beyond the financial year. Hence, payments for projects committed during the reported financial year will be released over the subsequent months.
3. CSR as a practice has grown exponentially bringing with it an increasing demand of transparency. Over the years, BPCL has been focusing on continuous improvement in social, environmental and economic performance that are both measurable and sustainable. This is also reflected in its CSR projects due to an established diligence process for approving the projects. Hence, BPCL does not disburse funds on projects which are not 'sustainable' or not delivering 'results'.

To improve on the expenditure, BPCL has adopted a decentralised approach to expedite the processing of projects and has formed multiple teams at regional levels. These teams are being trained towards ensuring sustainable and impactful projects in line with BPCL Policy. The projects that have been approved by these decentralised CSR Committees will increase the overall expenditure on CSR in the subsequent months.

As a responsible corporate, BPCL's constant endeavour is to complete projects which have been initiated while ensuring the impact envisioned. In the process, funds may have to be carried forward, sometimes even reallocated. The CSR funds that were unspent in the year 2018-19, despite being allocated, for the reasons mentioned above, are being carried forward to the next year and will be rightfully spent/ reallocated as the case may be.

BPCL commits to continue enabling inclusive growth as a core component of sustainable development through focused and proactive social projects. BPCL strives to align its CSR initiatives with missions of national importance and sustainable development goals.

7. Responsibility Statement of the CSR Committee that the implementation and monitoring of CSR policy is in compliance with CSR objectives and Policy of the Company.

We hereby affirm that the CSR policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of the CSR projects and activities in compliance with the CSR objectives.

Sd/	Sd/	Sd/
K. Padmakar	**N. Vijayagopal**	**Rajesh Kumar Mangal**
Director (HR)	Director (Finance)	Chairman – CSR Committee

Date: 14th June, 2019

5(c) Details of the manner in which the amount was spent

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Local area or other	State & District where project or program was undertaken	Amount Outlay (Budget) project or program wise in ₹	Amount Spent on Program or Project in ₹		Cumulative expenditure upto the reporting period	Amount spent: Direct or implementing agency
						Direct Expenditure	Programs Overhead		
1	Project Refresh Water (renovating fresh water bodies) and awareness generation on clean water	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water	Local	Dist.Tiruvallur,Tamil Nadu	67,30,000	20,19,000		20,19,000	Implementing Agency
2	Cleaning of water bodies- Tapi river		Local	Dist.Surat,Gujarat	3,00,000	3,00,000		3,00,000	Implementing Agency
3	Providing Clean Drinking Water facility in rural Households		Local	Dist.Raigad,Maharashtra	93,56,972	23,39,243		23,39,243	Implementing Agency
4	BOOND - Rain water harvesting project -Tuticorin		Local	Dist. Tuticorin,Tamil Nadu	2,53,60,684	45,89,316		1,89,67,593	Implementing Agency
5	BOOND - Rain water harvesting project -Kolar Ramanagara		Local	Dist. Kolar & Ramanagara,Karnataka	3,02,64,000	53,78,234		2,26,27,654	Implementing Agency
6	Construction of wells at Mahagond and Vazare villages		Other	Dist.Kolhapur,Maharashtra	59,36,400	14,32,917		14,32,917	Implementing Agency
7	Haritha Keralam - rejuvenation of water bodies		Local	Dist. Ernakulam,Kerala	4,00,000	3,67,508		3,67,508	Implementing agency
8	Clean drinking water & allied facilities for village Asalpur	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available drinking water	Other	Dist.Jaipur,Rajasthan	3,91,92,000	91,41,723		3,12,41,876	Implementing Agency
9	Water Provision through Rain Water Harvesting Structures at ITI, Karjat		Local	Dist.Raigad,Maharashtra	43,79,710	2,76,812		43,79,710	Implementing Agency
10	Mid Day Meal Project for 22 Schools		Local	Dist.Mumbai,Maharashtra	24,89,300	3,91,704		21,03,748	Implementing Agency
11	Support for Hydraulic elevated platform for Sanitation activities		Other	Dist.Mayurbhanj,Odisha	26,80,000	21,44,000		26,80,000	Implementing Agency
12	Construction & repair of toilet blocks in Govt. Schools		Local	Dist.Purba Bardhaman,West Bengal	2,95,70,000	44,35,500		2,95,70,000	Implementing Agency
13	Improving the quality of life of Persons with Disabilities (PwDs) by providing aids and appliances		Other	Dist.Murshidabad,West Bengal	95,00,000	52,25,000		52,25,000	Implementing Agency
14	Nutrition and health care support to the community people affected by cyclone Titli		Other	Dist.Ganjam, Gajapati & Balasore,Odisha	20,28,000	17,60,842		17,60,842	Implementing Agency
15	Ambulance equipped with artificial life support and trauma care		Local	Dist.Haldia,West Bengal	34,92,635	13,67,500		13,67,500	Implementing Agency
16	Promoting sanitation through Waste Dustbins to be placed in public places		Local	Dist.Haldia,West Bengal	14,50,000	2,17,500		2,17,500	Implementing Agency
17	Providing an ICU Ambulance equipped with artificial life support and trauma care		Local	Dist.Budge Budge,West Bengal	34,92,635	13,67,500		13,67,500	Implementing Agency
18	Supporting protective services for children		Other	Dist.Ri Bhoi,Meghalaya	9,66,570	1,44,986		1,44,986	Implementing Agency
19	Preventive healthcare for community		Other	Dist.East Medinipore, West Medinipore in West Bengal	1,86,795	37,359		37,359	Implementing Agency
20	Primary health camps for 25 villages in three blocks		Other	Dist.Siwan,Bihar	48,75,000	48,75,000		48,75,000	Implementing Agency
21	Providing community healthcare services through trained local women		Other	Dist.Ri Bhoi,Meghalaya	16,60,960	2,49,144		2,49,144	Implementing Agency
22	Clean drinking water project in Govt. Schools		Other	Dist. Saharsa,Bihar	28,40,000	18,46,000		18,46,000	Implementing Agency
23	Renovation of toilet blocks & library in a senior secondary school hostel		Local	Dist.Mathura,Uttar Pradesh	13,24,462	6,62,231		9,93,347	Implementing Agency
24	Construction of toilet blocks at Kishangarh		Other	Dist.Ajmer,Rajasthan	7,24,486	6,15,813		7,24,486	Implementing Agency

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						Direct Expenditure	Programs Overhead		
25	Construction of 22 Bio toilets		Other	Dist.Muktsar Sahib, Punjab	44,86,190	31,40,333		44,86,190	Implementing Agency
26	Supporting community toilet construction		Other	Dist.Leh,Jammu and Kashmir	10,00,000	3,00,000		3,00,000	Implementing Agency
27	Supporting infrastructure for alternate healthcare services		Local	New Delhi	43,00,000	43,00,000		43,00,000	Implementing Agency
28	Project PAKEEZAH-Improving accessibility to affordable sanitary napkins		Local	Dist.Patiala, Punjab	99,44,482	49,72,242		49,72,242	Implementing Agency
29	Promoting women empowerment through spreading awareness on hygiene, healthcare & gender equality		Local	New Delhi	1,88,560	94,280		94,280	Implementing Agency
30	Providing clean drinking water in Govt. upper primary school		Local	Dist. Jodhpur,Rajasthan	68,440	68,440		68,440	Implementing Agency
31	Promoting menstrual hygiene through sanitary napkin vending machines & incinerators in schools, colleges and public places		Local	New Delhi	46,01,000	9,20,200		9,20,200	Implementing Agency
32	Infrastructure facilities for sanitation in Govt. school		Local	Dist.Jodhpur,Rajasthan	4,53,133	4,53,133		4,53,133	Implementing Agency
33	Providing sanitation & drinking water facilities to Anganwadi under the Project - Swachh Anganwadi Mansa		Other	Dist. Mansa,Punjab	46,11,909	46,11,909		46,11,909	Implementing Agency
34	Providing basic sanitation facilities to Govt. Primary School-Kakrala		Other	Dist.Muzaffarnagar,Uttar Pradesh	1,54,812	1,54,812		1,54,812	Implementing Agency
35	Preventive healthcare through distribution of Anti pollution masks to police and rickshaw pullers		Local	Dist.Noida, Uttar Pradesh	6,37,260	3,18,630		3,18,630	Implementing Agency
36	Quality Eye care for distressed and marginalized women		Local	New Delhi	6,31,000	3,15,500		3,15,500	Implementing Agency
37	Primary healthcare & diagnostic services to tribal villages through Mobile Medical Unit and equipment		Other	Dist.Dehradun,Uttarakhand	1,96,12,576	58,83,772		58,83,772	Implementing Agency
38	Sanitation project- Mansa with a focus on girl child health		Other	Dist.Mansa,Punjab	33,54,454	32,94,454		32,94,454	Implementing Agency
39	To improve the quality of life of Persons with Disabilities (PwDs) by providing aids and appliances		Local	Dist.Haryana & Uttar Pradesh	92,25,524	23,06,381		23,06,381	Implementing Agency
40	HIV & Health check up & counselling programme for women		Local	Dist.Noida, Uttar Pradesh	9,91,074	1,98,215		1,98,215	Implementing Agency
41	Solid Waste Management project in municipality areas		Local	Dist.Chennai,Tamil Nadu	10,96,00,000	5,01,17,418		10,49,17,418	Implementing Agency
42	Clean drinking water in bus stations		Local	Dist.Bangalore,Karnataka	77,70,000	54,95,850		54,95,850	Implementing Agency
43	Enhancing infrastructure/ facilities at Govt. High School		Local	Dist.Karur,Tamil Nadu	13,26,321	11,60,439		11,60,439	Direct
44	Renovation and enhancing infrastructure facilities of Govt. Model Higher Primary Boys & Girls school-Pandavapura		Other	Dist.Mandya ,Karnataka	14,03,034	13,00,979		13,00,979	Direct
45	Construction of individual toilets for BPL families & awareness generation activities on sanitation Madurai		Local	Dist.Madurai,Tamil Nadu	94,89,960	69,93,626		93,66,116	Implementing Agency
46	Construction of individual toilets & awareness generation activities Dindigul		Other	Dist.Dindigul,Tamil Nadu	1,56,68,640	94,01,184		1,41,01,776	Implementing Agency
47	Providing primary healthcare through the operation of 3 Mobile Medical Units		Local	Dist.Karur, Ennore & Thanjavur,Tamil Nadu	93,00,000	51,15,000		51,15,000	Implementing Agency
48	Enhancing infrastructure/ sanitation facilities in Govt. Schools		Other	Dist. Suryapet,Telangana	17,42,814	17,42,814		17,42,814	Direct
49	Construction of individual toilets for families in slum areas		Other	Dist.Salem,Tamil Nadu	97,35,120	58,41,072		58,41,072	Implementing Agency
50	Providing infrastructure/sanitation facilities to Panchayat Union Middle School		Other	Dist.Tiruppur,Tamil Nadu	2,05,320	1,84,965		1,84,965	Implementing Agency

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51	Providing infrastructure/sanitation facilities to Panchayat Union Middle School		Local	Dist.Tiruvarur,Tamil Nadu	2,83,200	2,83,200		2,83,200	Implementing Agency
52	Open Defecation Free & Clean		Local	Dist.Raigad,Maharashtra	4,84,58,214	2,06,41,884		3,27,56,437	Implementing Agency
53	Construction of toilet blocks in Gujarat Jails		Local	Dist. Ahmedabad,Gujarat	1,02,50,000	81,20,016		81,20,016	Implementing Agency
54	Drinking water and Sanitation facilities in schools		Local	Dist.Gwalior,Madya Pradesh	29,96,000	26,89,868		26,89,868	Implementing Agency
55	Reconstructive Surgery of patients with Leprosy		Other	Dist.Sangli & Kutch,Maharashtra & Gujarat	46,20,000	10,54,054		10,54,054	Implementing Agency
56	Clean drinking water project at Municipal Corporation school		Local	Dist.Nashik,Maharashtra	12,00,000	3,12,331		3,12,331	Implementing Agency
57	Clean drinking water for students in Zilla Parishad Primary school		Local	Dist.Nashik,Maharashtra	1,50,000	56,864		56,864	Implementing Agency
58	Distribution of cotton bags to create mass awareness on plastic ban in Mumbai city		Local	Dist.Mumbai,Maharashtra	25,00,000	23,06,250		23,06,250	Direct
59	Swachhta Bharat - Swachhta Vidyalaya Sanitation Block Including maintenance cost- wrong entry reversed		Other	Dist. Sambalpur, Balasore, Sonepur, Bargarh, Khordha, Mayurbhanj, Sundergarh and Deogarh, Odisha	26,95,21,590	(39,177)		10,09,60,209	Direct or Implementing Agency
60	Support for Cataract Surgeries		Local	Dist.Mumbai,Maharashtra	90,000	31,500		58,500	Implementing Agency
61	Mid Day meal programme for 6 aided schools		Local	Dist.Mumbai,Maharashtra	24,99,525	3,29,515		20,76,383	Implementing Agency
62	Support for the poor and needy patients for appropriate diagnosis and proper treatment - LTMG Hospital		Local	Dist.Mumbai,Maharashtra	24,50,000	12,25,000		24,50,000	Implementing Agency
63	"Say No to Plastic Campaign"- Distribution of Cloth Bags		Local	Dist.Mumbai,Maharashtra	24,75,000	14,00,504		14,00,504	Implementing Agency
64	Support for the poor and needy patients for appropriate diagnosis and proper treatment - KEM Hospital		Local	Dist.Mumbai,Maharashtra	24,50,000	12,25,000		24,50,000	Implementing Agency
65	Construction of community sanitation units		Local	Dist.Thane,Maharashtra	1,63,63,004	57,18,849		98,09,600	Implementing Agency
66	Construction of community sanitation units in Mahul & Chembur		Local	Dist.Mumbai,Maharashtra	1,60,48,259	40,12,065		88,26,542	Implementing Agency
67	To provide quality medical services to the underprivileged people through purchase of Linear Accelerator medical equipment		Local	Dist.Mumbai,Maharashtra	7,79,24,000	6,07,80,720		7,63,65,520	Implementing Agency
68	Project Drishti - eye camp for the community		Local	Dist.Mumbai,Maharashtra	2,90,400	1,78,985		2,22,545	Implementing Agency
69	Health Camps for school children/students		Local	Dist.Mumbai,Maharashtra	3,68,475	3,68,475		3,68,475	Implementing Agency
70	Primary Healthcare through Mobile Medical Unit - Chembur		Local	Dist.Mumbai,Maharashtra	23,25,448	12,18,000		12,18,000	Implementing Agency
71	Healthcare through Cardiac Ambulance - Chembur		Local	Dist.Mumbai,Maharashtra	31,00,000	17,05,000		17,05,000	Implementing Agency
72	Refurbishing of 2 community toilet blocks		Local	Dist.Mumbai,Maharashtra	28,11,568	13,07,073		13,07,073	Implementing Agency
73	Supporting Homeopathy Clinic		Local	Dist.Mumbai,Maharashtra	7,22,172	3,43,152		3,43,152	Implementing Agency
74	Scaling up of Cataract surgeries for persons living in rural and tribal areas		Local	Dist.Thane & Palghar Dist,Maharashtra	1,96,00,000	29,40,000		29,40,000	Implementing Agency
75	Establishing sanitary napkin unit for promoting menstrual hygiene		Local	Dist.Mumbai,Maharashtra	26,79,190	14,73,555		14,73,555	Implementing Agency

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						Direct Expenditure	Programs Overhead		
76	Primary Healthcare Services (Preventive & Curative)		Local	Dist.Mumbai,Maharashtra	10,31,690	8,25,352		8,25,352	Implementing Agency
77	Mid-day meal for Municipal and Aided schools		Local	Dist.Mumbai,Maharashtra	72,21,506	49,55,537		49,55,537	Implementing Agency
78	Project 'SWASTHYA' - cancer screening camps in the community		Local	Dist.Mumbai,Maharashtra	15,62,100	15,59,737		15,59,737	Implementing Agency
79	Primary Healthcare through Mobile Medical Unit - Raigad		Local	Dist.Raigad,Maharashtra	31,00,000	6,20,000		6,20,000	Implementing Agency
80	Improve the quality of Life of Persons with Disabilities (PWDs) by providing aids and appliances		Local	Dist.Mumbai,Maharashtra	1,00,00,000	25,00,000		25,00,000	Implementing Agency
81	Supporting renovation / refurbishment of dormitories for orphans		Local	Dist.Mumbai,Maharashtra	88,91,148	14,76,748		14,76,748	Implementing Agency
82	Providing primary healthcare services through the operation of four Medical Mobile Units		Local	Dist.Thane, Nashik, Dhule & Jalgaon,Maharashtra	1,44,80,800	28,96,160		28,96,160	Implementing Agency
83	Support for MRI scans for the poor and needy patients for appropriate diagnosis and proper treatment- LTMG Hospital (2018-20)		Local	Dist.Mumbai,Maharashtra	90,00,000	22,50,000		22,50,000	Implementing Agency
84	Health Insurance to cover Mahul Fishermen Community		Local	Dist.Mumbai,Maharashtra	27,43,500	27,43,500		27,43,500	Implementing Agency
85	Distribution of Hygiene Kit to school children		Local	Dist.Mumbai,Maharashtra	66,080	10,080		66,080	Implementing Agency
86	Restoration of Primary Health Centre at Penugollu		Other	Dist. Vishakhapatnam, Andhra Pradesh	98,00,000	4,11,018		93,11,018	Implementing Agency
87	Swachha Bharat - Swachha Vidhyalaya Sanitation Block maintenance cost		Other	Dist.Guntoor, Prakasam,Andhra Pradesh	4,45,29,654	55,44,000		1,96,07,765	Implementing Agency
88	Pre-operative Eye screening camps & cataract surgeries		Local	Dist.Amethi, Rae Bareilly, Lucknow, Unnao, Kanpur ,Uttar Pradesh	49,93,937	37,79,506		47,78,293	Implementing Agency
89	Swachha Bharat - Swachha Vidyalaya Sanitation Block maintenance cost		Other	Dist.Surguja,Chattisgarh	14,64,79,125	75,00,000		5,90,36,386	Implementing Agency
90	Facilities for training mental health professionals		Local	Dist. Madurai,Tamil Nadu	57,99,995	11,39,028		57,79,024	Implementing Agency
91	Provide quality medical services to the underprivileged through purchase of 1.5 Tesla MRI system		Local	Dist.Kolkata,West Bengal	4,60,00,000	3,91,00,000		4,60,00,000	Implementing Agency
92	Mobile primary health, Cancer Screening, Palliative Care Unit for poor and disadvantaged people		Other	Dist.Faridabad, Haryana	99,38,091	27,61,768		34,98,240	Implementing Agency
93	Ensuring access to Clean Drinking Water to Tribal villages		Local	Dist.Udaipur & Rajsamand, Rajasthan	79,14,500	55,40,150		71,23,050	Implementing Agency
94	Support for medical equipment to provide quality eye-care services		Other	Dist.Nagpur,Maharashtra	10,00,00,000	7,28,48,808		9,78,48,808	Implementing Agency
95	To support the construction of toilets at 23 MSRTC bus stations		Local	Maharashtra	3,82,74,206	1,14,82,262		1,14,82,262	Implementing Agency
96	Reducing avoidable disability through medical services on the Lifeline Express-hospital on a train (193rd)		Other	Dist.Latur,Maharashtra	1,00,00,000	74,39,184		74,39,184	Implementing Agency
97	Support towards the operation of three Mobile Medical Units for primary healthcare		Other	Dist.Amreli, Dahod and Jammu,Gujarat and Jammu &Kashmir	95,79,000	83,70,000		83,70,000	Implementing Agency

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						Direct Expenditure	Programs Overhead		
98	Reducing avoidable disability through medical services on the Lifeline Express-hospital on a train (199th)		Other	Dist. Unakoti ,Tripura	99,00,000	49,50,000		49,50,000	Implementing Agency
99	Effective prevention and control of Acute Encephalitis Syndrome (AES)		Local	Dist.Gorakhpur,Uttar Pradesh	11,34,38,413	1,29,27,057		1,29,27,057	Implementing Agency
100	Project MAHI- preventive health care for the rural community		Other	Dist.Ramanagara, Karnataka	92,04,840	13,80,726		13,80,726	Implementing Agency
101	Support for construction of Individual household toilets units in Tiruvottiyur		Local	Dist. Chennai,Tamil Nadu	1,64,67,486	32,89,457		32,89,457	Implementing Agency
102	Proposal for integrated development of communities		Other	Dist.Gadchiroli,Maharashtra	14,59,32,500	1,19,83,125		1,19,83,125	Implementing Agency
103	Development of affordable cancer care for the population in Darrang		Other	Dist. Darrang,Assam	29,30,93,011	4,42,43,457		4,42,43,457	Implementing Agency
104	Contribution towards LPG Connections for BPL households		Other	Across India	40,54,00,000	40,54,00,000		40,54,00,000	Implementing Agency
105	Support for construction of basic facilities at eye care hospital		Local	Dist.Lucknow, Uttar Pradesh	87,14,087	21,36,624		21,36,624	Implementing Agency
106	Provide primary healthcare services to poor & needy people		Other	Across India	52,50,000	24,800		24,800	Direct
107	Anganwadi Supplementary Nutrition Programme at Vadavucode Puthencruz Grama Panchayat		Local	Dist. Ernakulam,Kerala	43,73,063	4,90,487		18,26,880	Implementing Agency
108	Anganwadi Supplementary Nutrition Programme in Thiruvaniyoor		Local	Dist. Ernakulam,Kerala	23,46,875	3,70,684		12,37,642	Implementing Agency
109	Noon Meal & Supplementary Nutrition Project		Local	Dist. Ernakulam,Kerala	40,89,843	11,12,181		32,47,490	Implementing Agency
110	Rural Health Enhancement Project		Local	Dist. Ernakulam,Kerala	28,66,520	1,78,109		28,66,520	Implementing Agency
111	Medical camps for the poor		Local	Dist. Ernakulam,Kerala	15,00,000	6,00,000		15,00,000	Implementing Agency
112	Facility enhancement in Primary Health Centre in Thiruvaniyoor		Local	Dist. Ernakulam,Kerala	9,90,000	9,69,666		9,69,666	Implementing Agency
113	Multispecialty medical camps		Local	Dist. Ernakulam,Kerala	8,00,000	8,00,000		8,00,000	Implementing Agency
114	Extension of Community Health Centre at Vadavucode		Local	Dist. Ernakulam,Kerala	88,00,000	61,60,000		61,60,000	Implementing Agency
115	Swachh Iconic Project Kalady		Local	Dist. Ernakulam,Kerala	8,53,80,507	1,66,59,018		3,80,04,145	Implementing Agency
116	Jagrithi Health project		Local	Dist. Ernakulam,Kerala	95,50,000	28,65,000		52,52,500	Implementing Agency
117	Trauma care unit & facility enhancement at Taluk Hospital		Local	Dist. Kannur, Kerala	1,00,00,000	80,00,000		80,00,000	Implementing Agency
118	Rural drinking water project in Vadavucode Puthencruz Gram Panchayat		Local	Dist. Ernakulam,Kerala	41,42,000	35,28,000		35,28,000	Implementing Agency
119	Enhancement of Dialysis unit at Taluk Hospital, Perambra		Local	Dist. Ernakulam,Kerala	99,57,840	32,00,000		32,00,000	Implementing Agency
120	Saukhyam 2018 Super Speciality Medical Camp		Local	Dist. Ernakulam,Kerala	10,00,000	10,00,000		10,00,000	Implementing Agency
121	Setting up of Dialysis unit at CHC, Shornur		Local	Dist. Palakkad, Kerala	90,00,000	88,76,481		88,76,481	Implementing Agency
122	Field monitoring vehicle for health monitoring system of District Medical Office		Local	Dist. Ernakulam,Kerala	10,00,000	9,99,277		9,99,277	Implementing Agency
123	Therapeutic dietary meals for patients		Local	Dist. Ernakulam,Kerala	25,00,000	25,00,000		25,00,000	Implementing Agency
124	Facilitating conveyance for mental health programme		Local	Dist. Palakkad, Kerala	9,24,000	9,21,115		9,21,115	Implementing Agency
125	Jyothi Thamasoma Jyothirgamaya Phase II		Local	Dist. Ernakulam,Kerala	5,00,000	5,00,000		5,00,000	Implementing Agency
126	Facilities for well-being of aged women in old age home		Local	Dist. Ernakulam,Kerala	20,02,800	20,02,800		20,02,800	Implementing Agency

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						Direct Expenditure	Programs Overhead		
127	Rural Cardiac Care Project in Edakkattuvayal panchayat		Local	Dist. Ernakulam,Kerala	1,00,00,000	50,00,000		50,00,000	Implementing Agency
128	Otolaryngology Health Project		Local	Dist. Ernakulam,Kerala	23,47,655	23,47,655		23,47,655	Implementing Agency
129	Rehabilitation and Palliative Care Centre		Local	Dist. Ernakulam,Kerala	50,00,000	50,00,000		50,00,000	Implementing Agency
130	Setting up of dialysis unit at Sree Chitra Tirunal Institute for Medical Sciences and Technology		Local	Dist. Thiruvananthapuram, Kerala	77,23,000	61,92,458		61,92,458	Implementing Agency
131	Care & support project for the HIV/AIDS affected		Local	Dist. Kannur, Wayanad, Kollam, Malappuram, Idukki, Pathanamthitta and Ernakulam, Kerala	63,68,000	39,52,450		39,52,450	Implementing Agency
132	Outreach medical camps for the poor in eight locations		Local	Dist. Ernakulam, Kottayam, Idukki, Wayanad and Alappuzha, Kerala	98,00,000	60,50,000		60,50,000	Implementing Agency
133	Enhancement of Trauma Care facilities at General Hospital		Local	Dist. Ernakulam,Kerala	99,73,248	17,24,444		17,24,444	Implementing Agency
134	Early interventional screening for Dementia		Local	Dist. Ernakulam,Kerala	4,75,000	2,37,500		2,37,500	Implementing Agency
135	Health insurance for underprivileged		Local	Dist. Ernakulam,Kerala	71,00,000	66,08,000		66,08,000	Implementing Agency
136	Save a Life - Raksha Angels		Local	Dist. Ernakulam,Kerala	10,38,000	3,10,500		3,10,500	Implementing Agency
137	Anganwadi Supplementary Nutrition programme in Thiruvaniyoor (18-19)		Local	Dist. Ernakulam,Kerala	22,95,300	4,55,429		4,55,429	Implementing Agency
138	Swachha Bharat Activities		Local	Across India	5,35,23,051	4,40,12,273		4,40,12,273	Direct
139	Renovation and enhancing infrastructure facilities of Govt. Model Higher Primary school-Seethapura	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Other	Dist.Mandya,Karnataka	45,71,575	14,86,982		14,86,982	Direct
140	Computer Assisted Learning(CAL) (Mumbai,Jaipur & Solapur)		Local	Dist. Mumbai, Jaipur, Solapur, Maharashtra & Rajasthan	4,78,61,710	2,61,175		4,33,40,980	Implementing Agency
141	Skill Development for autistic students		Local	Dist. Mumbai,Maharashtra	46,74,000	1,16,500		45,43,458	Implementing Agency
142	Teacher training in Universal active Maths		Local	Dist.Mumbai,Maharashtra	26,65,044	1,24,204		23,31,765	Implementing Agency
143	Enhancement of infrastructure facilities at Anganwadi No. 84/85/90 and 136		Local	Dist. Ernakulam,Kerala	75,00,000	25,73,064		66,28,335	Implementing Agency
144	Construction of classroom and laboratory		Local	Dist. Kannur, Kerala	50,00,000	40,00,000		50,00,000	Implementing Agency
145	Enhancement of facilities at Anganwadi no.39/70/62/94/81		Local	Dist. Thiruvananthapuram, Kerala	1,13,00,000	76,37,523		76,37,523	Implementing Agency
146	Facility enhancement in Government School, Vennikulam		Local	Dist. Ernakulam,Kerala	13,50,000	12,93,819		12,93,819	Implementing Agency
147	Facilities at Sradha Special School		Local	Dist. Ernakulam,Kerala	19,00,000	3,80,000		19,00,000	Implementing Agency
148	First meal scheme for Govt & Aided schools		Local	Dist. Ernakulam,Kerala	1,37,50,029	4,39,510		93,08,035	Implementing Agency
149	First meal scheme for Govt & Aided schools 2018-19		Local	Dist. Ernakulam,Kerala	4,08,24,800	3,88,34,639		3,88,34,639	Implementing Agency
150	Project Learning Friendly Ernakulum-children with learning disabilities		Local	Dist. Ernakulam,Kerala	15,12,000	11,34,000		15,12,000	Implementing Agency
151	Enhancement of facilities at school for the differently abled		Local	Dist. Ernakulam,Kerala	25,00,000	23,69,248		23,69,248	Implementing Agency

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						Direct Expenditure	Programs Overhead		
152	Niravu - Adolescent life skill programme		Local	Dist. Kozhikode, Kerala	15,32,040	13,02,234		13,02,234	Implementing Agency
153	ROSHNI educational development project for migrant students		Local	Dist. Ernakulam,Kerala	62,46,700	62,46,700		62,46,700	Implementing Agency
154	Support for safe transport of special school children		Local	Dist. Ernakulam,Kerala	11,60,500	11,60,500		11,60,500	Implementing Agency
155	Ekal Vidhyalaya programme for tribal students		Local	Dist. Wayanad and Palakkad in Kerala	20,00,000	20,00,000		20,00,000	Implementing Agency
156	Bala Janaagraha Civic Learning Programme		Local	Dist. Ernakulam,Kerala	15,00,000	13,81,753		13,81,753	Implementing Agency
157	Home Based Rehabilitation training project for differently abled children (2018-19)		Local	Dist. Ernakulam,Kerala	38,10,000	34,51,601		34,51,601	Implementing Agency
158	Suraksharadham Mobile Safety Training		Local	Dist. Ernakulam,Kerala	6,00,000	6,00,000		6,00,000	Implementing Agency
159	Facility enhancement of Govt LP School, Kanjiramattom		Local	Dist. Ernakulam,Kerala	55,50,000	16,65,000		16,65,000	Implementing Agency
160	Enhancement of facilities for Government schools		Local	Dist. Ernakulam,Kerala	50,00,000	49,99,981		49,99,981	Implementing Agency
161	Construction of new building with high tech classroom in Govt. UP School, Keechery		Local	Dist. Ernakulam,Kerala	54,27,333	16,28,200		16,28,200	Implementing Agency
162	Puthuyugham Comprehensive Educational Project		Local	Dist. Ernakulam,Kerala	30,00,000	30,00,000		30,00,000	Implementing Agency
163	Facility enhancement of Govt. High School, Namakuzhy		Local	Dist. Ernakulam,Kerala	50,00,000	15,00,000		15,00,000	Implementing Agency
164	Enhancement of facilities for specially abled residential school		Local	Dist. Ernakulam,Kerala	32,30,198	21,35,698		21,35,698	Implementing Agency
165	Velicham entrance coaching project		Local	Dist. Ernakulam,Kerala	11,80,000	11,80,000		11,80,000	Implementing Agency
166	Enhancement of facilities at Anganwadi No.57		Local	Dist. Ernakulam,Kerala	23,00,000	6,90,000		6,90,000	Implementing Agency
167	Deploying 170 laptops to 59 flood affected schools		Local	Dist. Alappuzha & Ernakulam,Kerala	50,06,976	50,06,976		50,06,976	Implementing Agency
168	Enhancement of Computer facilities in Govt schools		Local	Dist. Ernakulam,Kerala	45,81,924	40,14,792		40,14,792	Implementing Agency
169	Construction of Laboratory block		Local	Dist. Thrissur, Kerala	1,00,00,000	25,00,000		25,00,000	Implementing Agency
170	Providing supportive education to school-going & dropout children in 6 backward villages		Local	Dist.South 24 Parganas,West Bengal	9,92,250	7,44,187		8,93,025	Implementing Agency
171	Support for vocational training in 6 Trades to economically weaker sections of society		Local	Dist.Howrah,West Bengal	93,19,520	13,97,928		13,97,928	Implementing Agency
172	Providing infrastructure facilities for class room, computer lab and science labs		Local	Dist.Kandhamal,Odisha	25,36,977	25,36,977		25,36,977	Implementing Agency
173	Providing infrastructure facilities for Govt. school		Other	Dist.Wakro,Arunachal Pradesh	29,81,810	29,81,810		29,81,810	Implementing Agency
174	Skill Development of under-privileged ST/SC and minority women		Other	Dist.Pakur,Jharkhand	45,58,200	6,83,730		6,83,730	Implementing Agency
175	Providing education through training of local teachers in remote villages		Other	Dist.Ri Bhoi,Meghalaya	2,37,280	35,592		35,592	Implementing Agency
176	Skill training & providing sewing machines to women & girls		Local	Dist.Howrah,West Bengal	7,08,320	1,06,248		1,06,248	Implementing Agency
177	Providing infrastructure facilities/classrooms in school		Local	Dist.Howrah,West Bengal	48,97,991	9,79,598		9,79,598	Implementing Agency
178	Supporting remedial education and infrastructure facilities in Govt. schools		Local	Dist.Kolkata,West Bengal	48,49,312	7,27,397		7,27,397	Implementing Agency
179	Formal & Non Formal Education (Sanskar Kendras) to slum children		Local	Dist.Jaipur, Jodhpur & Alwar,Rajasthan	42,00,000	31,50,000		42,00,000	Implementing Agency

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180	Renovation of toilet blocks & library in a senior secondary school hostel		Local	Dist.Mathura,Uttar Pradesh	7,66,705	3,83,353		5,75,030	Implementing Agency
181	Support in construction of Toilet block and renovation of 2 classrooms in school		Other	Dist.Kaushambi, Uttar Pradesh	21,89,603	18,87,209		20,76,930	Implementing Agency
182	Enhancement of classroom facilities in Govt. Schools		Local	Dist.Roorkee,Uttarakhand	4,88,600	4,19,800		4,19,800	Implementing Agency
183	Vocational training project for autistic children		Local	New Delhi	22,22,000	11,00,000		11,00,000	Implementing Agency
184	Skill development initiative for women		Other	Dist.Jhajjar, Haryana	19,18,000	1,89,000		1,89,000	Implementing Agency
185	Enhancement of infrastructure facilities towards education in Govt. school at Salawas		Local	Dist.Jodhpur,Rajasthan	36,550	27,200		27,200	Implementing Agency
186	Enhancement of infrastructure facilities towards education in Govt.college at Luni		Local	Dist.Jodhpur,Rajasthan	6,62,068	6,62,068		6,62,068	Implementing Agency
187	Providing education infrastructure facilities to Govt. Primary School-Kakrala		Other	Dist.Muzaffarnagar,Uttar Pradesh	10,45,000	10,23,656		10,23,656	Implementing Agency
188	Providing basic facilities at Primary School-Pusar		Other	Dist. Baghpat,Uttar Pradesh	16,09,650	11,03,850		11,03,850	Implementing Agency
189	Providing basic infrastructure facilities to Govt. Primary schools		Other	Dist.Muzaffarnagar,Uttar Pradesh	15,05,000	6,58,350		6,58,350	Implementing Agency
190	Enhancement of facilities at Govt. College		Local	Dist.Hanumangarh,Rajasthan	18,31,522	10,98,914		10,98,914	Implementing Agency
191	Facilitating inclusive growth through holistic human development focusing on empowerment of Divyangjan		Local	New Delhi	18,36,000	3,67,200		3,67,200	Implementing Agency
192	Support for Dual Desks at 135 Govt. schools		Other	Dist.Karimnagar,Telangana	1,00,00,000	35,00,000		50,00,000	Implementing Agency
193	Enhancing infrastructure/ facilities at Govt. High School		Local	Dist.Karur,Tamil Nadu	48,65,479	44,28,939		44,28,939	Direct
194	Renovation and enhancing infrastructure facilities of Govt. Model Higher Primary Boys & Girls school-Pandavapura		Other	Dist.Mandya,Karnataka	27,07,325	23,29,680		23,29,680	Direct
195	Providing financial support for setting up a Skill Development Training Centre		Local	Dist.Bangalore,Karnataka	5,02,712	1,75,949		1,75,949	Implementing Agency
196	Assistance to Govt. schools to improve quality of education		Local	Dist.Bangalore,Karnataka	19,30,000	9,65,000		9,65,000	Implementing Agency
197	Enhancing infrastructure facilities in Govt. Schools		Other	Dist.Suryapet,Telangana	1,46,641	85,408		85,408	Implementing Agency
198	Providing infrastructure facilities to Panchayat Union Middle School		Other	Dist.Tiruppur,Tamil Nadu	9,70,180	6,41,141		6,41,141	Implementing Agency
199	Vocational training centre for creating livelihoods for persons recovered from Mental Disabilities and their families		Local	Dist.Madurai,Tamil Nadu	99,98,836	39,99,534		39,99,534	Implementing Agency
200	Providing infrastructure facilities to Panchayat Union Middle School		Local	Dist.Tiruvarur,Tamil Nadu	19,35,880	19,17,500		19,17,500	Implementing Agency
201	Assistance to Govt school for development of academic and infrastructural standards		Other	Dist.Kozhikode,Kerala	49,58,000	19,83,200		19,83,200	Implementing Agency
202	Supply & installation of projector & screen in school		Local	Dist.Nashik,Akola,Maharashtra	2,50,000	32,754		2,32,254	Implementing Agency
203	Assistance in Skill Training programme		Local	Dist.Gwalior,Madya Pradesh	5,00,760	5,00,760		5,00,760	Implementing Agency
204	Providing Solar Energy System in School		Local	Dist.Bhopal,Madhya Pradesh	45,75,000	36,60,000		36,60,000	Implementing Agency

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205	Providing facilities to promote digital education at Govt. Schools		Local	Dist.Surat,Gujarat	1,11,359	1,11,359		1,11,359	Direct
206	Provision of study room and library facility students from economically backward class		Local	Dist.Nashik,Maharashtra	6,00,000	5,85,289		5,85,289	Implementing Agency
207	Providing infrastructure facilities for digital and sports education at Zilla Parishad school		Local	Dist.Nashik,Maharashtra	3,00,000	2,55,832		2,55,832	Implementing Agency
208	Computer Assisted Learning (CAL) for students		Local	Dist.Mumbai,Maharashtra	43,20,948	8,48,473		37,50,745	Implementing Agency
209	Computer Assisted Learning CAL at Washala		Local	Dist.Thane,Maharashtra	89,55,382	24,46,101		68,35,494	Implementing Agency
210	Utkarsh for education and vocational training of underprivileged students from 25 schools in chembur		Local	Dist.Mumbai,Maharashtra	42,48,593	79,023		30,90,128	Implementing Agency
211	Vocational training to Students		Local	Dist.Mumbai,Maharashtra	2,42,646	64,986		1,74,174	Implementing Agency
212	Vocational training to Mahul Women		Local	Dist.Mumbai,Maharashtra	4,48,281	1,42,271		3,64,837	Implementing Agency
213	Supplementary education for 1-10th Std. students		Local	Dist.Mumbai,Maharashtra	9,89,970	2,23,113		5,35,365	Implementing Agency
214	Education project for destitute and orphan children		Local	Dist.Mumbai,Maharashtra	11,09,514	1,91,888		10,79,305	Implementing Agency
215	Project 'Shakti' - Bakery enterprise		Local	Dist.Mumbai,Maharashtra	17,40,295	6,09,103		13,92,236	Implementing Agency
216	Project for supporting 7 Night Schools		Local	Dist.Mumbai,Maharashtra	24,86,318	3,92,104		20,56,739	Implementing Agency
217	Project 'Amchi E-shala' - Supplementary Education Centers		Local	Dist.Mumbai,Maharashtra	24,96,000	3,77,532		23,21,482	Implementing Agency
218	"BPC Kohinoor" - Education Assistance scholarship		Local	Dist.Mumbai,Maharashtra	92,85,200	15,84,893		72,68,093	Implementing Agency
219	Education project for destitute orphan children		Local	Dist.Mumbai,Maharashtra	19,60,258	11,76,156		11,76,156	Implementing Agency
220	Providing Digital education in Govt. Aided School		Local	Dist.Mumbai,Maharashtra	6,48,000	6,36,000		6,36,000	Implementing Agency
221	Project 'SHAKTI' - 'Bakery Enterprise' (2018-19)		Local	Dist.Mumbai,Maharashtra	7,90,000	1,97,500		1,97,500	Implementing Agency
222	Project Kaushalya -Vocational Training		Local	Dist.Mumbai,Maharashtra	3,13,906	1,51,721		1,51,721	Implementing Agency
223	Providing placement linked skill training to youth		Local	Dist.Mumbai,Maharashtra	54,28,500	2,71,425		2,71,425	Implementing Agency
224	Supporting for placement linked vocational training centre for leprosy affected youth		Local	Dist. Nashik , Janjgir-Champa,Faizabad ,Maharashtra, Chhattisgarh,Uttar Pradesh	90,72,000	3,25,697		84,90,497	Implementing Agency
225	Dance and Theatre training in 2 underprivileged schools		Local	Dist.Mumbai, Maharashtra	9,85,000	1,16,648		6,58,398	Implementing Agency
226	Education program & therapeutic rehabilitation for the differently abled		Other	Dist.Thane, Maharashtra	21,75,600	1,89,600		21,75,050	Implementing Agency
227	Remedial education for Children in 20 slums of Bhubaneswar		Local	Dist.Khordha,Odisha	49,88,944	23,78,896		42,65,299	Implementing Agency
228	Providing educational support to 150 cancer affected children		Local	Dist. Mumbai, Maharashtra	9,73,800	3,99,400		8,86,245	Implementing Agency
229	Computer Assisted Learning (CAL) project with BMC schools		Local	Dist.Mumbai,Maharashtra	2,33,46,485	1,35,75,914		1,84,74,864	Implementing Agency
230	Career Counselling to girl students -Edu Connect at Hisar		Local	Dist.Hisar,Haryana	35,70,845	15,09,525		34,02,787	Implementing Agency
231	Supporting Contribution towards Hydrocarbon Sector Skill Council		Local	New Delhi	1,50,00,000	1,00,00,000		1,50,00,000	Implementing Agency
232	Rehabilitation of street youth in Drug abuse and other risk behaviour through vocational training		Local	Dist.Mumbai,Maharashtra	35,46,200	3,54,620		35,46,200	Implementing Agency

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233	Scaling up support for placement linked vocational training centre for Leprosy affected and underprivileged youth		Local	Dist. Janjgir-Champa in Chhattisgarh, Dist. Faizabad in Uttar Pradesh, Dist. Nashik in Maharashtra, Dist. Bankura in West Bengal, Dist. Vadathorasalur in Tamil Nadu, Dist. Vizianagaram in Andhra Pradesh	3,60,36,000	1,34,12,084		2,21,24,084	Implementing Agency
234	Supporting libraries in 24 Zilla Parishad School of Uran		Local	Dist. Raigad Maharashtra	14,86,752	2,64,958		14,54,360	Implementing Agency
235	Holistic Development of underprivileged children at 15 GAP units		Local	Dists Deoghar,Ranchi,Khunti in Jharkhand, Dist. Jhunjhunu in Rajasthan, Dist Mathura in Uttar Pradesh	97,72,500	47,02,801		73,02,301	Implementing Agency
236	Saksham Teacher & School Leader Training Project 17-18		Local	Dist.Mumbai,Maharashtra	24,99,848	5,75,129		15,75,129	Implementing Agency
237	Skill Development training for visually challenged youth		Other	Dist. Latur,Maharashtra	41,99,360	22,01,655		38,64,239	Implementing Agency
238	Maths enhancement project - Ganit Shakti in Govt. Schools		Local	Dist. Durg, Chhattisgarh	81,76,942	39,49,028		62,56,471	Implementing Agency
239	Providing quality education to children in tribal communities in 50 Shiksha Kendras		Local	Dist. Udaipur,Rajasthan	49,85,060	32,82,861		42,79,673	Implementing Agency
240	Project Akshar - Sagar		Other	Dist. Sagar in Madhya Pradesh	11,60,99,153	1,50,09,786		2,12,63,863	Implementing Agency
241	Project Akshar - Nandurbar		Other	Dist. Nandurbar in Maharashtra	10,04,81,094	1,29,98,158		1,84,14,058	Implementing Agency
242	Construction of hostel for Women		Local	Dist.Bangalore,Karnataka	19,81,89,047	5,27,65,283		8,24,93,640	Implementing Agency
243	Construction Of Skill Development Centre		Local	Dist.Chennai,Tamil Nadu	13,20,39,015	3,96,11,705		5,94,17,557	Implementing Agency
244	Integrated Child Education & Development programme		Other	Dist. Kunnur,Kerala	20,53,975	15,40,482		18,48,578	Implementing Agency
245	Support to underprivileged students for Diploma courses (2017-2020)		Local	Dist. Chennai,Tamil Nadu	95,20,000	19,04,000		47,60,000	Implementing Agency
246	Infrastructure upgradation of ITI labs		Local	Dist.Mumbai,Maharashtra	98,09,544	19,50,883		97,98,518	Implementing Agency
247	Proposal for supporting infrastructure in Vivekananda Vidyapeeth School		Local	Dist.Bhopal,Madhya Pradesh	32,50,000	6,50,000		32,50,000	Implementing Agency
248	Support for construction of Vivekananda Kendra Academy		Local	Dist. Khordha,Odisha	3,45,08,214	1,89,79,518		1,89,79,518	Implementing Agency
249	Contribution towards Skill Development Institute, Visakhapatnam for operational expenses (2017-22)		Local	Dist.Visakhapatnam,Andhra Pradesh	2,50,00,000	50,00,000		1,00,00,000	Implementing Agency
250	Contribution towards Skill Development Institute, Bhubaneswar, Odisha for operational expenses (2017-22)		Local	Dist. Khordha,Odisha	2,50,00,000	50,00,000		1,00,00,000	Implementing Agency
251	Contribution towards corpus for Skill Development Institute in Ahmedabad		Local	Dist.Ahmedabad,Gujarat	1,50,00,000	1,50,00,000		1,50,00,000	Implementing Agency
252	Supporting skill development training for underprivileged / unemployed youth at 12 centres		Other	Across India	1,90,08,000	85,53,600		85,53,600	Implementing Agency
253	Supporting quality education in primary school		Local	Dist.Chennai,Tamil Nadu	98,39,347	34,43,771		34,43,771	Implementing Agency
254	Saksham Teacher & School Leader Training project 2018-19		Local	Dist.Mumbai,Maharashtra	28,74,194	15,00,000		15,00,000	Implementing Agency

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Local area or other	State & District where project or program was undertaken	Amount Outlay (Budget) project or program wise in ₹	Amount Spent on Program or Project in ₹		Cumulative expenditure upto the reporting period	Amount spent: Direct or implementing agency
						Direct Expenditure	Programs Overhead		
255	Contribution towards Skill Development Institute Kochi for operational expenses (2017-22)		Local	Dist. Ernakulam,Kerala	7,50,00,000	1,50,00,000		3,00,00,000	Implementing Agency
256	Quality education to children in tribal communities in 50 Shiksha Kendras & residential learning camp		Local	Dist.Udaipur,Rajasthan	73,99,769	32,96,926		32,96,926	Implementing Agency
257	Setting up of Auto-Electrical and Electronics Lab		Local	Dist.Mumbai,Maharashtra	97,78,726	83,11,917		83,11,917	Implementing Agency
258	Construction of primary school		Other	Dist.Betul,Madhya Pradesh	98,53,842	54,19,613		54,19,613	Implementing Agency
259	Lighthouse Center-Skill Development of underprivileged in slums		Local	Dist.Pune,Maharashtra	89,71,500	17,74,300		17,74,300	Implementing Agency
260	Scaling up of remedial education for Children, in 40 slums of Bhubaneswar		Local	Dist. Khordha,Odisha	92,49,120	6,82,020		6,82,020	Implementing Agency
261	Placement linked skill development training programme in aspirational districts		Other	Dist. Shrawasti & Mewat,Uttar Pradesh & Haryana	1,93,76,960	38,75,392		38,75,392	Implementing Agency
262	Setting up of Ekal Vidyalaya in various Aspirational Districts		Other	Dist.Barwani, Ramanathapuram, Shrawasti, Mewat & Balangir in Madhya Pradesh, Tamil Nadu, Uttar Pradesh, Haryana,Odisha	1,98,00,000	49,50,000		49,50,000	Implementing Agency
263	Contribution towards Skill Development Institute Raebareli for operational expenses (2018-23)		Other	Dist.Raebareli,Uttar Pradesh	2,50,00,000	50,00,000		50,00,000	Implementing Agency
264	Livelihood development of tribal communities with a focus on women in aspirational district		Other	Dist. Barwani,Madhya Pradesh	5,48,00,000	1,30,47,500		1,30,47,500	Implementing Agency
265	Providing livelihoods through poultry farming skills training		Other	Dist. Dhar,Madhya Pradesh	98,08,576	24,52,144		24,52,144	Implementing Agency
266	Enhancement of infrastructure facilities for college in aspirational district		Other	Dist.Shrawasti,Uttar Pradesh	97,92,601	22,48,691		22,48,691	Implementing Agency
267	Skill Development of underprivileged individuals for various trades		Other	Dist. Hyderabad, Mohali, Agartala, Pune in Telangana, Punjab, Tripura, Maharashtra	94,79,656	18,95,931		18,95,931	Implementing Agency
268	Supporting infrastructure facilities for training in organic farming and sustainable livelihoods		Other	Dist. Vikarabad,Telangana	4,56,34,002	1,14,08,500		1,14,08,500	Implementing Agency
269	Contribution towards Skill Development Institute, Bhubaneswar for construction / expansion of the main campus		Local	Dist. Khordha,Odisha	30,00,00,000	11,50,00,000		11,50,00,000	Implementing Agency
270	Book library for Villagers	Rural Development Projects	Local	Dist.Mumbai,Maharashtra	1,35,000	41,049		78,823	Implementing Agency
271	Community Development Activities at Mahul		Local	Dist.Mumbai,Maharashtra	3,41,250	87,634		3,33,413	Implementing Agency
272	Community Development Activities at Mahul-2018-19		Local	Dist.Mumbai, Maharashtra	5,59,080	4,01,233		4,01,233	Implementing Agency
273	Enhancement of facilities at Balwadi for various community development initiatives		Local	Dist.Mumbai, Maharashtra	12,81,152	6,02,678		6,02,678	Implementing Agency
274	500 bio gas units for underprivileged families		Other	Dist.Sindhudurg, Maharashtra	37,02,000	4,00,000		33,48,000	Implementing Agency
275	Support for Bio-CNG plant & allied activities		Other	Dist. Puri, Odisha	3,07,04,000	25,92,250		25,92,250	Implementing Agency
276	Providing solar street lights to community		Other	Dist.Ri Bhoi, Meghalaya	44,78,680	8,95,736		8,95,736	Implementing Agency

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Local area or other	State & District where project or program was undertaken	Amount Outlay (Budget) project or program wise in ₹	Amount Spent on Program or Project in ₹		Cumulative expenditure upto the reporting period	Amount spent: Direct or implementing agency
						Direct Expenditure	Programs Overhead		
277	Support for training of farmers on organic farming		Other	Dist.Ri Bhoi, Meghalaya	4,74,560	71,184		71,184	Implementing Agency
278	Supply & Installation of Hand pumps		Other	Dist.Khiri Lakhimpur, Uttar Pradesh	9,64,106	7,71,285		9,64,106	Implementing Agency
279	Installation of Solar Street Lights		Other	Dist.Pilibhit, Uttar Pradesh	21,80,000	17,44,000		17,44,000	Implementing Agency
280	Support for Solar Street Lights in Villages-Pali		Other	Dist.Pali, Rajasthan	22,75,000	17,06,250		22,75,000	Implementing Agency
281	Support for Solar Street Lights in Villages- Shrawasti		Other	Dist.Shrawasti, Balrampur, Uttar Pradesh	24,92,175	22,42,915		22,42,915	Implementing Agency
282	Installation of solar street lights in 3 blocks of Sultanpur		Other	Dist.Sultanpur, Uttar Pradesh	22,36,500	3,35,475		3,35,475	Implementing Agency
283	Welfare for community in Meyyur village		Local	Dist.Chennai,Tamil Nadu	41,69,000	39,60,550		39,60,550	Implementing Agency
284	Support for infrastructure facilities in rural areas		Local	Dist.Ernakulam,Kerala	6,00,000	6,00,000		6,00,000	Implementing Agency
285	Proposal for economic empowerment of women by supporting dairy project		Other	Dist.Chhatarpur, Madhya Pradesh	95,09,560	23,77,390		23,77,390	Implementing Agency
286	Assistance for Construction of community hall (superfluous entry reversed)		Local	Dist.Thanjavur, Tamil Nadu	12,00,000	(12,03,000)		12,00,000	Implementing Agency
287	10 cattle development centers, Mehbubnagar		Other	Dist.Mehbubnagar,Telangana	92,87,414	15,01,810		15,01,810	Implementing Agency
288	Proposal for integrated development of communities		Other	Dist.Gadchiroli, Maharashtra	14,22,06,310	2,85,53,955		2,85,53,955	Implementing Agency
289	Project for promoting safety of Women and Children		Local	Dist. Ernakulam, Kerala	17,56,572	12,66,249		12,66,249	Implementing Agency
290	Relief and Rehabilitation for flood affected victims in Kerala		Local	Dist. Ernakulam, Kerala	2,48,68,000	2,10,00,000		2,10,00,000	Direct
291	Lakshaya - Economic Empowerment through Livelihood support for vulnerable women		Local	Dist. Ernakulam, Kerala	8,83,648	8,83,648		8,83,648	Implementing Agency
292	Livelihood support for mothers of children suffering with long term illnesses		Local	Dist. Thrissur, Kerala	36,82,751	31,07,914		31,07,914	Implementing Agency
293	Travel/Miscellaneous/Admin Expenses	Admin Expenses	Local	Across India			21,42,664		Direct
294	Volunteering & Other Capacity Building Expenses	Capacity Building	Local	Across India		5,84,678			Direct
				Grand Total		**1,77,93,84,056**			

Sd/
K. Padmakar
Director (HR)

Sd/
N. Vijayagopal
Director (Finance)

Sd/
Rajesh Kumar Mangal
Chairman – CSR Committee

ANNEXURE C

ANNUAL STATEMENT SHOWING THE REPRESENTATION OF SCHEDULED CASTES (SC), SCHEDULED TRIBES (ST) AND OTHER BACKWARD CLASSES (OBC) AS ON 1ST JANUARY, 2019 AND NUMBER OF APPOINTMENTS MADE DURING THE PRECEDING CALENDAR YEAR, 2018

Name of the Public Sector Enterprise: BHARAT PETROLEUM CORPORATION LTD.

Group	Representation of SCs/STs/OBCs (As on 1.1.2019)				Number of appointments made during the calendar year 2018										
					By Direct Recruitment				By Promotion			By Other Methods			
	Total number of Employees	SCs	STs	OBCs	Total	SCs	STs	OBCs	Total	SCs	STs	Total	SCs	STs	OBCs
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**	**16**
Group-A	6150	1001	405	1107	441	70	37	150	--	--	--	2*	--	--	--
Group-B	2334	339	109	254	1	--	--	--	50	8	--	4**	--	--	--
Group-C	1984	306	117	456	4	1	--	2	146	24	4	--	--	--	--
Group-D(Excluding Safai Karamcharis)	1422	271	112	225	61	11	--	30	--	--	--	--	--	--	--
Group-D (Safai Karamcharis)	4	4	--	--	--	--	--	--	--	--	--	--	--	--	--
Total	**11894**	**1921**	**743**	**2042**	**507**	**82**	**37**	**182**	**196**	**32**	**4**	**6**	**0**	**0**	**0**

* 2 Sportspersons promoted to Group 'A'

** 4 Sportspersons recruited in Group ' B'

ANNUAL STATEMENT SHOWING THE REPRESENTATION OF SCHEDULED CASTES (SC), SCHEDULED TRIBES (ST) AND OTHER BACKWARD CLASSES (OBC) IN VARIOUS GROUP "A" SERVICES AS ON 1ST JANUARY, 2019 AND NUMBER OF APPOINTMENTS MADE IN THE SERVICE IN VARIOUS GRADES DURING THE CALENDAR YEAR 2018

NAME OF PSU : BHARAT PETROLEUM CORPORATION LTD.

JG	Pay Scales (in ₹)	Representation of SCs/STs/OBCs (as on 01.01.2019)				Number of Appointments made during the calendar year 2018										
		Total Number of Employees	SCs	STs	OBCs	By Direct Recruitment				By Promotion			By Other Methods			
						Total	SCs	STs	OBCs	Total	SCs	STs	Total	SCs	STs	OBCs
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
A	60000-180000	1280	205	99	337	441	70	37	150	--	--	--	2*	--	--	--
B	70000-200000	1510	218	99	360	-	-	-	-	-	-	-	-	-	-	-
C	80000-220000	1089	189	67	193	-	-	-	-	-	-	-	-	-	-	-
D	90000-240000	969	167	71	137	-	-	-	-	-	-	-	-	-	-	-
E	100000-260000	663	149	54	64	-	-	-	-	-	-	-	-	-	-	-
F	120000-280000	399	50	13	14	-	-	-	-	-	-	-	-	-	-	-
G	120000-280000	152	19	2	2	-	-	-	-	-	-	-	-	-	-	-
H	120000-280000	57	3	-	-	-	-	-	-	-	-	-	-	-	-	-
I	150000-300000	26	-	-	-	-	-	-	-	-	-	-	-	-	-	-
J	180000-340000	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-
K	200000-370000	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL	**6150**	**1001**	**405**	**1107**	**441**	**70**	**37**	**150**	**0**	**0**	**0**	**2**	**0**	**0**	**0**

* 2 Sportspersons promoted to Group A

ANNUAL STATEMENT SHOWING REPRESENTATION OF THE PERSONS WITH DISABILITIES IN SERVICE AS ON 1ST JANUARY, 2019 AND DIRECT RECRUITMENT / PROMOTION DURING THE CALENDAR YEAR 2018

GROUP	NUMBER OF EMPLOYEES (as on 01.01.2019)					DIRECT RECRUITMENT - 2018									PROMOTION - 2018								
						NO. OF VACANCIES RESERVED				NO. OF APPOINTMENTS MADE					NO. OF VACANCIES RESERVED				NO. OF APPOINTMENTS MADE				
	TOTAL	VH	HH	OH	LD	VH	HH	OH	LD	TOTAL	VH	HH	OH	LD	VH	HH	OH	LD	TOTAL	VH	HH	OH	LD
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
"A"	6150	15	10	91	0	5	5	4	4	441	4	0	7	0	0	0	0	0	0	0	0	0	0
"B"	2334	9	4	47	0	0	0	0	0	5*	0	0	0	0	0	0	0	0	50	0	0	1	0
"C"	1984	9	12	18	0	0	0	0	0	4	0	0	0	0	0	0	0	0	146	0	2	3	0
"D/DS"	1426	2	4	19	0	0	1	1	0	61	0	0	1	0	0	0	0	0	0	0	0	0	0
TOTAL	**11894**	**35**	**30**	**175**	**0**	**5**	**6**	**5**	**4**	**511**	**4**	**0**	**8**	**0**	**0**	**0**	**0**	**0**	**196**	**0**	**2**	**4**	**0**

(i) VH stands for Visually Handicapped (persons suffering from blindness or low vision)

(ii) HH stands for Hearing Handicapped (persons suffering from hearing impairment)

(iii) OH stands for Orthopaedically Handicapped (persons suffering from locomotor disability or cereberal palsy)

(iv) LD stands for Learning Disability

There is no reservation for persons with disabilities in case of promotion to Group “A” and “B” posts. However, persons with disabilities can be promoted to such posts, provided the concerned post is identified suitable for persons with disabilities.

* Includes direct recruitment of 4 Sportspersons in Group “B”

There are no promotions within Group “D”.

ANNEXURE D

REPORT ON CORPORATE GOVERNANCE

1) Company's philosophy on Code of Governance

Bharat Petroleum Corporation Limited's ("the Company/BPCL") corporate philosophy on Corporate Governance has been to ensure fairness to the Stakeholders through transparency, full disclosures, empowerment of employees and collective decision making.

2) Board of Directors

As per the Articles of Association of the Company, the number of Directors shall not be less than three and not more than sixteen.

As on 31st March 2019, BPCL Board comprised 11 Directors represented by 5 Whole-time (Executive) Directors including Chairman & Managing Director, 2 Part-time (Ex-Officio) Directors (Government Directors) and 4 Part-time (Non-official) Directors (Independent Directors) including one Woman Director. Shri Rajesh Kumar Mangal was re-appointed as an Independent Director w.e.f. 01.12.2018 for a period of one year or until further orders, as per the directions from the Government of India. Approval of shareholders would be sought for his reappointment in the Annual General Meeting. Shri. Harshadkumar P. Shah was appointed as Independent Director on the Board, by appointing him as Additional Director, effective from 16.07.2019. The said Director would be reappointed in the Annual General Meeting.

Dr. (Smt.) Tamilisai Soundararajan, Independent Director resigned w.e.f. 23.03.2019 in view of her contesting Lok Sabha Elections held in 2019. There are no other material reasons.

BPCL has taken up the matter with the Government of India for nomination of additional 3 Independent Directors as required under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

During the Financial Year 2018-19, all meetings of the Board and the Annual General Meeting were chaired by the Chairman & Managing Director.

The Directors neither held membership of more than 10 Committees nor acted as Chairperson of more than 5 Committees as specified in Regulation 26 of the Listing Regulations and Clause 3.3.2 of Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises across all the companies in which they were Directors.

The required information as indicated in Part A of Schedule II of Regulation 17(7) of the Listing Regulations and Annexure IV to Guidelines on Corporate Governance for Central Public Sector Enterprises were made available to the Board of Directors.

Matrix setting out the skills/expertise/ competence of Board of Director

The Company has a competent Board with background and knowledge of the Company's Businesses and also finance, accounts and general administration. The Board comprises Directors from diverse experience, qualifications, skills etc. which are aligned with the Company's business, overall strategy, corporate ethics, values and culture etc.

Details regarding the Board Meetings, Annual General Meeting, Directors' attendance thereat, Directorships and Committee positions held by the Directors are as under:

Board Meetings

Sixteen Board Meetings were held during the Financial Year 2018-19 on the following dates:

16.04.2018	29.05.2018	11.06.2018	20.07.2018
08.08.2018	11.09.2018	28.09.2018	11.10.2018
29.10.2018	13.11.2018	30.11.2018	17.12.2018
24.12.2018	10.01.2019	08.02.2019	08.03.2019

Particulars of Directors including their attendance at the Board/Members' Meetings during the Financial Year 2018-19

Names of the Directors	Academic Qualifications	Attendance out of 16 Board Meetings held during the year and percentage thereof		Attendance at the last Annual General Meeting	Details of Directorships held in other Companies (as on 31st March, 2019)	Memberships held in Committees as specified under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Whole-time Directors		No. of Meetings Attended	%			
Shri D. Rajkumar Chairman & Managing Director	B.Tech (IIT, Madras); PDGM from IIM, Bangalore	16	100	Attended	Chairman: 1. Numaligarh Refinery Ltd. 2. Bharat Oman Refineries Ltd. Director: 1. Bharat PetroResources Ltd. 2. Petronet LNG Ltd. (Listed Entity-Nominee Director of BPCL) 3. Bharat Gas Resources Ltd.	Audit Committee:Chairman Bharat PetroResources Ltd
Shri R. Ramachandran Director (Refineries)	B. Tech (Chem)	16	100	Attended	Chairman: 1. Petronet India Ltd. Director: 1. Bharat Oman Refineries Ltd. 2. Ratnagiri Refinery and Petrochemicals Ltd. 3. Bharat Gas Resources Ltd.	-
Shri K. Padmakar Director (Human Resources)	Master's degree in Personnel Management, Bachelors Degree in Agriculture	16	100	Attended	-	-
Shri A.K.Singh Director (Marketing) (w.e.f. 01.10.2018)	Mechanical Engineering with first rank from NIT, Patna (Formerly BCE, Patna)	8	88.88*	NA#	Director: 1. Bharat Gas Resources Ltd.	-
Shri N.Vijayagopal Director (Finance) (w.e.f. 17.12.2018)	A.C.A. , L.L.B.	4	100*	NA#	Director: 1. Bharat Oman Refineries Ltd. 2. Bharat PetroResources Ltd. 3. Bharat Gas Resources Ltd.	Audit Committee: Member Bharat PetroResources Ltd. Stakeholders' Relationship Committee: Member Bharat Petroleum Corporation Ltd.
Shri S. Ramesh Director (Marketing) (up to 23.09.2018)	B.Sc. (Honors), M.B.A.	2	33.33*	Not Attended	Chairman: 1. Matrix Bharat Pte Ltd. 2. Indraprastha Gas Ltd. Director: 1. Bharat Stars Services Pvt. Ltd. 2. Bharat Stars Services (Delhi) Pvt. Ltd.	-

N.A.# : Not applicable.

* Percentage computed by considering the meetings attended with the total meetings held during Director's tenure.

Names of the Directors	Academic Qualifications	Attendance out of 16 Board Meetings held during the year and percentage thereof		Attendance at the last Annual General Meeting	Details of Directorships held in other Companies (as on 31st March, 2019)	Memberships held in Committees as specified under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Whole-time Directors		No. of Meetings Attended	%			
Shri K. Sivakumar (up to 07.05.2018)	ACA, ICWA, CS	1	100*	NA#	Director: 1. Bharat PetroResources Ltd. 2. Bharat Oman Refineries Ltd.	Stakeholders' Relationship Committee: Member Bharat Petroleum Corporation Ltd. Audit Committee: Member Bharat PetroResources Ltd.
Non Executive Directors a) Part-time (Ex officio)						
Shri Rajiv Bansal Additional Secretary and Financial Adviser, MOP&NG	I.A.S., B.Tech (Civil) IIT, Delhi, Diploma in Finance in ICFAI (Hyderabad), Executive Masters in International Business from IIFT (Delhi)	13	81.25	Not Attended	Director: 1. Oil and Natural Gas Corporation Ltd. (Listed Entity-Nominee Director of Government of India) 2. Indian Strategic Petroleum Reserves Ltd. 3. Bharat Yantra Nigam Ltd.	-
Dr. K. Ellangovan Principal Secretary, Industries Department, Government of Kerala	I.A.S., PhD from IIT Madras and MS from Bangalore Medical College	7	43.75	Not Attended	Chairman: 1. Malabar Cements Ltd. Director: 1. Kerala State Industrial Development Corporation Ltd 2. INKEL Ltd. 3. Kottayam Port and Container Terminal Services Private Limited 4. The Kerala Minerals and Metals Limited	-
Non Executive Directors (b) Part-time (Independent)						
Shri Rajesh Kumar Mangal	F.C.A.	15	93.75	Attended	Director: 1. Rishi Corporate Services Private Ltd.	Audit Committee: Chairman Bharat Petroleum Corporation Ltd.
Shri Deepak Bhojwani (up to 30.11.2018)	I.F.S, L.L.B., B.Com	9	81.82*	Attended	Director & Country Manager: 1. Magotteaux Industries Pvt Ltd	Audit Committee: Member Bharat Petroleum Corporation Ltd. Stakeholders' Relationship Committee: Member Bharat Petroleum Corporation Ltd.

N.A.# : Not applicable.

* Percentage computed by considering the meetings attended with the total meetings held during Director's tenure.

Names of the Directors	Academic Qualifications	Attendance out of 16 Board Meetings held during the year and percentage thereof		Attendance at the last Annual General Meeting	Details of Directorships held in other Companies (as on 31st March, 2019)	Memberships held in Committees as specified under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Whole-time Directors		No. of Meetings Attended	%			
Shri Gopal Chandra Nanda (upto 30.11.2018)	I.P.S.	11	100*	Attended	-	Audit Committee: Member Bharat Petroleum Corporation Ltd. Stakeholders' Relationship Committee Chairman: Bharat Petroleum Corporation Ltd.
Shri Vishal V Sharma	B.Sc.(Physics) EPBM from IIM (Calcutta)	16	100	Attended	Director: 1. Free Press House Ltd.	Audit Committee: Member Bharat Petroleum Corporation Limited Stakeholders' Relationship Committee: Chairman Bharat Petroleum Corporation Ltd. (w.e.f. 24.12.2018)
Smt. Jane Mary Shanti Sundharam	M.A. (English Literature), M.Phil. (Public Administration), I.R.S. (Indian Customs and Central Excise Services)	15	93.75	Attended	-	Audit Committee: Member Bharat Petroleum Corporation Limited (w.e.f. 11.12.2018)
Shri Vinay Sheel Oberoi	I.A.S., M.A. (Economics) University of Delhi	15	93.75	Attended	-	Audit Committee: Member Bharat Petroleum Corporation Limited (w.e.f. 11.12.2018)
Dr. (Smt.) Tamilisai Soundararajan (up to 22.03.2019)	M.B.B.S, Post Graduation in Gynecology	8	50*	Attended	-	Stakeholders' Relationship Committee: Member Bharat Petroleum Corporation Ltd. (w.e.f. 24.12.2018)

* Percentage computed by considering the meetings attended with the total meetings held during Director's tenure.

Note: 1. Details of familiarization programmes imparted to Independent Directors are available on website of the Company: https://www.bharatpetroleum.com/About-BPCL/Our-Policies.aspx

The Board has reviewed the compliance of all laws applicable to the Company.

The Board has adopted a Code of Conduct for the Directors and also for the Senior Management of the Company and the same has been posted on the website of the Company. There is a system in the organization of affirming compliance with Corporate Governance by the Board Members and Senior Management Personnel of the Company. A declaration of compliance signed by Chairman & Managing Director of the Company is enclosed with this Annual Report.

None of the Non-Executive Directors of BPCL had any pecuniary relationship / transaction with the Company during the Financial Year.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, the Independent Directors fulfil the conditions of independence specified in the said Act and Regulations.

BPCL, being a Government Company, all the Directors are appointed as per the nomination from the Government of India. All the Directors have the requisite core skills, expertise and competencies in the context of Business of the Company.

3) Board Committees

A) Audit Committee

BPCL took the initiative to introduce Corporate Governance in the organisation during the year 1996 itself, by constituting an Audit Compliance Committee. The said Committee was reconstituted and renamed as Audit Committee in the year 2000 and the role, powers and functions of the Audit Committee were specified and approved by the Board.

As on 31st March 2019, and till date, the Committee comprises Shri Rajesh Kumar Mangal, Part-time (Independent) Director as the Chairman of the Committee; Shri Vishal V Sharma; Part-time (Independent) Director; Smt. J.M. Shanti Sundharam, Part-time (Independent) Director (who was inducted as Member w.e.f. 11.12.2018) and Shri V.S. Oberoi, Part-time (Independent) Director (who was inducted as Member w.e.f. 11.12.2018). The quorum for the meetings of the Committee is two Members. The members possess the requisite knowledge of Finance & Accounting for effective functioning of the Audit Committee. The Company Secretary acts as the Secretary to the Audit Committee.

Shri Deepak Bhojwani and Shri Gopal Chandra Nanda, Part-time (Independent) Directors, ceased to be Members of the Audit Committee w.e.f. 01.12.2018 on their resignation from the Board.

Executive Director (Internal Audit) is actively involved with the meetings of the Audit Committee besides attending and participating at the said meetings. In addition, Whole-time Directors also attend the meetings. The Statutory Auditors and Cost Auditors are invited to attend and participate at the meetings for relevant Audit Committee Agenda.

The role of the Audit Committee covers all matters specified in Regulation 18 read with Part C of Schedule II of the Listing Regulations, Section 177 of the Companies Act, 2013 and Guidelines on Corporate Governance for Central Public Sector Enterprises.

The role and responsibilities of the Audit Committee include the following:

1) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2) Recommending to the Board the fixation of audit fees;
3) Approval of payment to Statutory Auditors for any other services rendered by them;

4) Reviewing, with the Management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:

    a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.

    b) Changes, if any, in accounting policies and practices and reasons for the same.

    c) Major accounting entries involving estimates based on the exercise of judgment by Management.

    d) Significant adjustments made in the financial statements arising out of audit findings.

    e) Compliance with listing and other legal requirements relating to financial statements.

    f) Disclosure of any related party transactions.

    g) Qualifications in the draft audit report;

5) Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval;

6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document, prospectus, notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7) Reviewing and monitoring the Auditor's independence and performance, and effectiveness of the audit process;

8) Approval or any subsequent modification of transactions of the Company with related parties;

9) Scrutinizing of inter-corporate loans and investments;

10) Valuation of undertakings or assets of the Company, wherever it is necessary;

11) Evaluating internal financial controls and risk management systems;

12) Reviewing, with the Management, performance of the Statutory and Internal Auditors and adequacy of the internal control systems;

13) Reviewing the adequacy of the Internal Audit function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14) Discussing with the Internal Auditors any significant findings and follow up thereon;

15) Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

16) Discussing with the Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17) Looking into the reasons for substantial defaults in the payment to the Depositors, Debenture Holders, Shareholders (in case of non-payment of declared dividends) and Creditors;

18) Reviewing the functioning of the Whistle Blower mechanism;

19) Reviewing the follow up action on the audit observations of the C&AG Audit.

20) Reviewing the follow up action on the recommendations of the Committee on Public Undertakings (COPU) of Parliament.

21) Provide an open avenue of communication between the Independent Auditor, Internal Auditor and the Board of Directors.

22) Approval of appointment of CFO (i.e.the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

23) Carrying out any other function as mentioned in the 'Terms of reference' to the Audit Committee.

24) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 crores or 10% of the asset size of the subsidiary, whichever is lower, including existing loans / advances / investments existing as on the date of coming into force of this provision.

Review of information by the Audit Committee:

The Audit Committee shall mandatorily review the following information:

1) Management discussion and analysis of financial condition and results of operations;

2) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

3) Management letters / letters of internal control weaknesses issued by the Statutory Auditors;

4) Internal audit reports relating to internal control weaknesses;

5) The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

6) Statement of deviations as per SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015

    a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32(1).

    b) Annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7).

7) The Audit Committee of the listed holding company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary company.

8) Certification/declaration of financial statements by the Chief Executive Officer and Chief Finance Officer.

Twelve meetings of the Audit Committee were held during the Financial Year 2018-19 on the following dates:

16.04.2018	29.05.2018	20.07.2018	08.08.2018
06.09.2018	28.09.2018	29.10.2018	13.11.2018
30.11.2018	10.01.2019	08.02.2019	07.03.2019

Attendance at the Audit Committee Meetings

Names of the Members	No of meetings attended	%
Shri Rajesh Kumar Mangal, Chairman	12	100
Shri Deepak Bhojwani, Member (up to 30.11.2018)	7	77.78 *
Shri Gopal Chandra Nanda, Member (up to 30.11.2018)	9	100 *
Shri Vishal V Sharma, Member	12	100
Smt.J.M. Shanti Sundharam, Member (w.e.f. 11.12.2018)	1	33.33 *
Shri V.S.Oberoi, Member (w.e.f. 11.12.2018)	3	100 *

*Percentage computed by considering the meetings attended with the total meetings held during the Director's tenure.

The Committee at its meetings held on 8th August, 2018, 29th October, 2018, 8th February, 2019 reviewed the Quarterly, Half Yearly, Year to date Financial Statements as on 30th June 2018, 30th September 2018 and 31st December 2018 respectively. Further, Annual Financial Statements as on 31st March 2019 were reviewed by the Committee at its meeting held on 20th May, 2019, before the same were submitted to the Board for approval.

As of 31st March, 2019, BPCL had five unlisted Indian Subsidiary Companies i.e. Numaligarh Refinery Ltd. (NRL), Bharat PetroResources Ltd. (BPRL), Bharat PetroResources JPDA Ltd. (Wholly owned subsidiary of BPRL), BPCL-KIAL Fuel Farm Pvt. Ltd. and Bharat Gas Resources Ltd. (BGRL) and six Foreign Subsidiaries i.e. BPRL International BV (subsidiary of BPRL), BPRL Ventures BV, BPRL Ventures Mozambique BV and BPRL Ventures Indonesia BV and BPRL International Ventures BV (subsidiaries of BPRL International BV) incorporated in the Netherlands and BPRL International Singapore Pte Ltd. (BISPL) incorporated in Singapore.

The Financial Statements of the Subsidiary Companies including investments made, if any, are reviewed by the Audit Committee / Board. The performance of Subsidiary Companies and the minutes of their Board meetings are placed at the Board meetings of the Company. Any significant transaction or arrangement entered into by the Subsidiary Companies are also reported to the Board of Directors of the Company.

B) Project Evaluation Committee

Project Evaluation Committee (PEC) comprising two Part-time (Independent) Directors, one Part-time (Ex-Officio) Director and Director (Finance) evaluates and recommends projects costing over ₹500 Crores for Board approval.

Shri V.S.Oberoi, Part-time (Independent) Director was appointed as Chairman of the Committee w.e.f. 24.12.2018, in place of Shri Deepak Bhojwani, who ceased to be Member on his resignation. Further, Shri Rajesh Kumar Mangal and Shri Vishal V Sharma ceased to be Members w.e.f. 24.12.2018 on their appointment in other Committees. Shri N. Vijayagopal, Director (Finance) was appointed as a Member of the Committee w.e.f. 17.12.2018. Smt. J.M.Shanti Sundharam, Part-time (Independent Director) was appointed as Member w.e.f. 24.12.2018.

As on 31st March, 2019, and till date, the Project Evaluation Committee comprises Shri V.S. Oberoi, Part-time (Independent) Director as the Chairman of the Committee, Shri N. Vijayagopal, Director (Finance), Dr.K. Ellangovan, Part-time (Ex-Officio) Director and Smt. J.M. Shanti Sundharam, Part-time (Independent) Director, as Members.

The PEC will evaluate, guide implementation, monitor, review and assess deliverables, provide recommendations and advice to the Board for projects costing over ₹ 500 Crores including investments in Subsidiaries / Joint Ventures.

Ten meetings of the Project Evaluation Committee were held during the Financial Year 2018-19 on the following dates:

29.05.2018	11.06.2018	06.08.2018	06.09.2018	11.10.2018
29.10.2018	13.11.2018	30.11.2018	24.12.2018	10.01.2019

Attendance at the Project Evaluation Committee Meetings

Names of the Members	No of meetings attended	%
Shri Deepak Bhojwani, Chairman (up to 30.11.2018)	8	100 *
Shri V.S.Oberoi, Chairman (w.e.f. 24.12.2018)	1	100 *
Dr. K. Ellangovan, Member	6	60
Shri Rajesh Kumar Mangal, Member (up to 24.12.2018)	9	100 *
Shri Vishal V Sharma, Member (up to 24.12.2018)	9	100 *
Shri N.Vijayagopal, Member (w.e.f.17.12.2018)	2	100 *
Smt. J.M. Shanti Sundharam, Member (w.e.f. 24.12.2018)	1	100 *

*Percentage computed by considering the meetings attended with the total meetings held during the Director's tenure.

C) Nomination and Remuneration Committee

The Nomination and Remuneration Committee formulates and reviews policies related to remuneration / perquisites / incentives within the parameters of Guidelines issued by the Government of India.

BPCL being a Government Company, appointment/nomination of all the Directors is made by the President of India through the Ministry of Petroleum & Natural Gas including fixation of remuneration of Whole-time Directors and employees.

During the Financial Year 2018-19, on cessation of Shri Deepak Bhojwani (Chairman of the Committee), Part-time (Independent) Director and Shri Gopal Chandra Nanda, Part-time (Independent) Director w.e.f. 01.12.2018, the Committee was reconstituted on 24.12.2018 by inducting Shri V.S. Oberoi, Part-time (Independent) Director as the Chairman of the Committee, Shri Rajesh Kumar Mangal, Part-time (Independent) Director and Dr. (Smt.) Tamilisai Soundararajan, as its Members. Shri Vishal V Sharma, Part-time (Independent) Director ceased to be a Member of the Committee with effect from 23.03.2019 on his appointment to other Committees. Dr. (Smt.) Tamilisai Soundararajan ceased to be the Member of the Committee with effect from 23.03.2019 subsequent to her resignation from the Board. As on 31.03.2019, the Nomination and Remuneration Committee comprises Shri V.S. Oberoi, Part-time (Independent) Director as its Chairman and Shri Rajiv Bansal, Part-time (Ex-Officio) Director and Shri Rajesh Kumar Mangal, Part-time (Independent) Director as its Members, with Director (Human Resources) and Director (Finance) being invitees for the meeting. Smt. J.M. Shanti Sundharam was appointed as Member of the Committee on 03.06.2019.

During the Financial Year 2018-19, one meeting of the Committee was held on 08.02.2019, which was attended by Shri V.S. Oberoi, Chairman, Shri Rajesh Kumar Mangal, Member and Shri Rajiv Bansal, Member.

BPCL is a Government Company and as per the MCA circular, exemptions have been given to Government Companies from applicability of Section 178 (2), (3), (4) of the Companies Act, 2013.

D) Stakeholders' Relationship Committee

The role of the Stakeholders' Relationship Committee is to specifically look into the redressal of grievances of shareholders, debenture holders (and other security holders) including complaints related to transfer of shares, non-receipt of Annual Report, non-receipt of declared dividends etc. and other additional roles as covered under the Listing Regulations.

Shri K. Sivakumar, Director (Finance) relinquished office on 08.05.2018. Shri Gopal Chandra Nanda, Part-time (Independent) Director, Chairman of the Committee and Shri Deepak Bhojwani Part-time (Independent) Director, ceased as members w.e.f. 01.12.2018. Shri N. Vijayagopal, Director (Finance) was appointed as the Member of the Committee w.e.f. 17.12.2018. Shri Vishal V Sharma Part-time (Independent) Director was appointed as the Chairman of the Committee and Dr. (Smt.) Tamilisai Soundararajan, Part-time (Independent) Director as Member on 24.12.2018. Subsequently, Dr. (Smt.) Tamilisai Soundararajan ceased to be a Member of the Committee with effect from 23.03.2019 on her resignation from the Board. Shri K. Padmakar, Director (Human Resources) was inducted as a Member of the Committee w.e.f. 03.06.2019.

At present, the Committee comprises Shri Vishal V Sharma, Part-time (Independent) Director as its Chairman, Shri N. Vijayagopal, Director (Finance) and Shri K. Padmakar, Director (Human Resources) as its Members.

The Committee, at its meeting held on 08.02.2019, reviewed the services rendered to the Shareholders / Investors including response to complaints / communications and expressed its satisfaction on the performance of the Investor Relations Department of the Company. The said meeting was attended by Shri Vishal V Sharma, Chairman and Shri N. Vijayagopal, member.

The Company Secretary acts as the Compliance Officer for matters related to investor relations.

During the Financial Year 2018-19, 17 complaints received from investors through SEBI and NSE were attended to and resolved on a priority basis.

All valid share transfer requests received during the year were duly processed and approved within the stipulated period. There was no share transfer request in physical form pending as on 31st March, 2019.

E) Corporate Social Responsibility Committee

In compliance with the provisions of Section 135 of the Companies Act, 2013, the Board had reconstituted the Corporate Social Responsibility Committee on 21.07.2014. The Committee was further reconstituted on 24.12.2018.

Presently, the Committee comprises two Part-time (Independent) Directors, two Part-time (Ex-Officio) Directors, Director (Finance), Director (Human Resources) as Members.

The terms of reference of the Corporate Social Responsibility (CSR) Committee broadly comprise:

1. In every Financial Year, utilizing at least 2% of average net profits of the Company made during the three immediately preceding financial years towards CSR activities as specified in Schedule VII of the Companies Act, 2013;

2. Providing guidance and suggestions on CSR activities to the CSR role holders and to monitor its progress, bringing greater transparency and experience in the execution of CSR activities of the Company etc.

Shri K. Sivakumar, Director (Finance), ceased to be a Member of the Committee w.e.f. 08.05.2018 on his cessation as Director (Finance). Shri N. Vijayagopal was inducted as a Member of the Committee with effect from 17.12.2018. Shri Vishal V Sharma was inducted as a Member of the Committee w.e.f. 24.12.2018.

As on 31st March, 2019, Shri Rajesh Kumar Mangal, Part-time (Independent) Director was the Chairman of the Committee; and Dr. K.Ellangovan, Part-time (Ex-Officio) Director, Shri Rajiv Bansal, Part-time (Ex-Officio) Director, Shri Vishal V Sharma, Part-time (Independent) Director, Shri K. Padmakar, Director (Human Resources) and Shri N. Vijayagopal, Director (Finance) were the Members.

Five meetings of the Corporate Social Responsibility Committee were held during the financial year 2018-19 on the following dates:

20.07.2018	31.07.2018	13.11.2018
09.01.2019	08.03.2019	

Attendance at the Corporate Social Responsibility Committee Meetings

Names of the Members	No. of meetings attended	%*
Shri Rajesh Kumar Mangal, Chairman	5	100
Shri K. Padmakar, Member	5	100
Shri K. Ellangovan, Member	2	40
Shri Rajiv Bansal, Member	5	100
Shri N. Vijayagopal, Member (w.e.f. 17.12.2018)	2	100 *
Shri Vishal V Sharma, Member (w.e.f. 24.12.2018)	2	100 *

*Percentage computed by considering the meetings attended with the total meetings held during the Director's tenure.

F) Risk Management Committee

Regulation 21 of the Listing Regulations requires the Company through its Board of Directors to constitute a Risk Management Committee. In compliance thereto, the Board had constituted the Risk Management Committee on 12.11.2014. During the financial year 2018-19, the Committee was reconstituted on 24.12.2018.

Shri K. Sivakumar, Director (Finance), ceased to be a Member w.e.f. 08.05.2018. Further, Shri S. Ramesh, Director (Marketing) ceased to be a Member on his demise on 24.09.2018. Shri A.K. Singh, Director (Marketing) was appointed as a Member w.e.f. 01.10.2018 and Shri N. Vijayagopal, Director (Finance) was appointed as a Member w.e.f. 17.12.2018. Thereafter, Shri V.S. Oberoi, Part-time (Independent Director) was appointed as a Member w.e.f. 24.12.2018. Further, Smt. J.M. Shanti Sundharam was appointed as Chairperson effective 24.12.2018 in place of Shri Rajesh Kumar Mangal, who ceased to be member on his appointment in other Committees.

As on 31st March, 2019, and till date, the Committee comprised Smt. J. M. Shanti Sundharam, Part-time (Independent) Director as Chairperson and Shri A.K. Singh, Director (Marketing), Shri R. Ramachandran, Director (Refineries), Shri N. Vijayagopal, Director (Finance), Shri Vishal V Sharma, Part-time (Independent) Director and Shri V.S. Oberoi, Part-time (Independent) Director as Members.

Five meetings of the Risk Management Committee were held in the Financial Year 2018-19 on the following dates:

11.06.2018	08.08.2018	13.11.2018	24.12.2018	10.01.2019

Attendance at the Risk Management Committee Meetings

Names of the Members	No. of meetings attended	%*
Smt J. M. Shanti Sundharam, Chairperson (w.e.f.24.12.2018)	1	100 *
Shri Rajesh Kumar Mangal, Chairman (up to 24.12.2018)	4	100 *
Shri S. Ramesh (up to 23.09.2018)	0	0 *
Shri A. K. Singh, Member (w.e.f. 01.10.2018)	3	100 *
Shri R. Ramachandran, Member	5	100
Shri N. Vijayagopal, Member (w.e.f.17.12.2018)	2	100 *
Shri Vishal V Sharma, Member	5	100
Shri V. S. Oberoi, Member (w.e.f. 24.12.2018)	1	100 *

*Percentage computed by considering the meetings attended with the total meetings held during the Director's tenure.

The role and responsibilities of the Risk Management Committee includes the following:

1) Review and recommend the risk management plan comprising risks assessed and their mitigation plans, identification of corporate level risks and their mitigation plans for approval of the Board with the recommendation by the Audit Committee;
2) Review and recommend the Risk Management Report consisting of status of risk mitigation plans (including reporting of risks by businesses) to the Audit Committee/Board;
3) Review and recommend the statement to be published in the Board's Report indicating development and implementation of the risk management policy for the Company;
4) Review and recommend any other proposal in relation to Risk Management to be put up to the Audit Committee/Board.

G) Sustainable Development Committee

The terms of reference of the Sustainable Development Committee are to oversee, approve, provide budgetary allocation and monitor the projects covered under Sustainable Development projects as part of the business plan of business units and involves an enduring and balanced approach to environmental responsibilities and includes reviewing of the 'Business Responsibility Report' and to place this report to the Board for information on an annual basis.

In line with DPE Guidelines on Sustainable Development, the Board reconstituted the Sustainable Development Committee on 21.07.2014. During the Financial Year 2018-19, Shri S. Ramesh, Director (Marketing) ceased to be member w.e.f. 24.09.2018. Shri Gopal Chandra Nanda, Part-time (Independent) Director, ceased to be member w.e.f. 01.12.2018. Shri A.K. Singh, Director (Marketing) was inducted as a member on 01.10.2018 and Dr. (Smt.) Tamilisai Soundararajan, Part-time (Independent) Director was inducted as the Chairperson who ceased to be a member w.e.f. 23.03.2019 and Smt. J.M.Shanti Sundharam was inducted as a Member w.e.f. 24.12.2018. Shri Rajesh Kumar Mangal, Part-time (Independent) Director ceased to be a Member w.e.f. 24.12.2018 on his appointment to other Committees.

As on 31st March 2019 and till date, the Committee comprised Shri R. Ramachandran, Director (Refineries), Shri A.K. Singh, Director (Marketing), Shri Vishal V Sharma, Part-time (Independent) Director and Smt. J.M. Shanti Sundharam, Part-time (Independent) Director as its Members.

Smt. J.M. Shanti Sundharam was appointed as the Chairperson of the Committee on 03.06.2019.

One meeting of the Sustainable Development Committee was held during the financial year 2018-19 on 20.07.2018, which was attended by Shri Gopal Chandra Nanda, Shri Rajesh Kumar Mangal, Shri R. Ramachandran and Shri Vishal V Sharma.

H) Separate Meeting of Independent Directors

During the Financial Year 2018-19, one separate meeting of Independent Directors was held on 08.03.2019 which was attended by the majority of the Members during their tenure in the Financial Year, wherein the Independent Directors reviewed various parameters for assessing the quality, quantity and timelines of flow of information between the Company, Management and the Board to effectively and reasonably perform their duties.

4) Remuneration to Directors

BPCL being a Government Company, appointment and remuneration of Whole-Time Directors are determined by the Government through the Ministry of Petroleum & Natural Gas. The Part-time (Ex officio) Directors do not receive any remuneration from the Company. The Part-time (Independent) Directors received sitting fees of ₹40,000 for each of the Board/Audit Committee/other Committee Meetings attended by them during the Financial Year 2018-19. Performance Linked Incentives are payable to the Whole-time Functional Directors as employees of the Company as per the policy applicable to all employees of the Company.

Details of remuneration paid/payable to the Whole-time Directors during the Financial Year 2018-19 are as follows:-

Name of Director	All elements of remuneration packages of the Directors i.e. salary, benefits, bonus, pension etc.				Total (₹)
	Salary & Allowances (₹)	Contribution to Provident Fund & Other Funds (₹)	Other Benefits & Perquisites (₹)	Performance Related Pay (₹)	
Shri D. Rajkumar Chairman & Managing Director	29,31,630	7,03,591	29,11,169	39,90,689	**1,05,37,079**
Shri S. Ramesh Director (Marketing) (upto 23.09.2018)	13,66,510	23,27,963	1,07,70,046	32,84,489	**1,77,49,008**
Shri R. Ramachandran Director (Refineries)	27,76,309	6,66,314	28,76,368	31,49,653	**94,68,644**
Shri K. Padmakar Director (Human Resources)	27,14,034	6,51,368	20,01,928	24,27,983	**77,95,313**
Shri A.K. Singh (w.e.f. 01.10.2018)	14,19,582	3,40,700	13,13,187	23,02,025	**53,75,494**
Shri N. Vijayagopal (w.e.f. 17.12.2018)	8,30,411	1,99,299	5,11,996	20,01,048	**35,42,754**
Shri K. Sivakumar (up to 07.05.2018)	2,69,715	64,732	4,19,370	-	**7,53,817**
TOTAL	**1,23,08,191**	**49,53,967**	**2,08,04,064**	**1,71,55,887**	**5,52,22,109**

Service Contracts : As per terms & conditions of appointment communicated by the Administrative Ministry. (i.e. from the date of taking over charge of the post or till the date of superannuation or until further orders, whichever is earlier);

Notice period : Three months.

The Company has not introduced any Stock Options Scheme. Shri Deepak Bhojwani, Non-Executive Independent Director held 2137 equity shares in the Company during his tenure. No other Non-Executive Director holds any Shares in the Company.

The sitting fees paid to the Part-Time (Independent) Directors for attending the meetings of the Board/Committee during the Financial Year 2018-19 are given below:

Name of the Director	Amount (₹)
Shri Rajesh Mangal	18,80,000
Shri Deepak Bhojwani (upto 30.11.2018)	10,40,000
Shri Gopal Chandra Nanda (upto 30.11.2018)	9,60,000
Shri Vishal V Sharma	19,20,000
Smt. Jane Mary Shanti Sundharam	7,60,000
Shri Vinay Sheel Oberoi	10,00,000
Dr. (Smt.) Tamilisai Soundararajan	3,20,000

5) General Body Meetings

a. The details of Annual General Meetings during the last three years are given below:

Meeting details	Date and Time of the Meeting	Venue
63rd Annual General Meeting	21st September, 2016 at 10:30 a.m.	Rama and Sundri Watumull Auditorium, Kishinchand Chellaram College (K.C College), 124, Dinshaw Wacha Road, Churchgate, Mumbai-400 020
64th Annual General Meeting	12th September, 2017 at 10:30 a.m.	
65th Annual General Meeting	11th September, 2018 at 10:30 a.m.	Y.B.Chavan Auditorium, Yashwantrao Chavan Pratishthan, General Jagannathrao Bhosale Marg, Mumbai 400 021

b. The details of Special Resolutions passed in the previous three Annual General Meetings are given below:

Meeting details	Date and Time of the Meeting	Special Resolutions passed at the Meeting
63rd Annual General Meeting	21st September, 2016 at 10:30 a.m.	1. Approval of Private Placement of Non-Convertible Bonds/Debentures and/or Debt Securities; 2. Approval of Material Related Party Transactions.
64th Annual General Meeting	12th September, 2017 at 10:30 a.m.	1. Approval of Private Placement of Non-Convertible Bonds/Debentures and/or Debt Securities; 2. Approval of Material Related Party Transactions.
65th Annual General Meeting	11th September, 2018 at 10:30 a.m.	1. Approval of Private Placement of Non-Convertible Bonds/Debentures and/or Debt Securities

c. Presently, there is no Special Resolution proposed to be conducted through Postal Ballot. However, the Special Resolution with regard to approval for reappointment of Shri Rajesh Kumar Mangal as an Independent Director is proposed at the ensuing Annual General Meeting (AGM). E-voting option will be provided to the Members to cast their vote on AGM agenda items in the AGM.

d. The procedures prescribed for conducting E-voting in terms of Section 108 and other applicable provisions of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 including any statutory modification or re-enactment thereof have been followed for the E-voting conducted for the resolution mentioned above.

6) Means of Communication of Financial Performance

In order to give wider publicity and to reach the Members and other investing public across the nation, the quarterly and annual results were published in various editions of leading newspapers. Auditor's Report on Limited Review/Annual Audited Financial Results were filed with the Stock Exchanges. The quarterly and annual results were sent to the Shareholders at their registered email IDs/addresses.

The periodic financial results of the Company are also displayed on the website of the Company at www.bharatpetroleum.in and the websites of BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

7) General Shareholders'/ Members' Information:

SEBI has included BPCL shares for compulsory trading in dematerialised form.

<table>
<tr><td>Annual General Meeting : Date, Time and Venue</td><td colspan="4">Friday, 30th August, 2019 at 10:30 a.m.
at Y.B.Chavan Auditorium, Yashwantrao Chavan Pratishthan, General Jagannathrao Bhosale Marg, Mumbai 400 021</td></tr>
<tr><td rowspan="7">Financial Year</td><td colspan="4">BPCL follows the financial year from April to March. The Unaudited Results/Audited Results for the four quarters/ year end were taken on record by the Board and published on the following dates :</td></tr>
<tr><td>Period Ended</td><td>Date of Board Meeting</td><td>Date of Publication</td><td>Unaudited/Audited</td></tr>
<tr><td>Apr-Jun 2018</td><td>08 Aug 2018</td><td>09 Aug 2018</td><td>Unaudited</td></tr>
<tr><td>Jul–Sep 2018</td><td>29 Oct 2018</td><td>30 Oct 2018</td><td>Unaudited</td></tr>
<tr><td>Oct-Dec 2018</td><td>08 Feb 2019</td><td>09 Feb 2019</td><td>Unaudited</td></tr>
<tr><td>Jan-Mar 2019</td><td>20 May 2019</td><td>21 May 2019</td><td>Audited</td></tr>
<tr><td>F.Y. 2018-19</td><td>20 May 2019</td><td>21 May 2019</td><td>Audited</td></tr>
<tr><td>Dividend Payment Dates</td><td colspan="4">The Board of Directors at its meeting held on 08.02.2019 approved declaration of Interim Dividend of ₹ 11.00 per equity share for face value of ₹ 10/- each for the Financial Year 2018-19. The Company has paid the above dividend on 05.03.2019.

The Board has recommended final dividend of ₹ 8 per equity share of ₹ 10/- each for consideration of the Members at the ensuing Annual General Meeting. If approved by the Members, the same will be paid within 30 days from the date of declaration.</td></tr>
<tr><td>Date of Book Closure</td><td colspan="4">Friday 23rd August, 2019 to Friday 30th August, 2019 (both days inclusive), for the purpose of determining the names of Members / Beneficial Owners who would be entitled for dividend.</td></tr>
</table>

<table>
<tr><td rowspan="5">Debt Securities</td><td colspan="3">The details of listing of Non-convertible Debentures issued by the Company are given below:</td></tr>
<tr><td colspan="2"></td><td>Credit ratings</td></tr>
<tr><td>BPCL Debentures 2017-Series I - ₹ 550 Crore issued on 10.03.2017</td><td>Listed on wholesale debt market segment of BSE and NSE</td><td rowspan="3">CRISIL : AAA Stable
CARE : AAA Stable
FITCH : BBB- Stable
MOODY's : Baa 2 Stable</td></tr>
<tr><td>BPCL Debentures 2018-Series I - ₹ 750 Crore issued on 16.01.2018</td><td>Listed on wholesale debt market segment of BSE and NSE</td></tr>
<tr><td>BPCL Debentures 2019-Series I - ₹ 1000 Crore issued on 11.03.2019</td><td>Listed on wholesale debt market segment of BSE and NSE</td></tr>
</table>

<table>
<tr><td rowspan="5">Listing on Stock Exchanges & Security Code</td><td colspan="3">The Company’s shares are listed on the following Stock Exchanges:</td></tr>
<tr><td colspan="2">Name of Stock Exchange</td><td>Security Code / Symbol</td></tr>
<tr><td colspan="2">BSE
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai 400 001.</td><td>500547</td></tr>
<tr><td colspan="2">NSE
Exchange Plaza,
Plot No. C/1 Bandra Kurla Complex,
Bandra (E), Mumbai 400 051.</td><td>BPCL</td></tr>
<tr><td colspan="3">The Listing Fees has been paid for the year 2019-20 to both the above Exchanges.</td></tr>
<tr><td>ISIN Number</td><td colspan="2">For National Securities Depository Ltd. (NSDL) & Central Depository Services India Ltd. (CDSL) for equity shares</td><td>INE029A01011</td></tr>
<tr><td rowspan="2">Market Price Data</td><td colspan="2">High, low during each month in the last financial year</td><td>Please see Annexure I</td></tr>
<tr><td colspan="2">Performance in comparison to broad based indices i.e. BSE100</td><td>Please see Annexure II</td></tr>
<tr><td>Registrar and Transfer Agents</td><td colspan="3">Shri Benjamin Rajaratnam
General Manager (Capital Issues Division),
Data Software Research Co. Pvt. Ltd.
19, Pycrofts Garden Road, Off. Haddows Road, Nungambakkam, Chennai- 600 006
Ph: +91-44-2821 3738 / 2821 4487
Fax: 91-44-2821 4636
Email : bpcl@dsrc-cid.in</td></tr>
<tr><td>Share Transfer System</td><td colspan="3">A Committee comprising two Whole-time Directors looks after the requests for transfer / transmission of shares, dematerialisaton of shares etc. A Committee comprising four Directors i.e. two Whole-Time Directors and two Part-time Directors considers requests for issue of share certificates. Requests for dematerialisation of shares are processed and confirmation is given to the respective depositories viz. NSDL and CDSL within 15 days. Transfer of Equity Shares in electronic form are effected through the depositories and the Company does not have any involvement in the same.
However, as per SEBI notifications dated 08.06.2018 and 30.11.2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from 01.04.2019 unless the securities are held in dematerialised form with the depositories.</td></tr>
<tr><td rowspan="12">Distribution of Shareholding as on 31st March, 2019</td><td>Shareholder</td><td>No. of Shares Held</td><td>% of holding</td></tr>
<tr><td>1) Government of India</td><td>1156095962</td><td>53.29</td></tr>
<tr><td>2) Government of Kerala</td><td>18666666</td><td>0.86</td></tr>
<tr><td>3) BPCL Trust for Investments in Shares</td><td>202372422</td><td>9.33</td></tr>
<tr><td>4) Mutual Funds / UTI</td><td>172242735</td><td>7.94</td></tr>
<tr><td>5) Financial Institutions / Banks</td><td>3582656</td><td>0.17</td></tr>
<tr><td>6) Insurance Companies</td><td>156477475</td><td>7.21</td></tr>
<tr><td>7) Foreign Institutional Investors</td><td>339326682</td><td>15.64</td></tr>
<tr><td>8) Bodies Corporate</td><td>52260675</td><td>2.41</td></tr>
<tr><td>9) Others</td><td>68227471</td><td>3.15</td></tr>
<tr><td>Total</td><td>2169252744</td><td>100</td></tr>
<tr><td colspan="3">Distribution of shareholding on number of shares held by the shareholders and shareholding pattern are given in Annexure III.</td></tr>
</table>

<table>
<tr><td rowspan="2">Dematerialization of shares and liquidity</td><td colspan="2">Out of the shares held by the Shareholders, 98.97% are held in dematerialised form and balance in physical form as on 31st March, 2019.</td></tr>
<tr><td colspan="2">The Company has not issued any GDRs /ADRs/ Warrants etc.</td></tr>
<tr><td rowspan="5">Plant Locations</td><td>Mumbai Refinery :</td><td>Bharat Petroleum Corporation Ltd.,
Mahul, Mumbai 400 074</td></tr>
<tr><td>Kochi Refinery :</td><td>Bharat Petroleum Corporation Ltd.,
Ambalamugal, Kochi 682 302</td></tr>
<tr><td rowspan="3">Lubricant Plants :</td><td>Bharat Petroleum Corporation Ltd.,
Wadilube Installation, Mallet Road, Mumbai – 400 009</td></tr>
<tr><td>Bharat Petroleum Corporation Ltd.
24, Parganas, Budge – Budge 743 319</td></tr>
<tr><td>Bharat Petroleum Corporation Ltd.
35, Vaidyanatha Mudali Street,
Tondiarpet, Chennai-600 081</td></tr>
<tr><td>Address for Correspondence</td><td>The Secretarial Department
Bharat Petroleum Corporation Ltd
Bharat Bhavan No.1, Ground Floor,
4&6,Currimbhoy Road
Ballard Estate, Mumbai 400 001
Tel No. : 022 – 2271 3170 / 2271 3435
Fax. No.: 022 – 2271 3759/
022- 2271 3688
Email : ssc@bharatpetroleum.in</td><td>General Manager
(Capital Issues Division),
Data Software Research Co. Pvt. Ltd.
19, Pycrofts Garden Lane,
Off. Haddows Road, Nungambakkam,
Chennai- 600 006
Ph : +91-44-2821 3738 / 2821 4487
Fax : 91-44-2821 4636
Email : bpcl@dsrc-cid.in</td></tr>
</table>

Investors' Service Centre

BPCL's Investors' Service Centre (ISC), by Data Software Research Co. Pvt. Ltd., our Registrar & Share Transfer Agents, has been functioning at the Registered Office of the Company at the following address.

Data Software Research Co. Pvt. Ltd. (DSRC)
C/o. Bharat Petroleum Corporation Ltd.
Bharat Bhavan No.1, Ground Floor,
4 & 6 Currimbhoy Road, Ballard Estate, Mumbai 400 001
Tel. No. 022 – 2271 3170 Fax. No. 022 – 2271 3759/ 022-2271 3688
Email : z_dsrc@bharatpetroleum.in

This Centre has been effectively catering to the needs of the Members / Investors located in western region. It coordinates with DSRC based at Chennai and facilitates our efficient investor complaint redressal mechanism.

For any assistance/information on share related matters such as transfer / transmission of shares, issue of duplicate share certificates, dividend etc., or for redressal of any grievance in this regard, Members / Investors located in western region/other places may get in touch with ISC at the above address.

Further, BPCL has designated an exclusive e-mail ID: ssc@bharatpetroleum.in for the purpose of communication from Members including investor complaints.

8) Management Discussion & Analysis Report

A detailed chapter on Management Discussion & Analysis is attached to the Directors' Report.

9) Other Disclosures:

a. Except where the Company has incurred expenses on behalf of subsidiaries/joint ventures as co-promoter and the same are recoverable from the subsidiaries/joint venture companies, there were no transactions of material nature that may have potential conflict with the interests of the Company at large. The details of 'Related Party Disclosures' are shown in Notes forming part of Accounts. The related party transactions were placed before the Audit Committee for approval.

b. The Company has complied with all mandatory requirements entered into with Stock Exchanges/ SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE Guidelines on Corporate Governance except for the following:

   Non-compliance under Regulation 17(1) (b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and further in terms of clause 3.1.4 of the Guidelines issued by Dept. of Public Enterprises relating to the condition of having half of the Board of Directors comprising of Independent Directors which was not met with during the period 01.12.2018 to 31.03.2019.

   Bharat Petroleum Corporation Ltd. is a Government Company under the Administrative Control of the Ministry of Petroleum and Natural Gas. The nomination/appointment of all categories of Directors are done by the Government of India in accordance with the laid down Department of Public Enterprises Guidelines. The subject matter of nomination/appointment of adequate number of Independent Directors falls under the purview of the Government of India. BPCL has from time to time communicated to the Ministry of Petroleum & Natural Gas with respect to the requirements. BPCL has received notices from BSE and NSE and has replied suitably to them in this regard.

c. BPCL has also implemented the Whistle Blower Policy and that no personnel has been denied access to the Audit Committee.

d. Details of compliances with mandatory requirements and adoption of the non-mandatory requirements: The Company has been adhering to the provisions of the laws and guidelines of regulatory authorities including SEBI, and covenants in the agreements with the Stock Exchanges and Depositories. There was no instance of non-compliance of any provisions of law, guidelines from regulatory authorities and the matters related to capital markets, during the last three years, except as stated above.

   In addition to compliance of mandatory requirements, the Company has fulfilled the following discretionary requirements as specified in Part E of Schedule II of Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:-

   a) Shareholders Rights: The Company has adopted requirements with regard to sending of quarterly / half yearly financial results to the Members of the Company.

   b) The Company has moved towards a regime of Standalone and Consolidated Financial Statements with unmodified audit opinion.

e. The web link for policy for determining 'material' subsidiaries is as follows: https://bharatpetroleum.com/About-BPCL/Our-Policies.aspx.

f. The web link for policy on dealing with related party transactions is as follows: https://bharatpetroleum.com/About-BPCL/Our-Policies.aspx.

g. Disclosure of commodity price risks and commodity hedging activities: The Company has adopted Risk Management Policy framework. Accordingly, the Company periodically informs the Board Members about the risk assessment and procedures for minimizing the risks.

h. BPCL nominates Directors for relevant training programmes/seminars conducted by reputed Institutions/ SCOPE/IICA etc. Further, strategy workshops are held to deliberate strategic issues, policy decisions etc.

i. CEO and CFO Certification: The Chairman & Managing Director and Director (Finance) have certified to the Board in accordance with Part B of Schedule II of Regulation 17(8) of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 and DPE Guidelines on Corporate Governance for the Financial Year 2018-19.

j. Disclosures with respect to demat suspense account/unclaimed suspense account: No Shares are kept under demat/unclaimed suspense account.

k. There are no items of expenditure in the books of accounts, which are not for the purpose of Business. Further no expenses were incurred which were personal in nature and incurred for the Board of Directors and Top Management. Administrative & Office expenses and financial expenses constitute 0.70% and 0.40% of the total expenses respectively for the Financial Year 2018-19. There is a decrease in Administrative & Office expenses as % of total expenses (from 0.78% to 0.70%) mainly on account of substantial increase in total expenses. There is an increase in Finance Expenses (from 0.31% to 0.40%) mainly due to increase in average borrowings this year as compared to the previous year.

l. 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in BPCL' & the 'Code of Conduct to Regulate, Monitor and Report Trading for Prevention of Insider Trading in the Securities of BPCL': Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended, the Company had earlier adopted the 'Code of Conduct, Procedure and Disclosures for Prevention of Insider Trading in the Securities of Bharat Petroleum Corporation Limited' and 'Code of Corporate Disclosure Practices'. Consequent to introduction of SEBI (Prohibition of Insider Trading) Regulations, 2015 which replaced the SEBI (Prohibition of Insider Trading) Regulations, 1992, the Company adopted the 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in Bharat Petroleum Corporation Limited' and 'Code of Conduct to Regulate, Monitor and Report Trading for Prevention of Insider Trading in the Securities of Bharat Petroleum Corporation Limited' in Board meeting held on 13th May, 2015. Subsequently SEBI, vide its notification dated 31st December, 2018 has amended the Prohibition of insider Trading Regulations, whereby listed companies are required to formulate certain additional Policies and procedures. These amendments have become effective from 1st April, 2019. Accordingly, the Company has adopted a revised Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices and formulated the Policy for determination of legitimate purpose and Policy for inquiry in case of leak of Unpublished Price Sensitive Information (UPSI). The Company Secretary has been appointed as the Compliance Officer and Chief Investor Relations Officer for implementation of the said Codes.

m. In line with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has implemented the following policies: 1. Policy on Preservation of documents; 2. Policy on materiality of events or information and they are disclosed on the website of the Company under the link: https://bharatpetroleum.com/About-BPCL/Our-Policies.aspx.

n. Risk Management Policy

Risk Management policy of the Corporation identifies that it has direct and substantial price risk exposure to certain commodities such as Crude Oil, Petroleum Products, Freight, Precious metals, Petro-chemicals and metals and the policy provides the broad framework and governance for undertaking Risk Management activities in these commodities.

Exposure in Commodities

Commodity Name	Exposure in INR towards the particular commodity (₹ Crore)	Exposure in Quantity terms towards the particular commodity (Qty. TMT)	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Raw Material (Crude Oil)	4,847	1,354	0%	0%	0%	0%	0.00%
Finished Products	15,829	2,878	0%	0%	0%	0%	0.00%

Notes:-

a. Raw Material consists of Crude Oil Closing, In transit and In process Inventory as on 31st March, 2019.

b. Finished Products majorly consist of Gasoline, Gasoil, SKO, Naphtha, ATF and LPG Closing inventories as on 31st March, 2019.

c. The exposure value is value of Closing inventory as on 31st March, 2019.

d. During FY 18-19, BPCL hedged product crack spreads (Difference between Product price and Dubai Crude Oil price) through Swaps/Options in the international Over the Counter market towards refinery margin to cover the operating expenses of refinery.

e. BPCL is an Oil Refining and Marketing Company and pricing of major petroleum products naturally hedge Crude purchase prices to large extent.

o. During the year, there were 2 complaints of sexual harassment in respect of our employees, which were resolved by the Internal Complaints Committee (ICC) and accordingly, there were no complaints pending as at the end of the financial year.

p. The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors, M/s CVK & Associates and M/s Borkar & Muzumdar is as follows:

Particulars	**Amount in ₹**
Audit fees	58,00,000.00
Fees for other services - Certification	54,94,975.00
Reimbursement of out of pocket expenses	1,83,629.00
Total	**1,14,78,604.00**

q. A certificate from M/s. Dholakia & Associates LLP, Practising Company Secretaries, certifying that none of Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the companies by SEBI, Ministry of Corporate Affairs or any such statutory authority has been obtained.

ANNEXURE I

BPCL MARKET PRICE DATA

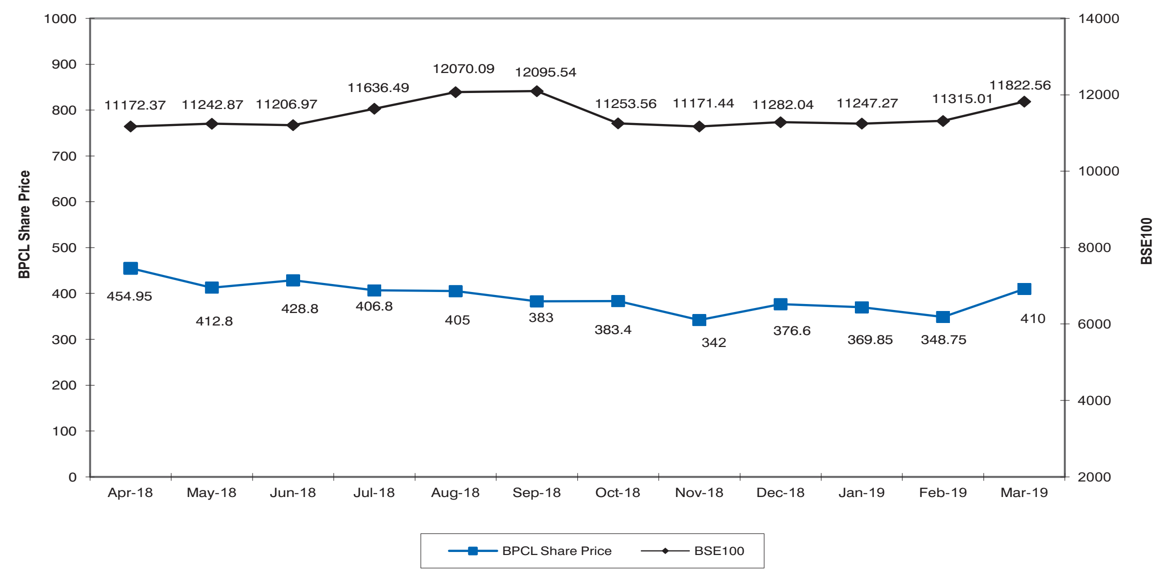
APRIL 2018-MARCH 2019	BSE			NSE		
	High	Low	Monthly Volume	High	Low	Monthly Volume
	(₹ per share)	(₹ per share)	(No. of shares)	(₹ per share)	(₹ per share)	(No. of shares)
April	**454.95**	370	73,85,481	**454.5**	369.85	15,04,17,580
May	412.8	359.6	70,52,907	413	359.55	12,93,66,533
June	428.8	361.75	1,23,81,607	429.15	361.85	11,44,05,425
July	406.8	364.5	35,87,329	407.5	363.75	9,42,92,361
August	405	354.3	39,77,555	405	353.5	8,70,75,378
September	383	324.25	55,09,940	383.45	324.25	9,12,07,968
October	383.4	**239**	1,84,51,886	383.8	**238.55**	25,39,74,439
November	342	275.5	95,86,548	342.85	275.1	13,22,80,292
December	376.6	317.7	76,33,792	376.5	317.2	9,01,34,607
January	369.85	331.5	61,81,270	369.3	331.55	8,05,71,643
February	348.75	312.2	52,95,525	348.7	312.05	9,03,10,921
March	410	337	39,37,668	409.9	337.15	10,03,75,481

MARKET CAPITALISATION/SHARES TRADED DURING 1ST APRIL 2018 TO 31ST MARCH 2019		
	BSE	NSE
No. of Shares traded	9,09,81,508	141,44,12,628
No. of Shares	216,92,52,744	216,92,52,744
Highest Share Price (₹)	454.95	454.5
Lowest Share Price (₹)	239	238.55
Closing Share Price as on 31st March 2019 (₹)	396.35	397.55
Market Capitallisation as on 31st March 2019 (₹ in Crores)	85,978.33	86,238.64

ANNEXURE II

BPCL MARKET PRICE MOVEMENT IN COMPARISON TO BSE 100 INDICES

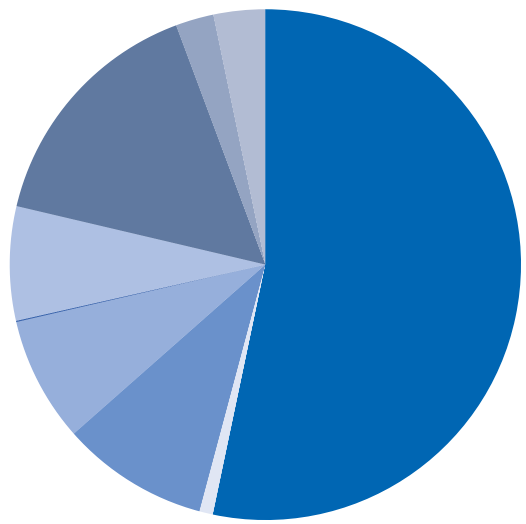
Share Prices / BSE 100 Monthly High



ANNEXURE III

DISTRIBUTION OF SHARE HOLDING AS ON 31.03.2019			
NO. OF. EQUITY SHARES HELD	NO. OF SHARE HOLDERS	NO. OF SHARES	% OF TOTAL
UPTO 5000	1,76,257	4,48,03,816	2.07
5001 TO 10000	1182	80,94,442	0.37
10001 TO 50000	647	1,38,52,941	0.64
50001 TO 100000	167	1,18,63,600	0.55
100001 TO 500000	273	6,76,64,786	3.12
500001 TO 1000000	66	4,81,62,906	2.22
1000001 TO 2000000	54	7,40,66,992	3.41
2000001 TO 3000000	21	5,20,02,883	2.40
3000001 AND ABOVE	51	184,87,40,378	85.22
Total	**1,78,718**	**216,92,52,744**	**100**

SHAREHOLDING PATTERN OF BPCL AS ON 31ST MARCH, 2019 (PERCENTAGE)



CODE OF CONDUCT

DECLARATION

I hereby declare that all the Board Members & Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors for the year ended 31st March, 2019.

Sd/-
D.Rajkumar
Chairman & Managing Director
Bharat Petroleum Corporation Limited

Place :Mumbai
Date : 4th July, 2019

Certificate under Para 10(i) of Part C of Schedule V read with Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

1. This certificate has been issued at the request of the Company regarding the compliance status under the above captioned provision of Listing Regulations for the purpose of making a disclosure in the Annual report for the Financial Year ended 31st March, 2019.

2. The scope of the certificate is stated under para 10(i) of the Listing Regulations "a Company shall obtain a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority"

3 We state that to the best of our knowledge and according to the information and explanations given to us by the Company, and verifications as deemed necessary and adequate made by us, we hereby certify that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as a Directors of the Company by the SEBI /Ministry of Corporate Affairs, Reserve Bank of India or any such statutory authority as on 31st March, 2019.

4 It is to be noted that our responsibility is limited to providing a reasonable assurance by way of an opinion as to the qualification/eligibility of each individual Director of the Company with regard to their holding the office as Director of the Company in accordance with the generally accepted procedure(s) and the process of due-diligence followed by us based on the information available, on best efforts basis as on 31st March, 2019 and it is to be noted that this report is neither based on any audit nor an expression of opinion on the personal credentials of the Directors of the Company.

For **DHOLAKIA & ASSOCIATES LLP**
(Company Secretaries)

Sd/-
CS Bhumitra V. Dholakia
Designated Partner
FCS-977 CP No. 507

Place : Mumbai
Date : July 8, 2019

Compliance Certificate on Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,

The Members of Bharat Petroleum Corporation Limited

We have examined the compliance of conditions of Corporate Governance by Bharat Petroleum Corporation Limited ("the Company") for the year ended March 31, 2019, prescribed in Regulations 17 to 27, Clauses (b) to (i) of Regulation 46(2) and paragraph, C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR").

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid provisions of SEBI LODR except for non-compliance under Regulation 17(1)(b) of SEBI LODR and having half of the Board of Directors to comprise of Independent Directors, which was not met for the period from 01.12.2018 to 31.03.2019.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **DHOLAKIA & ASSOCIATES LLP**
(Company Secretaries)

Sd/-
CS Bhumitra V. Dholakia
Designated Partner
FCS-977 CP No. 507

Place : Mumbai
Date : July 8, 2019

Compliance Certificate on Corporate Governance under Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010

To,
The Members of Bharat Petroleum Corporation Limited

We have examined the compliance of conditions of Corporate Governance by Bharat Petroleum Corporation Limited ("the Company") for the year ended March 31, 2019, as stipulated in the Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 ("the Guidelines"), issued by the Department of Public Enterprises (DPE) of Ministry of Heavy Industries and Public Enterprises, Government of India.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our Examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in provisions as specified in the Guidelines issued by DPE except for non-compliance in terms os clause 3.1.4 of the Guidelines with regard to half of the Board of Directors to comprise of Independent Directors which was not met for the period from 01.12.2018 to 31.03.2019.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **DHOLAKIA & ASSOCIATES LLP**
(Company Secretaries)

Sd/-
CS Bhumitra V. Dholakia
Designated Partner
FCS-977 CP No. 507

Place : Mumbai
Date : July 8, 2019

BUSINESS RESPONSIBILITY REPORT

ABOUT THIS REPORT

The Business Responsibility Report has been prepared by BPCL, in accordance with Regulation 34(2)(f) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, which mandates that the Annual Reports of the top five hundred listed entities, based on market capitalization at the BSE and NSE, shall contain a Business Responsibility Report describing the initiatives taken by the Company from an environmental, social and governance perspective.

The reporting framework is based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) issued by the Ministry of Corporate Affairs, Government of India in July 2011. It outlines the Company's performance against the nine Principles and Core Elements for each of these Principles. The Business Responsibility Report of BPCL is based on the format suggested by SEBI in their circular.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY	
1. Corporate Identity Number (CIN) of the Company	L23220MH1952GOI008931
2. Name of the Company	Bharat Petroleum Corporation Limited
3. Registered Address	Bharat Bhavan, 4&6 Currimbhoy Road, Ballard Estate, Mumbai 400001
4. Website	https://www.bharatpetroleum.in
5. E-mail id	ssc@bharatpetroleum.in
6. Financial Year Reported	2018-19

7. Sector(s) that the Company is engaged in (industrial activity code-wise)

Group	Class	Sub-class	Description
192	1920	19201	Production of liquid and gaseous fuels, illuminating oils, lubricating oils or greases or other products from crude petroleum or bituminous minerals
192	1920	19203	Bottling of LPG /Compressed Natural Gas (CNG)
192	1920	19209	Manufacture of other petroleum products (includes petroleum bitumen and other residues of petroleum oils or of oils obtained from bituminous minerals)
352	3520	35202	Distribution and sale of gaseous fuels through mains
351	3510	35105	Electric power generation using solar energy
		35106	Electric power generation using other non-conventional sources
493	4930	49300	Transport via pipeline
466	4661	46610	Wholesale of solid, liquid and gaseous fuels and related products
473	4730	47300	Retail sale of automotive fuel in specialized stores [includes the activity of petrol filling stations]
477	4773	47736	Retail sale of household fuel oil, bottled gas, coal and fuel wood

8. List three key products/services that the Company manufactures/provides	The Company produces and supplies primary fuels including (but not limited to): a. High Speed Diesel b. Motor Spirit (Petrol) c. Liquefied Petroleum Gas (LPG)

9. Total number of locations where business activity is undertaken by the Company	
i. Number of International Locations (Provide details of major 5)	BPCL does not undertake any direct operations at its international locations. Only the subsidiaries have overseas operations.
ii. Number of National Locations as on 31.3.19	a. Refineries: 2 (Mumbai and Kochi) b. Retail (Installations/Depots/TOPs): 77 c. LPG Bottling Plants: 52 (2 are in refineries and 50 in other locations) d. Lube Plants: 4 e. Aviation Locations/Fueling Stations/on-wheels: 56 f. Head Office: 1 g. Regional Offices: 4
10. Markets served by the Company – Local/State/ National/International	Local, State, National, International
SECTION B: FINANCIAL DETAILS OF THE COMPANY	
1. Paid up Capital (INR)	₹ 1,966.88 crores (After Netting of ₹ 202.37 crores towards BPCL Trust for Investment in shares)
2. Total Turnover (INR)	₹ 3,37,622.53 crores
3. Total profit after taxes (INR)	₹ 7,132.02 crores
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	In line with the Companies Act 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 BPCL has earmarked 2% of average net profit amounting to ₹ 203.32 Crores. BPCL has spent ₹ 177.94 Crores during the year 2018-19 which is equivalent to 1.75% of the average net profit of BPCL made during the three immediately preceding financial years (ie. from 2015-16 to 2017-18), computed in accordance with section 198 of The Companies Act, 2013.
5. List of activities in which expenditure in 4 above has been incurred	BPCL's CSR activities are carried out in the following focus areas: • Education • Water Conservation • Skill Development • Health & Hygiene • Community Development
SECTION C: OTHER DETAILS	
1. Does the Company have any Subsidiary Company/ Companies?	Yes, BPCL has eleven subsidiaries. Five are Indian and six are foreign subsidiaries. The list is as follows:
	Indian: • Numaligarh Refinery Ltd. (NRL) • Bharat PetroResources Ltd. (BPRL) • Bharat PetroResources JPDA Ltd. [Subsidiary of BPRL] • BPCL-KIAL Fuel Farm Pvt. Ltd. • Bharat Gas Resources Ltd. (BGRL)

	Foreign: • BPRL International B.V. (The Netherlands) [Overseas Subsidiary of BPRL] • BPRL Ventures B.V. (The Netherlands) [Overseas Subsidiary of BPRL] • BPRL Ventures Mozambique B.V. (The Netherlands) [Overseas Subsidiary of BPRL] • BPRL Ventures Indonesia B.V. (The Netherlands) [Overseas Subsidiary of BPRL] • BPRL International Singapore Pte Ltd. (Singapore) [Overseas Subsidiary of BPRL] • BPRL International Ventures BV (The Netherlands) (Overseas Subsidiary of BPRL)
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such Subsidiary Company(s)	No. The Subsidiary Companies do not participate in the Business Responsibility initiative of the parent Company. They operate in different geographies/ business domain and are driven by their own policies.
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No other entity/ entities that are engaged with the Company's business, participate in the BR initiatives. However, during the selection/ registration of the suppliers, contractors, dealers and distributors, BPCL conducts scrutiny with respect to certain parameters of NVG principles.
SECTION D: BR INFORMATION	

1. Details of Director/Directors responsible for BR

BPCL has a Sustainability Development Committee for periodic review, discussions and guidance on various Sustainable Development initiatives and measures for implementation of BR policies.

a) Details of the Director/Director responsible for implementation of the BR policy/policies

The details of the Committee members as on 31/03/2019 are given below:

DIN Number	Name	Designation
06536055	Smt. J. M. Shanti Sundharam	Independent Director
07049995	Shri R. Ramachandran	Director (Refineries)
06646894	Shri Arun Kumar Singh	Director (Marketing)
01213441	Shri Vishal V Sharma	Independent Director

b) Details of the BR head

Particulars	Details
DIN Number (if applicable)	NA
Name	Shri M. Venugopal
Designation	Company Secretary
Telephone number	022- 2271 3440
e-mail ID	ssc@bharatpetroleum.in

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

The 9 principles outlined in the National Voluntary Guidelines are as follows:

P1	Business should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the well-being of all employees
P4	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment.
P7	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for…	Y	Y	Y	Y	Y	Y	Y	Y	Y
		P1: Code of Conduct and Whistle blower P2: HSE and Sustainable Development policy P3: Internal HR policies P4: Sustainable Development policy P5: Internal HR policies P6: HSE and Sustainable Development policy P7: Sustainable Development policy P8: CSR policy P9: Citizen charter								
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national /international standards? If yes, specify	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Various policies at BPCL conform to different applicable statutes/ guidelines/ rules etc. issued by GOI and updated from time to time. Industry practices, national/ international standards are kept in view while formulating polices.								
4	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Different policies are approved by Board/ Competent Authorities as per delegation of power								
5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Refer table below @								

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have an in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out an independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

@ Web-link for the policy:

NVG Principle	Web-link
Principle 1: Ethics, transparency& accountability	https://bharatpetroleum.com/images/files/CodeOfConduct_BPCL.pdf
Principle 2: Sustainability in life-cycle of product	https://www.bharatpetroleum.in/sustainability/health,-safety,-security-&-environment/security-policy.aspx
Principle 3: Employee well-being	Company's Internal web (Intralink)
Principle 4: Stakeholder engagement	https://www.bharatpetroleum.in/sustainability/health,-safety,-security-&-environment/security-policy.aspx
Principle 5: Promotion of human rights	Company's Internal web (Intralink)
Principle 6: Environmental protection	https://www.bharatpetroleum.in/sustainability/health,-safety,-security-&-environment/security-policy.aspx
Principle 7: Responsible public policy advocacy	https://www.bharatpetroleum.in/sustainability/health,-safety,-security-&-environment/security-policy.aspx
Principle 8: Inclusive growth	https://www.bharatpetroleum.com/social-responsibility/corporate-social-responsibility/policy.aspx
Principle 9: Customer value	http://www.bharatpetroleum.com/PDF/Citizen_Charter.pdf

2A. If answer to S. No. 1 against any principle, is 'No', the reasons for the same have also been mentioned therein.

S. No	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	Not Applicable								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within the next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance Related to BR

1. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

BPCL has constituted a 'Sustainable Development Committee of the Board' which generally reviews the sustainability initiatives every 3-6 months. It provides guidance and directions for further improvement on the same.

2. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Yes. BPCL has been publishing its Business Responsibility Report (BRR) as a part of its Annual Report. In addition, BPCL is also publishing its Sustainable Development Report (SDR) based on GRI Framework annually since FY 2007-08. The Sustainable Development Report for the past years are available at: https://www.bharatpetroleum.in/Sustainability/Sustainability-Reports.aspx

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1: ETHICS, TRANSPARENCY AND ACCOUNTABILITY

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?

Yes. The policy formulated by BPCL on ethics, prevention of corruption and bribery covers its entire operations. BPCL's Group Companies/Joint Ventures are separate legal entities having their own policies and procedures and are not covered by BPCL's policy on ethics, bribery, corruption and human rights.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?

BPCL has in place a robust and easily accessible Customer Care System (CCS) enabling customers to provide their feedback, complaints or suggestions. During FY 2018-19, a total of 13,90,678 Customer Complaints have been received and 13,90,515 are resolved, which is 99.98% with an average closure time of two days. Balance complaints are being addressed subsequently and closed satisfactorily.

During the financial year 2018-19, 17 investor complaints have been received through SEBI, Registrar of Companies (ROC) and BSE (SEBI-13, ROC-2, and BSE-2) which were all attended to and resolved on priority basis.

BPCL has received 14 complaints before the panel of independent external monitors for joint deliberation and recommendations which were resolved satisfactorily.

PRINCIPLE 2: SUSTAINABILITY IN THE LIFE-CYCLE OF THE PRODUCT

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

BPCL has been constantly investing its efforts in ensuring that the usage of products is done in a safe and efficient manner. BPCL ensures that they do not pose unintended harm to the environment and persons involved during their production, transportation, consumption or disposal. The major products are:

1. BS IV Motor Spirit
   - 10% Ethanol Blended Motor Spirit
2. BS IV HSD
   - 5% Biodiesel blended
3. LPG

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

i. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

BPCL refineries have successfully adhered to National Auto Fuel norms by producing and supplying Bharat IV fuels to the market. This supply of low sulphur fuels (MS/HSD) has resulted in lowering the negative impact on the environment.

BPCL is supplying BS VI (MS/HSD) in the National Capital from April 2018 as per Government's directive. BPCL refineries are in the process of commissioning of Motor Spirit Block Project (KR) and Gasoline Treatment Units (MR) which will help them in meeting Bharat VI grade of fuels (MS/HSD) and shall be made available in other parts of the country by April, 2020, which will further reduce Sulphur in the fuels.

In line with the MoP&NG Gazette Notification for selling of Ethanol Blended Motor Spirit (EBMS) with Ethanol up to 10%, BPCL has undertaken maximization of blending of Ethanol in Motor Spirit. Use of Ethanol in Motor Spirit not only reduces air pollution due to lesser harmful emissions such as carbon monoxide, but also results in saving of valuable foreign exchange for the country. In the year 2018-19, BPCL has blended 5,00,510 KL Ethanol in 50,08,316 KL of EBMS. The total MS sold by BPCL was 104,60,424 KL and the Ethanol blending ratio for FY 2018-19 was 4.8%.

BPCL also has plans to setup 3 Biofuel refineries to produce Second Generation Ethanol. This will help in meeting the current requirement of EBMS and contribute towards a cleaner environment and sustainable future.

BPCL has undertaken the blending of 5% Biodiesel in HSD at selected locations, as per national policy on Biofuel. Biodiesel substantially reduces unburnt Hydrocarbons, CO and Particulate Matter. Biodiesel is manufactured from non-edible/edible oils and has almost no sulphur, no aromatics and approximately 10% built in oxygen which helps in ensuring complete combustion. BPCL blended 16,006 KL of Biodiesel (B 100) in 3,23,519 KL of Diesel. The Biodiesel blending ratio for FY 2018-19 was 0.09 %.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes. BPCL is extensively using its pipeline for the transportation and distribution of its products, as it is the safest, cost-effective, energy-efficient and environment-friendly mode for transportation of hydrocarbons. BPCL is expanding its cross-country pipeline network and currently it has 2,241 kms of pipelines which has transported 15.34 MMT of Petroleum products and Crude oil, thus, reducing the emissions.

The Oil and Gas sector is vulnerable to threats like depletion of resources and geopolitical uncertainties. BPCL has diversified its Global Crude Oil supply from various sources and efforts are made for optimization of the crude basket and minimization of inventories at the same time, ensuring uninterrupted supplies of transportation of crude oil to refineries. BPCL has sourced approx. 39% of the crude through sustainable methods.

BPCL has taken the initiative of route optimization to reduce emissions by activities mentioned below:

- Real time fleet tracking based on GPS system so that the vehicles do not deviate from the assigned shortest route.
- Define threshold age of the vehicles

4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work?

If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes. BPCL has taken various measures for the procurement of Goods and Services from small/ local vendors. BPCL tenders includes Purchase Preference clause for Micro and Small Enterprises (MSEs).

For the year 2018-19, the total procurement value for BPCL for Goods and Services, excluding Works Contracts, was ₹12,019.24 crores and the actual procurement value from MSEs was ₹ 3,053.01 crores, i.e. an achievement of 25.40 % which is in line with the target of 25%. The procurement for Goods and Services excluding Works Contracts from MSE-SC/ST Entrepreneurs during the year 2018-19 was ₹133.10 crores as compared to ₹ 87 crores last year i.e. an achievement of 1.11 % as against the revised sub-target of 5%.

The procurement through Government e Market Place (GeM) i.e. online procurement portal started by GOI during this FY 2018-19 was ₹154.54 Lakh and more efforts are being made to increase the procurement value. BPCL CPO is also using another initiative - TREDs i.e. Trade Receivables Discounting System which is assisting vendors to receive early payments after discounting. During the FY 2018-19, BPCL has achieved ₹ 33.06 crores through TREDs.

BPCL has organized 95 vendor meets/ workshops across India at Retail locations, Regional Offices and Refineries to promote the Public Procurement Policy for MSEs. BPCL teams participated in 20 Vendor Development Programmes cum Exhibition conducted by MSME-DI (Micro, Small and Medium Enterprises- Development Institute), National Small Industries Corporation (NSIC) in association with Confederation of Indian Industry (CII) and Federation of Indian Chambers of Commerce and Industry (FICCI) at Mumbai, Rajkot, Surat, Raipur, Kolkata, Chandigarh, Aurangabad, Ernakulum, Trivandrum etc.

A fortnight long “Entrepreneurship Development Programme” was conducted by Kochi Refinery during March 2019 to encourage SC/ST entrepreneurs to develop in their respective fields. A total of 26 SC/ST candidates were trained in the programme.

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

BPCL has been constantly exploring the possibility of recycling waste material generated from operations. BPCL refineries have a system for recovery of oil from Crude Oil Sludge as and when generated during crude tank Maintenance & Inspection (M&I) activities. After removing oil from sludge, the sludge is treated with a bio-remediation process using oil zapper bacteria. Once the oil content is brought down to < 0.5 % wt, the sludge is disposed of. BPCL MR has also taken an initiative to use enzyme based additive which can bio-remediate water mixed oily sludge very fast.

In FY 2018-19, the total oil recovered from crude sludge was 24 % wt. from MR and 42.5 % wt. from KR. Oil catchers provided in the Refinery help in recovery of oil. BPCL has ETPs (Effluent Treatment Plants) at its refineries and marketing locations to treat and reuse the treated wastewater for horticulture purposes.

BPCL MR has a state-of-the-art Effluent Treatment Plant which comprises PACT (Powdered Activated Carbon Treatment) and WAR (Wet Air Regeneration); therefore, sludge generation in the Effluent Treatment Plant is almost nil.

BPCL has signed a MOU with M/s. RCF for setting up a joint STP at RCF with capacity of 22.5 MLD of municipal sewage that would produce 15 MLD of treated water. (BPCL share 6 MLD & RCF share 9 MLD). The project is completed and receipt of treated water ex-RCF has started in the CCR cooling tower at the rate of 1000 TPD.

Flare Recovery facility recovers the Flare Gases and puts them back into the Fuel Gas System, thus reducing precious hydrocarbon loss and minimizing fuel consumption and emissions.

BPCL MR has six canteens serving about 3900 meals per day, generating around 450 Kgs per day of kitchen waste. BPCL has commissioned a biogas plant of 85 m^3 capacity. The generation capacity of biogas is 0.09 m^3 per Kg of kitchen waste, which helps in replacing 40 Kg of LPG per day. Besides, the slurry is used for composting which helped in reduction of chemical fertilizers and assisted in healthy growth of plants.

With the help of CRDC, at BPCL MR, the spent catalyst (E-Cat) which used to get disposed of, is now modified and used as Gasoline Sulfur Reduction (GSR) additive.

BPCL has signed a MoA with Institute of Chemical Technology (ICT), Matunga, Mumbai for setting up a Demonstration Waste Treatment Plant Municipal Liquid Waste (MLW) of 200 KLD in BPCL Staff Colony, Chembur. Treated water from this MLW plant shall be used for gardening and flushing purpose in the colony.

PRINCIPLE 3: EMPLOYEE WELL BEING

1. Please indicate the total number of employees.

Total number of permanent employees as on 31st March, 2019 is 11,971.

2. Please indicate the total number of employees hired on temporary/contractual/casual basis.

The total number of employees hired on temporary/contractual/casual at BPCL are 22,267# (including CL in Non-Project, Project, and Field Roles & Contract Engineers).

#Contract labourers are engaged by contractors for non-core, sporadic and peripheral nature of jobs as per “Contract for Services”. The number is dynamic and changes depending on projects/works being undertaken. # There is no casual labour currently engaged in BPCL.

3. **Please indicate the number of permanent women employees.**

The total number of permanent women employees is 1,127 [Management - 626, Clerical - 481, Labour - 20]

4. **Please indicate the number of permanent employees with disabilities**

The number of permanent employees with disabilities is 241 [Management - 116, Clerical - 52, Labor - 73]

5. **Do you have an employee association that is recognized by management?**

There are 20 registered Trade Unions operating in BPCL.

6. **What percentage of your permanent employees are members of this recognized employee association?**

Approx. 93% of our (Non-Management) employees are represented through these Trade Unions.

7. **Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

S. No.	Category	No of complaints filed during the financial year	No of complaints pending as at the end of the financial year
1.	Child labour/ forced labour/ involuntary labour	NIL	NA
2.	Sexual harassment	2	0
3.	Discriminatory employment	NIL	NA

8. **What percentage of your undermentioned employees were given safety and skill upgradation training in the last year?**

• Permanent Employees	In FY 2018-19, on an average, 19.56 training hours were provided per employee. This training is inclusive of safety related training.
• Permanent Women Employees	In FY 2018-19, on an average, 15.88 training hours were provided per woman employee. This training is inclusive of safety related training.
• Casual/ Temporary/ Contractual Employees	While we do not separately track the proportion of contract labour that were given safety & skill upgradation training, their safety is of utmost importance. Across various locations and especially within the Refineries, the contract labour mandatorily attends a comprehensive training programme which includes sessions on 'Safety within the workplace' without which they are not provided access cards.
• Employees with Disabilities	Not tracked separately

PRINCIPLE 4: STAKEHOLDER ENGAGEMENT

1. **Has the Company mapped its internal and external stakeholders? Yes/No**

BPCL has identified both, its internal and external stakeholders. The internal stakeholders largely include employees and the external stakeholders are listed as follows:

- Shareholders & lenders
- Government and regulatory authorities
- Industry associations
- Customers
- Suppliers
- Community
- Dealers and distributors
- Contractors
- Media and academic institutions

2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?**

Yes, BPCL as a responsible organisation cares for the community. BPCL has identified the disadvantaged, vulnerable & marginalized stakeholders and adopted a holistic approach for their socio-economic development through CSR activities.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

Yes. Details are given below :

Education:

BPCL has undertaken most of its education projects like Computer Aided Learning (CAL) Project, Libraries in School, Science / Maths learning, Teacher Training Project, etc. in Government or low-income schools, which cater to students from underprivileged communities. Project CAL has been replicated in 47 centers located in Municipal Corporation of Greater Mumbai (MCGM) school buildings & 20 schools in Washala, a tribal village in Thane district. The intervention focuses on improving children's learning levels in Mathematics and language through thorough use of computers. More than 1 lakh children have been benefitted under this initiative since its inception.

Skill Development:

The initiative to impart skills had been taken up for leprosy affected youth in various trades like Motor Vehicle Mechanic, Welder, Computer Operator, Programming Assistant, in 6 centers viz. Nasik, Champa, Faizabad, Bankura, Vadathorasalur and Vizianagaram. Skilling was imparted to 792 leprosy affected youth. Similarly, there are projects for training visually impaired youth in Acupressure and Massage Therapy in Latur. Training to 75 visually impaired youth was imparted.

To strengthen the 'Skill India' initiatives of the Government of India, BPCL is continuing support for the promotion of higher education and employability skills through Skill Development Institutes at Visakhapatnam, Bhubaneswar, Ahmedabad, Guwahati & Raebareli. BPCL has taken the lead in setting up a state-of-the-art Skill Development Institute (SDI) in Kochi and has trained 312 persons from a lower socio-economic background.

Water Conservation:

Since the inception of Project BOOND in FY 2005-06, it has now spread across a number of villages in Tamil Nadu, Karnataka, Maharashtra, Rajasthan, Andhra Pradesh and Uttar Pradesh. This is a flagship project of BPCL which is providing water conservation in villages, besides boosting income through increase in agricultural yield and reduced migration.

Health and Hygiene:

One of the major projects undertaken in the most difficult terrains of Aspirational Districts is development of an affordable Cancer Care Center for the population in Darrang, Assam. The project will ensure health promotion, cancer awareness, cancer prevention, early detection, screening and high quality treatment with palliative care. BPCL has also supported the world's first hospital on a train with both surgical and non-surgical medical aid to over 16,500 patients.

Community Development:

BPCL enthusiastically participated in 'Swachh Bharat Abhiyan', the flagship movement of GoI. BPCL has contributed in creating an 'Open Defecation Free' country through the construction and renovation of more than 3,500 toilets in schools and communities till date. One of the initiatives of BPCL was a Solid Waste Management project involving collecting, segregating/processing and recycling waste in 33 micro-composting centers to make our cities cleaner and greener.

PRINCIPLE 5: PROMOTION OF HUMAN RIGHTS

1. **Does the policy of the Company on human rights cover only the Company or extends to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs/ others?**

BPCL's Human Rights policy only covers the operations controlled by the Company. It does not extend to its Group / Joint ventures etc.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

During FY 2018-19, no complaint with respect to Human Rights was received by BPCL.

PRINCIPLE 6: ENVIRONMENTAL PROTECTION

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?**

The applicability of the Environmental Protection Policy is limited only to the operations in BPCL. The Group Companies and Joint Ventures have their own environmental policies.

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Yes/No. If yes, please give hyperlink for webpage etc.

Yes. BPCL has a Board level Sustainable Development Committee which discusses and reviews projects on Sustainable Development.

BPCL has recognized the need to act against the consequences of climate change. BPCL entered into a partnership with MoP&NG, Ministry of Environment, Forest and Climate Change (MoEF&CC) and Industry Members and has undertaken a study on climate change for the Oil and Gas sector through TERI. The study has given suggestions on short and long-term action to be undertaken by the industry members and provided a way forward to tackle the challenges. BPCL has initiated actions on the recommendations.

The strategy of BPCL is to lay emphasis on the usage of renewable energy, in order to face the challenges of climate change. BPCL refineries are doing regular accounting of GHG emissions and water consumption. BPCL MR and KR have taken various initiatives to make the processes energy efficient, which would result in reduction of GHG emissions and assist in minimizing its contribution to global warming. BPCL MR has commissioned facilities to produce BS-VI grade HSD fuel through Diesel Hydro treating Unit (DHT), which has brought down sulphur in diesel to 10 PPM. The Gasoline Treatment Unit (GTU) is likely to be commissioned by the end of 2019, which will produce low sulphur BS-VI grade MS auto fuel.

The energy conservation initiatives implemented by refineries resulted in reduction of the specific energy consumption, meeting the PAT targets and assisted in reduction of carbon emissions. BPCL R&D is engaged in developing new technologies to improve fuel efficiency and address environmental issues.

BPCL publishes a Sustainability Report every year as per GRI guidelines highlighting Environmental, Social and Governance (ESG) performance of the Company which can be accessed at the following link : https://www.bharatpetroleum.com/sustainability/sustainability-reports.aspx.

3. Does the Company identify and assess potential environmental risks? Yes/No

Yes. Environmental Risk and safety being a primary concern, BPCL has in place a detailed Health, Safety and Environment Policy which emphasizes on the use of appropriate technologies to minimize the impact of our activities on the environment. BPCL refineries have been certified for ISO 9001, ISO 14001 and OHSAS-18001 i.e. Quality, Environment, Health & Safety. As part of these ISO certifications, Risks & Opportunities are identified with mitigation strategy and a detailed Hazard Identification and Risk Assessment (HIRA) and Aspect Impact (AI) has been prepared and documented for all functions.

As a practice, BPCL conducts Environmental Impact Assessments (EIA) / Rapid Risk Assessment (RRA) / Quality Risk Assessment (QRA) for every grass root project or while installing a new facility to understand the impact created by the commissioning / operation of facility and identify methods to reduce environmental impact. An Incident Reporting and Information System (IRIS) is in place, capturing details of all incidents and mitigation measures thereof. Another initiative taken by Mumbai Refinery is implementation of "Behavior Based Safety" among all staff to improve the environment and inculcate a safe culture.

4. Does the Company have any project related to Clean Development Mechanism? If yes, whether any environmental compliance report is filed?

Presently, BPCL does not have any project under Clean Development Mechanism.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Yes/No. If yes, please give hyperlink for webpage etc.

Yes. BPCL has carried out many projects in refineries and marketing locations for renewable energy and clean technology. BPCL has increased energy efficient lighting capacity from 7.53 MW to 12.66 MW. Renewable energy capacity has increased from 26.36 MW to 31.70 MW by March 2019. These initiatives have resulted in the reduction of GHG emissions by approximately 50,000 MTCO2e. The total catchment area under rainwater harvesting was increased from 7,73,427 Sqm. to 7,78,939 Sqm. during FY 2018-19 to reduce the dependency on other sources of water.

BPCL Refineries and Marketing locations have undertaken several initiatives to conserve energy by implementing projects in areas of clean technology, energy efficiency and renewable energy. The following are major energy efficiency (saving) initiatives implemented during FY 2018-19:

- Reconfiguration of NHT naphtha splitter upstream of reactor has enhanced splitting capacity of refinery and reduced energy consumption with project cost of ₹ 0.35 Crores and total savings of ₹ 493.47 Lakhs/year.
- Steam trap management introduced in the offsites/utilities/CCU/ MTBE/RMP SRU & BBU areas, improved trap performance to 98%. The project cost incurred was ₹ 3.16 Crores and achieved total savings of ₹ 2266.2 Lakhs/year.
- MOU was signed with RCF for setting up joint STP at RCF with capacity of 22.5 MLD of municipal sewage that would produce 15 MLD of treated water. (BPCL share 6 MLD & RCF share 9 MLD). The project is completed and receipt of treated water ex-RCF has started in CCR cooling tower at the rate of 1000 TPD.
- Two new rainwater harvesting systems were commissioned in MR comprising 4320 sq.m of RWH area with a potential to harvest 6,160 KL per annum of rainwater bringing about saving of ₹ 5.36 Lakhs/annum. The project cost involved was ₹ 88 Lakhs.
- A vertical Butterfly garden has been developed in MR and around 2500 tree saplings of different species have been planted to attract different species of butterflies. The project contributes towards BPCL's larger commitment to environmental sustainability and biodiversity conservation.
- Installation of stack analyzers at a cost of ₹ 1.09 Crores to monitor stack emissions on real time basis to strengthen environment monitoring.
- Installation of Benzene & Toluene analyzers at TDU gantry bay nos. 1, 2, 3, 4 and BVRU vent at a cost of ₹ 1.95 Crores helps monitor Benzene & Toluene concentration in the surrounding area on real time basis to strengthen environment monitoring.
- Changing main Air Blower Drive Turbine in Fluidized Catalytic Cracking Unit (FCCU) from medium pressure to high pressure steam condensate type. The project cost was ₹ 200 Lakhs and estimated saving of ₹ 778 Lakhs/annum.
- Pipeline division of BPCL is the first in the industry to use Variable Frequency Drives (VFD) for Mainline Pump Motor, which has resulted in a significant reduction in power consumption. It is also using "Drag Reducing Agent" at Mumbai & Washala sections which has helped in increasing flow rate more than the design capacity.
- Carbon Sequestration study was carried out by KR and two locations in Retail BU to understand the environmental impact by the processes. The same study shall be replicated across all the other business units to make the location carbon neutral.
- Under the Swachh Bharat Mission, test roads were laid using waste plastic at two locations in MR and one location in IREP Kochi.
- Installation of 120 KWp solar panels in KR. Expected generation per year is 170 MWH. Investment for the project was ₹ 54 Lakhs and estimated monetary saving is ₹ 11.05 Lakhs/annum.
- CRDC has taken up a joint project with Lubricant R&D and developed Eco-friendly lubricant (MAK-BIOCUT) which was successfully commercialized in FY 2018-19.

  The link is given below :

  https://www.bharatpetroleum.com/sustainability/sustainability-reports.aspx

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, emission/waste generated during the course of operation are constantly monitored to ensure that they are within permissible limits prescribed by respective CPCB/SPCB. Emission levels are captured as Sustainable Development data by Refineries and Marketing Locations. A robust online emission monitoring system is available with BPCL refineries, with the help of which, real time emission data is made available to Pollution Control Board by direct connectivity.

7. **Number of showcause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

The pending showcause/ legal notices received from CPCB/SPCB for FY 2018-19 are mentioned below:

- Tamil Nadu Pollution Control Board issued notice for spillage of oil into Marine water during Fuel oil cargo discharge by MT Corals Stars at Kamarajar Port Ltd., ETTPL Ennore.
- SCN dated 05.11.2018 was issued by CPCB with respect to installation of Vapor Recovery System (VRS) at ROs in Delhi & NCR as per NGT orders passed in OA No. 147 of 2016 – Aditya Prasad vs. UOI & Ors. CPCB directed BPCL to pay environmental compensation of ₹ 1 Crore. BPCL challenged the NGT's orders passed in OA No. 147 of 2016 by filing an Appeal in the Supreme Court. BPCL, subject to outcome of its appeal before the Supreme Court, deposited ₹ 1 crore with CPCB. Subsequently, the Supreme Court disposed of the appeal by extending time for installation of VRS. In view of the Supreme Court order, BPCL has written a letter to CPCB for refund of the ₹ 1 crore deposited, which is pending for consideration with CPCB.

PRINCIPLE 7: RESPONSIBLE PUBLIC POLICY ADVOCACY

1. **Is your Company a member of any trade and chamber or association? If Yes, name only those major ones that your business deals with:**

Yes; BPCL is a member of several industrial and trade associations. Some of the major ones are listed below:

- Confederation of Indian Industry (CII)
- Federation of Indian Chambers of Commerce and Industry (FICCI)
- Bombay Chamber of Commerce & Industry
- ASSOCHAM
- Indian Merchant Chambers
- World Energy Council-Indian Member Committee
- World LP Gas Association
- Federation of Indian Petroleum Industry (FIPI)
- Bio Diesel Association of India
- The Advertising Standards Council of India
- National Accreditation Board for Testing and Calibration Laboratories

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

BPCL has been a part of various associations and has put forward its opinion from the industry point of view by participating in concerned forums. BPCL also takes part in consultative committees that frame policies as and when asked by Government or regulatory departments. The senior officers have been member of several working committees in various areas such as Oil India Safety Directorate (OISD), Petroleum and Natural Gas Regulatory Board (PNGRB), Center for High Technology (CHT), etc. and contribute towards their agenda.

PRINCIPLE 8: INCLUSIVE GROWTH

1. **Does the Company have specified programs/ initiatives/projects in pursuit of the policy related to Principle 8? If Yes, details thereof.**

The CSR projects of BPCL aim at benefitting the community from the low socio-economic strata, which are identified as vulnerable, in & around the business units such as refineries, depots, installations, LPG bottling plants. All the projects of BPCL under the focus areas are inclined towards the rooted belief of inclusive growth & equitable development of the most marginalized communities.

2. **Are the programs/projects undertaken through in-house team/own foundation/external NGO/ Government structures/any other organization?**

BPCL largely collaborates with various NGOs registered as society/trust/section 8 company, foundations, Government structures, and other professional agencies for execution of on-field projects. BPCL also undertakes projects in collaboration with other industry members to develop the communities in the Aspirational districts and commissioning of Skill Development Institutes etc.

3. **Have you done any impact assessment of your initiative?**

   Yes. BPCL carries out impact assessment for the majority of its CSR projects. The assessment is conducted through a third-party for ensuring transparency.

4. **What is your Company's direct contribution to community development projects - amount in INR and the details of the projects undertaken?**

   BPCL's contribution to community development projects for FY 2018-19 has been ₹ 177.94 Crores. Details of various CSR Projects undertaken are provided in the section on CSR Activities which is a part of the Annual Report.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   Community involvement and participation is fundamental to BPCL at each step for all its CSR projects/programs. Assessment efforts are taken from the stage of planning till the end to form community-based organizations like farmer committees, village water committees, alumni committees and school management committees. Several capacity building sessions, training programs and meetings, etc. are held for these groups and other various stakeholders throughout the project. The community also contributes a small amount financially or through "Shramdaan" in several projects, such as specific skill development & water conservation programs. This ensures project ownership by the community and sustainability on BPCL's exit. BPCL also use transformed communities as resource groups to empower other villages/ communities.

PRINCIPLE 9: CUSTOMER VALUE

1. **What percentage of customer complaints/ consumer cases are pending as at the end of the financial year?**

   During FY 2018-19, a total of 13,90,678 Customer Complaints have been received and 13,90,515 were resolved, which is 99.98% with an average closure time of two days. Balance complaints are being addressed subsequently and closed satisfactorily.

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks (additional information)**

   Yes, the Company displays product information on the product label. BPCL provides information on product labels according to national and international specifications where feasible. It additionally displays information for safe handling of the product.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as of end of financial year. If so, provide details thereof, in about 50 words or so.**

	No. of cases filed in the last five years	No. of cases pending as on end of financial year 2018-19
Unfair trade practices	Nil	Nil
Irresponsible advertising	Nil	Nil
Anti-competitive behaviour	5	5

Details of cases regarding Anti-competitive behaviour are as follows:

1. RIL /Essar/Shell had filed a complaint before the Petroleum & Natural Gas Regulatory Board (PNGRB) against PSU OMCs and upstream companies alleging collusion, cartelization and predatory pricing for MS and HSD - Sub-Judice
2. A complaint was filed by RIL before the Competition Commission of India alleging cartelization and misuse of its dominant position - Sub Judice
3. India Glycols Ltd Vs India Sugar Mills Associates & Ors. alleging that ISMA, on behalf of member companies (including BPCL) have lobbied with Govt. of India for increasing the price of Ethanol from various suppliers - Sub Judice (Multiple cases are filed on this issue in several forums)

4. Competition Commission of India (CCI) vide its own cognizance started an enquiry against OMCs by observing that OMCs are behaving like a cartel by fixing petrol prices. A Preliminary objection taken by Respondent OMCs that CCI does not have jurisdiction and PNGRB has jurisdiction to hear this issue. The Commission ordered DG investigation which should cover the entire value chain of price build up. BPCL challenged the said order in Delhi High Court vide WP 7303/2013 and Delhi High Court vide order dated 22.11.2013 ordered stay in the said proceedings - Sub Judice

5. Appeal filed against order dated 11.2.2014 passed by CCI in suo-motu case no. 95/2013. Federation is alleging unfair terms in Dealership Agreements for a) Not allowing to use petroleum products of other OMCs and b) Reserving Dealer land just for selling oil and impose condition to give land to OMC when dealership is terminated - Sub Judice

4. Did your Company carry out any consumer survey/consumer satisfaction trends?

BPCL has not undertaken any structured survey during the year 2018-19. However, BPCL takes customer feedback through various channels on a regular basis.

ANNEXURE E

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF BHARAT PETROLEUM CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2019	The preparation of financial statements of Bharat Petroleum Corporation Limited for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **20.05.2019**. I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Bharat Petroleum Corporation Limited for the year ended 31 March 2019 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

Sd/-
Tanuja Mittal
Principal Director of Commercial Audit &
ex-officio Member Audit Board-II, Mumbai

Place : Mumbai
Date : 18 July 2019

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF BHARAT PETROLEUM CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2019	The preparation of consolidated financial statements of Bharat Petroleum Corporation Limited for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **20 May 2019**. I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) read with section 129(4) of the Act of the consolidated financial statements of Bharat Petroleum Corporation Limited for the year ended 31 March 2019. We conducted a supplementary audit of the financial statements of (Annexure-I), but did not conduct supplementary audit of the financial statements of (Annexure-II) for the year ended on that date. Further, section 139(5) and 143(6)(b) of the Act are not applicable to (Annexure-III) being private entities incorporated in Foreign countries under the respective laws, for appointment of their Statutory Auditor nor for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143 (6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

Sd/-

Tanuja Mittal

Principal Director of Commercial Audit &
ex-officio Member Audit Board–II, Mumbai

Place : Mumbai
Date : 18 July 2019

Annexure-I	Annexure-II	Annexure-III
Audit Conducted	**Audit not conducted**	**Audit not applicable**
(A) Subsidiaries:	**(A) Subsidiaries:**	**(A) Subsidiaries:**
Numaligarh Refinery Limited	Nil	Nil
Bharat PetroResources Limited		
Bharat Gas Resources Limited		
(B) Joint Ventures:	**(B) Joint Ventures:**	**(B) Joint Ventures:**
Delhi Aviation Fuel Facility Private Limited	BPCL-KIAL Fuel Farm Facility Private Limited	Bharat Oman Refineries Limited
Sabarmati Gas Limited		Matrix Bharat Pte. Ltd.
Mumbai Aviation Fuel Farm Facility Pvt Ltd		Bharat Stars Services Pvt. Ltd
Kochi Salem Pipeline Private Limited		
Goa Natural Gas Private Limited		
Ratnagiri Refinery & Petrochemical Ltd		
Central UP Gas Limited		
Maharashtra Natural Gas Limited		
Haridwar Natural Gas Private Limited		
(C) Associates:	**(C) Associates:**	**(C) Associates:**
GSPL India Gasnet Ltd.	Nil	Petronet LNG Limited
GSPL India Transco Ltd.		Petronet India Limited*
Indraprastha Gas Limited		Fino PayTech Limited
		Kannur International Airport Limited

* Petronet India Limited(PIL) has gone under liquidation in FY 2018-19 on account of which company has not prepared its final account for FY 2018-19.

ANNEXURE F

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1.	**Details of contracts or arrangements or transactions not at arm's length basis**							
	Nil							
2.	**Details of material contracts or arrangement or transactions at arm's length basis**							
S. No.	**Name of the Related Party**	**Nature of Relationship**	**Nature of Contract/ Arrangement/ Transactions**	**Duration of the Contract/ Arrangement/ Transactions**	**Salient Terms of the Contracts/ Arrangements/ Transactions**	**Transaction Values in FY 2018-19 (₹ Crores)**	**Dates of Board Approval**	**Amount Paid as Advances (₹ Crores)**
1	Indraprastha Gas Limited	Associate	Purchase of goods	2018-19	Purchase of goods	425.68	NA	-
2	Petronet LNG Limited	Associate	Purchase of goods	2018-19	Purchase of goods	5,477.49	NA	-
3	Sabarmati Gas Ltd.	Associate	Purchase of goods	2018-19	Purchase of goods	315.97	NA	-
4	Maharashtra Natural Gas Limited	Joint Venture	Purchase of goods	2018-19	Purchase of goods	126.29	NA	-
5	Bharat Oman Refineries Limited	Joint Venture	Purchase of goods	2018-19	Purchase of goods	32,488.33	NA	-
6	Falcon Oil and Gas B.V.	Joint Venture	Purchase of goods	2018-19	Purchase of goods	1,161.21	NA	-
7	Indraprastha Gas Limited	Associate	Sale of goods	2018-19	Sale of goods	325.27	NA	-
8	Sabarmati Gas Ltd.	Associate	Sale of goods	2018-19	Sale of goods	296.88	NA	-
9	Bharat Oman Refineries Limited	Joint Venture	Sale of goods	2018-19	Sale of goods	1,309.94	NA	-
10	Matrix Bharat Pte. Ltd.	Joint Venture	Sale of goods	2018-19	Sale of goods	339.23	NA	-
11	Petronet LNG Limited	Associate	Receiving of services	2018-19	Receiving of services	201.30	NA	-
12	Bharat Stars Services Private Limited	Joint Venture	Receiving of services	2018-19	Receiving of services	52.65	NA	-
13	Numaligarh Refinery Limited	Subsidiary	Purchase of goods	2018-19	Purchase of goods	15,381.40	NA	-

Note: The threshold for determining the material transaction has been considered in line with rule no. 15 (3) of Companies (Meetings of Boards and its powers) Rules, 2014.
All Transactions are in ordinary course of business and at arm's length.

For and on behalf of the Board of Directors

sd/-
D. Rajkumar
Chairman & Managing Director

Place : Mumbai
Date : 20th May, 2019

ANNEXURE G

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

as on the Financial Year ended on 31st March, 2019
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

(i)	CIN	L23220MH1952GOI008931
(ii)	Registration date	3rd November,1952
(iii)	Name of the Company	Bharat Petroleum Corporation Limited
(iv)	Category/Sub-Category of the Company	Public Company Limited by Shares/Government Company
(v)	Address of the Registered Office and contact details	Bharat Bhavan, 4&6, Currimbhoy Road, Ballard Estate, P.B. No. 688, Mumbai 400 001, India Tel No. 022 2271 3000 / 4000; Fax. No. 022 2271 3874 Email : info@bharatpetroleum.in Website : www.bharatpetroleum.in
(vi)	Whether listed Company	Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Data Software Research Co. Pvt. Ltd. 19, Pycrofts Garden Road, Off. Haddows Road, Nungambakkam, Chennai- 600 006 Ph: +91-44-2821 3738 / 2821 4487; Fax: 91-44-2821 4636; Email : bpcl@dsrc-cid.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sl. No.	Name and Description of main products/services	NIC Code of the Product/Service	% to total turnover of the Company (After allocating Cash subsidy received)
1	Motor Spirit (MS)	Group 192; sub-class: 19201	22.41%
2	High Speed Diesel (HSD)	Group 192; sub-class: 19201	52.74%
3	Liquefied Petroleum Gas (LPG)	Group 192; sub-class: 19203	10.81%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Bharat PetroResources Limited, Bharat Bhavan, 4 & 6 Currimbhoy Road, Ballard Estate, Mumbai, Maharashtra 400001 India	U23209MH2006GOI165152	Subsidiary	100%	2(87)
2	Bharat PetroResources JPDA Limited, Bharat Bhavan, 4 & 6 Currimbhoy Road, Ballard Estate, Mumbai, Maharashtra 400001 India	U23209MH2006GOI165279	Subsidiary	*100%	2(87)
3	BPRL International BV., WTC Tower B-9th floor, Strawinskylaan 937, 1077 XX Amsterdam, The Netherlands.	Not applicable	Subsidiary	*100%	2(87)
4	BPRL Ventures BV. WTC Tower B-9th floor, Strawinskylaan 937, 1077 XX Amsterdam, The Netherlands.	Not applicable	Subsidiary	*100%	2(87)
5	BPRL Ventures Mozambique BV WTC Tower B-9th floor, Strawinskylaan 937, 1077 XX Amsterdam, The Netherlands.	Not applicable	Subsidiary	*100%	2(87)

Sl. No	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
6	BPRL Ventures Indonesia BV WTC Tower B-9th floor, Strawinskylaan 937, 1077 XX Amsterdam, The Netherlands.	Not applicable	Subsidiary	*100%	2(87)
7	BPRL International Ventures BV WTC Tower B-9th floor, Strawinskylaan 937, 1077 XX Amsterdam, The Netherlands.	Not applicable	Subsidiary	*100%	2(87)
8	BPRL International Singapore Pte. Ltd., 8 Cross Street, #24-03/04, PWC Building, Singapore 048424	Not applicable	Subsidiary	*100%	2(87)
9	Bharat Gas Resources Limited Bharat Bhavan, 4 & 6 Currimbhoy Road, Ballard Estate, Mumbai, Maharashtra 400001	U11200MH2018GOI31046	Subsidiary	100%	2 (87)
10	Numaligarh Refinery Limited 122 A, G. S. Road, Christianbasti, Guwahati, Assam 781 005	U11202AS1993GOI003893	Subsidiary	61.65%	2 (87)
11	BPCL-KIAL Fuel Farm Pvt. Ltd. C/O Kannur International Airport, Karaperavoor P.O, Mattannur Kannur Kerala 670702	U23200KL2015PTC038487	Subsidiary	**74%	2 (87)
12	Petronet CI Ltd., C/O Indian Oil Corporation Ltd. Koyali, Ahmedabad Pipeline, P.O. Jawahar Nagar, Vadodara, Gujarat 391320	U23201GJ2000PLC039031	Associate	11%	2(6)
13	Bharat Oman Refineries Ltd. Administrative Bldg., Refinery Complex, Post BORL Residential Complex, Bina, Dist. Sagar M.P. 470124	U11101MP1994PLC008162	Associate	50%	2 (6)
14	Petronet LNG Ltd. World Trade Centre, 1st Floor, Babar Road, Barakhamba Lane, New Delhi 110 001	L74899DL1998PLC093073	Associate	12.5%	2 (6)
15	Indraprastha Gas Ltd. IGL Bhawan, Plot No. 4, Community Centre, Sector 9, R. K. Puram, New Delhi 110 022	L23201DL1998PLC097614	Associate	22.5%	2 (6)
16	Maharashtra Natural Gas Ltd. A Block Plot No. 27, Narveer Tanajiwadi, Commercial Bldg., 1st Floor, Shivaji Nagar, Pune 411 005	U11102PN2006PLC021839	Associate	22.5%	2 (6)
17	Central U.P. Gas Ltd. A-1/4, 7th Floor, UPSIDC Complex, Lakhanpur, Kanpur, U.P. 208024	U40200UP2005PLC029538	Associate	25%	2 (6)
18	Sabarmati Gas Ltd. Plot no.907, Sector 21, Gandhinagar, Gujarat 382 021	U40200GJ2006PLC048397	Associate	49.94%	2 (6)
19	Haridwar Natural Gas Pvt. Ltd. C/o BPCL Landhora, Roorkee, Haridwar, Uttarakhand 247 667	U40300UR2016PTC007004	Associate	50%	2 (6)
20	Goa Natural Gas Pvt. Ltd. Rajan Villa, Plot No. 33, Journalist Colony, Parvorim, Goa 403 521.	U40300GA2017PTC013095	Associate	50%	2 (6)
21	Bharat Stars Services Pvt. Ltd. BPCL Aviation Fuelling Station, Indira Gandhi International Airport, Terminal II, Shahabad Mohammadpur Railway Station, New Delhi 110 061	U11100DL2007PTC168158	Associate	50%	2 (6)

Sl. No	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
22	Delhi Aviation Fuel Facility Pvt. Ltd. Aviation fuelling Station, Shahabad Mohammadpur Railway Station, Dwarka Sector 8, Indira Gandhi International Airport, New Delhi 110 061	U74999DL2009PTC193079	Associate	37%	2 (6)
23	Mumbai Aviation Fuel Farm Facility Pvt. Ltd. Opp. ITC Maratha, Sahar Police Station Road, CSI Airport, Sahar, Andheri (East), Mumbai 400 099	U63000MH2010PTC200463	Associate	25%	2 (6)
24	Kannur International Airport Ltd. Parvathy, T.C. 36/1 Chacka, NH Byepass, Pettah, Thiruvananthapuram, Kerala 695 024	U63033KL2009PLC025103	Associate	@21.68%	2 (6)
25	GSPL India Gasnet Ltd. GSPC Bhavan, Behind Udyog Bhavan, Sector 11, Gandhinagar, Gujarat 382011	U40200GJ2011SGC067449	Associate	11%	2 (6)
26	GSPL India Transco Ltd. GSPC Bhavan, Behind Udyog Bhavan, Sector 11, Gandhinagar, Gujarat 382011	U40200GJ2011SGC067450	Associate	11%	2 (6)
27	Kochi Salem Pipeline Private Ltd. Malayil Majesty Bldg.,Room No. 174 G, 2nd Floor, Near Railway Over Bridge, Refinery Road, Thrippunithura, Kochin, Kerala 682 301	U40300KL2015PTC037849	Associate	50%	2 (6)
28	Matrix Bharat Pte Ltd. 2 Shenton Way, # 18-01 SGX Centre 1, Singapore 068804	(FCRN) F04556 (Foreign Company Regn. No)	Associate	50%	2 (6)
29	FINO Pay Tech Ltd. SK Elite, 5th Floor, Plot No. D-404 and D-405 TTC Industrial Area, MIDC Turbhe, Navi Mumbai, Maharashtra 400705	U72900MH2006PLC162656	Associate	^20.73%	2 (6)
30	Ratnagiri Refinery and Petrochemicals Ltd., The IL&FS Financial Centre, 5th Floor, B Wing, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051	U23200MH2017PLC300014	Associate	25%	2 (6)
31	Ujjwala Plus Foundation, Indian Oil Bhavan, G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai 400 051	U74999MH2017NPL297692	Associate	N A (Section 8 Co. Limited by guarantee. Guaranteed obligation of BPCL is ₹ 5 lakh i.e.25% of total guaranteed obligation)	2 (6)
32	Petronet India Ltd. BPCL Sewree Installation, Sewree Fort Road, Sewree (East), Mumbai 400 015	U45203MH1997PLC108251	Associate	16%	2 (6)
33	Bharat Renewable Energy Ltd. Official Liquidator, Ministry of Corporate Affairs, 9th Floor, Sangam Place, Civil Lines, Allahabad, U.P. 211001	U74999UP2008PLC035469	Associate	@33.33%	2 (6)

* Shares are held by Subsidiary
** BPCL-KIAL Fuel Farm Private Limited is treated as a Joint venture for consolidation of accounts as per IndAS.
@ Shareholding as per Joint venture agreement
^ Shareholding on fully diluted basis

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

(i) Category-wise Shareholding

	Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2018)				No. of Shares held at the end of the year (31.03.2019)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	**Promoters**									
1	**Indian**									
(a)	Individual /HUF	-	-	-	-	-	-	-	-	-
(b)	Central Govt/State Govt(s)	1,17,80,95,019	-	1,17,80,95,019	54.31	1,15,60,95,962	-	1,15,60,95,962	53.29	-1.02
(c)	State Govt(s)	-	-	-	-	-	-	-	-	-
(d)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(e)	Banks/FI	-	-	-	-	-	-	-	-	-
(f)	Any other	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(1)	**1,17,80,95,019**	**-**	**1,17,80,95,019**	**54.31**	**1,15,60,95,962**	**-**	**1,15,60,95,962**	**53.29**	**-1.02**
2	**Foreign**									
(a)	NRIs – Individuals	-	-	-	-	-	-	-	-	-
(b)	Others – Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Banks/FI	-	-	-	-	-	-	-	-	-
(e)	Any other	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total Shareholding of Promoter = (A)(1)+(A)(2)	**1,17,80,95,019**	**-**	**11,780,95,019**	**54.31**	**1,15,60,95,962**	**-**	**1,15,60,95,962**	**53.29**	**-1.02**
B.	**Public Shareholding**									
1	**Institutions**									
(a)	Mutual Funds/ UTI	12,06,83,489	110	12,06,83,599	5.56	17,22,42,625	110	17,22,42,735	7.94	2.38
(b)	Banks/FI	34,11,941	9,252	34,21,193	0.16	35,73,523	9,133	35,82,656	0.17	0.01
(c)	Central Govt	-	-	-	-	-	-	-	-	-
(d)	State Govt(s)	-	1,86,66,666	1,86,66,666	0.86	-	1,86,66,666	1,86,66,666	0.86	0.00
(e)	Venture Capital Funds	-	-	-	-	-	-	-	0.00	0.00
(f)	Insurance Companies	9,34,26,053	-	9,34,26,053	4.31	15,64,77,475	-	15,64,77,475	7.21	2.90
(g)	FIIs	42,97,82,738	2,400	42,97,85,138	19.81	33,93,24,282	2,400	33,93,26,682	15.64	-4.17
(h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(I)	Others (Specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	**64,73,04,221**	**186,78,428**	**66,59,82,649**	**30.70**	**67,16,17,905**	**1,86,78,309**	**69,02,96,214**	**31.82**	**1.12**
2	**Non -Institutions**									
(a)	Bodies Corporate	5,58,11,203	24,498	5,58,35,701	2.57	5,22,36,315	24,360	522,60,675	2.41	-0.16
(i)	Indian	-	-	-	-		-	-	-	-
(b)	Individuals	-	-	-	-		-	-	-	-
(i)	Individual shareholders holding Nominal share capital upto ₹1 lakh.	4,35,79,883	39,63,237	4,75,43,120	2.19	4,55,48,290	32,89,650	4,88,37,940	2.26	0.07
(ii)	Individual shareholders holding Nominal share capital in excess of ₹1 lakh	1,27,69,433	3,09,558	1,30,78,991	0.60	1,08,73,623	2,94,468	1,11,68,091	0.51	-0.09
(c)	Others (Specify)	-	-	-	-	-	-	-	-	-
(i)	NRI	26,21,314	99,289	27,20,603	0.13	32,25,368	99,131	33,24,499	0.15	0.02
(ii)	BPCL Trust for investment in shares	20,23,72,422	-	20,23,72,422	9.33	20,23,72,422	-	20,23,72,422	9.33	0.00
(iii)	Clearing Members	36,24,239	-	36,24,239	0.17	48,96,941	-	48,96,941	0.23	0.06
	Sub-Total (B)(2)	**32,07,78,494**	**43,96,582**	**32,51,75,076**	**14.99**	**31,91,52,959**	**37,07,609**	**32,28,60,568**	**14.89**	**-0.10**
	Total Public Shareholding (B)=(B)(1)+B(2)	**96,80,82,715**	**2,30,75,010**	**99,11,57,725**	**45.69**	**99,07,70,864**	**2,23,85,918**	**1,01,31,56,782**	**46.71**	**1.02**
	TOTAL (A) + (B)	**2,14,61,77,734**	**2,30,75,010**	**2,16,92,52,744**	**100**	**2,14,68,66,826**	**2,23,85,918**	**2,16,92,52,744**	**100**	**0**
(C)	**Shares held by Custodians for GDRs & ADRs**									
	GRAND TOTAL (A)+(B)+(C)	**2,14,61,77,734**	**2,30,75,010**	**2,16,92,52,744**	**100**	**2,14,68,66,826**	**2,23,85,918**	**2,16,92,52,744**	**100**	**0**

(ii) Shareholding of Promoter

Sl. No	Shareholder's Name	Shareholding at the beginning of the year (01.04.2018)			Shareholding at the end of the year (31.03.2019)			% change in share holding during the year
		No. of Shares	% of total shares of the company	% of shares Pledged/ encumbered to Total shares	No. of Shares	% of total shares of the company	% of shares Pledged/ encumbered to Total shares	
1	President of India	1,17,80,95,019	54.31	-	1,15,60,95,962	53.29	-	-1.02
	Total	1,17,80,95,019	54.31	-	1,15,60,95,962	53.29	-	-1.02

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SR. No	Name	Date	Reason	Increase/ Decrease in Shareholding	Cumulative shareholding	
					No. of Shares	%
1	President of India	01.04.2018	-	-	1,17,80,95,019	54.31
		15.06.2018	Disinvestment-Bharat 22 ETF	-90.92.254	1,16,90,02,765	53.89
		06.07.2018	Purchase	9.43.104	1,16,99,45,869	53.93
		22.02.2019	Disinvestment-Bharat 22 ETF	-1.38.49.907	1,15,60,95,962	53.29
		31.03.2019	-	-	1,15,60,95,962	53.29

Note: There was a reduction in the Promoter's shareholding due to disinvestment of shares by the Government of India in favour of Bharat 22 ETF (an Exchange Traded Fund inclusive of PSU Stocks)

(iv) Shareholding Pattern of top ten Members (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No	Name of Shareholder	Shareholding at the beginning of the year (01.04.2018)		Date	Increase/ Decrease in Shareholding	Reason	Cumulative shareholding during the year (01.04.2018-31.03.2019)	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
1	BPCL Trust for Investment in shares	20,23,72,422	9.33	01.04.2018	-	-		
				31.03.2019			20,23,72,422	9.33
2	Life Insurance Corporation of India	7,49,93,713	3.46	01.04.2018				
				11.05.2018	21,60,597	Purchase	7,71,54,310	3.56
				18.05.2018	26,97,185	Purchase	7,98,51,495	3.68
				25.05.2018	62,46,050	Purchase	8,60,97,545	3.97
				01.06.2018	27,35,690	Purchase	8,88,33,235	4.10
				08.06.2018	38,01,482	Purchase	9,26,34,717	4.27
				15.06.2018	37,00,206	Purchase	9,63,34,923	4.44
				22.06.2018	45,78,119	Purchase	10,09,13,042	4.65
				29.06.2018	19,39,060	Purchase	10,28,52,102	4.74
				21.09.2018	5,05,900	Purchase	10,33,58,002	4.76
				28.09.2018	25,57,484	Purchase	10,59,15,486	4.88
				05.10.2018	13,62,970	Purchase	10,72,78,456	4.95
				12.10.2018	68,64,602	Purchase	11,41,43,058	5.26
				19.10.2018	35,63,970	Purchase	11,77,07,028	5.43
				26.10.2018	2,550	Purchase	11,77,09,578	5.43
				21.12.2018	3,79,899	Purchase	11,80,89,477	5.44
				28.12.2018	1,38,886	Purchase	11,82,28,363	5.45
				31.12.2018	1,89,759	Purchase	11,84,18,122	5.46

Sl. No	Name of Shareholder	Shareholding at the beginning of the year (01.04.2018)		Date	Increase/ Decrease in Shareholding	Reason	Cumulative shareholding during the year (01.04.2018-31.03.2019)	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
				04.01.2019	8,03,011	Purchase	11,92,21,133	5.50
				11.01.2019	15,89,964	Purchase	12,08,11,097	5.57
				18.01.2019	13,66,372	Purchase	12,21,77,469	5.63
				25.01.2019	2,43,283	Purchase	12,24,20,752	5.64
				01.02.2019	12,59,937	Purchase	12,36,80,689	5.70
				08.02.2019	26,53,089	Purchase	12,63,33,778	5.82
				15.02.2019	11,64,000	Purchase	12,74,97,778	5.88
				31.03.2019	-	-	12,74,97,778	5.88
3	HDFC Trustee Company Ltd. A/C HDFC Balanced Advantage Fund	50,11,112	0.23	01.04.2018				
				06.04.2018	6,67,000	Purchase	56,78,112	0.26
				13.04.2018	15,00,000	Purchase	71,78,112	0.33
				20.04.2018	10,36,000	Purchase	82,14,112	0.38
				11.05.2018	7,15,000	Purchase	89,29,112	0.41
				08.06.2018	14,29,000	Purchase	1,03,58,112	0.48
				12.10.2018	67,18,163	Purchase	1,70,76,275	0.79
				19.10.2018	10,00,000	Purchase	1,80,76,275	0.83
				26.10.2018	10,00,000	Purchase	1,90,76,275	0.88
				31.03.2019	-	-	1,90,76,275	0.88
4	Governor Of Kerala	1,86,66,666	0.86	01.04.2018				
				31.03.2019			1,86,66,666	0.86
5	Life Insurance Corporation of India P & GS Fund	89,77,500	0.41	01.04.2018				
				11.05.2018	9,06,266	Purchase	98,83,766	0.46
				18.05.2018	4,69,000	Purchase	1,03,52,766	0.48
				25.05.2018	15,84,228	Purchase	1,19,36,994	0.55
				01.06.2018	5,45,039	Purchase	1,24,82,033	0.58
				08.06.2018	4,47,000	Purchase	1,29,29,033	0.60
				15.06.2018	6,31,878	Purchase	1,35,60,911	0.63
				22.06.2018	6,18,054	Purchase	1,41,78,965	0.65
				29.06.2018	4,38,731	Purchase	1,46,17,696	0.67
				06.07.2018	39,337	Purchase	1,46,57,033	0.68
				21.12.2018	1,69,918	Purchase	1,48,26,951	0.68
				28.12.2018	56,000	Purchase	1,48,82,951	0.69
				31.12.2018	85,000	Purchase	1,49,67,951	0.69
				04.01.2019	1,41,657	Purchase	1,51,09,608	0.70
				11.01.2019	2,20,000	Purchase	1,53,29,608	0.71
				18.01.2019	2,27,425	Purchase	1,55,57,033	0.72
				25.01.2019	1,10,118	Purchase	1,56,67,151	0.72
				01.02.2019	1,00,000	Purchase	1,57,67,151	0.73
				08.02.2019	2,89,882	Purchase	1,60,57,033	0.74
				31.03.2019	-	-	1,60,57,033	0.74

Sl. No	Name of Shareholder	Shareholding at the beginning of the year (01.04.2018)		Date	Increase/ Decrease in Shareholding	Reason	Cumulative shareholding during the year (01.04.2018-31.03.2019)	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
6	Vanguard Emerging Markets Stock Index Fund, A Series Of Vanguard International Equity Index Funds	1,67,33,663	0.77	01.04.2018				
				04.05.2018	-32,920	Sale	1,67,00,743	0.77
				11.05.2018	-31,274	Sale	1,66,69,469	0.77
				01.06.2018	-24,690	Sale	1,66,44,779	0.77
				15.06.2018	-24,690	Sale	1,66,20,089	0.77
				22.06.2018	-7,46,115	Sale	1,58,73,974	0.73
				29.06.2018	-2,13,852	Sale	1,56,60,122	0.72
				06.07.2018	-43,092	Sale	1,56,17,030	0.72
				13.07.2018	-68,628	Sale	1,55,48,402	0.72
				16.11.2018	24,720	Purchase	1,55,73,122	0.72
				23.11.2018	64,272	Purchase	1,56,37,394	0.72
				07.12.2018	31,312	Purchase	1,56,68,706	0.72
				21.12.2018	88,992	Purchase	1,57,57,698	0.73
				28.12.2018	-2,28,173	Sale	1,55,29,525	0.72
				01.02.2019	91,698	Purchase	1,56,21,223	0.72
				08.02.2019	2,92,485	Purchase	1,59,13,708	0.73
				22.03.2019	-2,38,754	Sale	1,56,74,954	0.72
				29.03.2019	36,363	Purchase	1,57,11,317	0.72
				31.03.2019	-	-	1,57,11,317	0.72
7	Vanguard Total International Stock Index Fund	1,34,59,913	0.62	01.04.2018				
				13.04.2018	99,390	Purchase	1,35,59,303	0.63
				04.05.2018	1,02,964	Purchase	1,36,62,267	0.63
				25.05.2018	93,847	Purchase	1,37,56,114	0.63
				08.06.2018	91,590	Purchase	1,38,47,704	0.64
				29.06.2018	82,709	Purchase	1,39,30,413	0.64
				06.07.2018	89,688	Purchase	1,40,20,101	0.65
				20.07.2018	1,43,021	Purchase	1,41,63,122	0.65
				03.08.2018	88,363	Purchase	1,42,51,485	0.66
				24.08.2018	1,84,735	Purchase	1,44,36,220	0.67
				31.08.2018	1,40,847	Purchase	1,45,77,067	0.67
				14.09.2018	1,01,728	Purchase	1,46,78,795	0.68
				19.10.2018	1,34,381	Purchase	1,48,13,176	0.68
				02.11.2018	2,74,870	Purchase	1,50,88,046	0.70
				14.12.2018	1,23,272	Purchase	1,52,11,318	0.70
				04.01.2019	1,186	Purchase	1,52,12,504	0.70
				25.01.2019	76,076	Purchase	1,52,88,580	0.70
				01.02.2019	25,508	Purchase	1,53,14,088	0.71
				01.03.2019	1,04,293	Purchase	1,54,18,381	0.71
				29.03.2019	89,848	Purchase	1,55,08,229	0.71
				31.03.2019	-	-	1,55,08,229	0.71

Sl. No	Name of Shareholder	Shareholding at the beginning of the year (01.04.2018)		Date	Increase/ Decrease in Shareholding	Reason	Cumulative shareholding during the year (01.04.2018-31.03.2019)	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
8	Government Of Singapore	1,18,02,033	0.54	01.04.2018				
				06.04.2018	7,274	Purchase	1,18,09,307	0.54
				20.04.2018	-15,81,001	Sale	1,02,28,306	0.47
				27.04.2018	-7,780	Sale	1,02,20,526	0.47
				04.05.2018	-7,851	Sale	1,02,12,675	0.47
				18.05.2018	-20,420	Sale	1,01,92,255	0.47
				25.05.2018	4,75,897	Purchase	1,06,68,152	0.49
				01.06.2018	-64,964	Sale	1,06,03,188	0.49
				08.06.2018	4,22,116	Purchase	1,10,25,304	0.51
				15.06.2018	3,17,515	Purchase	1,13,42,819	0.52
				22.06.2018	-23,169	Sale	1,13,19,650	0.52
				13.07.2018	3,75,804	Purchase	1,16,95,454	0.54
				20.07.2018	13,62,829	Purchase	1,30,58,283	0.60
				27.07.2018	-6,077	Sale	1,30,52,206	0.60
				03.08.2018	-7,691	Sale	1,30,44,515	0.60
				10.08.2018	-43,363	Sale	1,30,01,152	0.60
				24.08.2018	1,92,584	Purchase	1,31,93,736	0.61
				31.08.2018	4,43,373	Purchase	1,36,37,109	0.63
				03.09.2018	48,987	Purchase	1,36,86,096	0.63
				04.09.2018	30,614	Purchase	1,37,16,710	0.63
				07.09.2018	-14,412	Sale	1,37,02,298	0.63
				14.09.2018	2,69,900	Purchase	1,39,72,198	0.64
				21.09.2018	1,56,605	Purchase	1,41,28,803	0.65
				05.10.2018	-1,65,631	Sale	1,39,63,172	0.64
				12.10.2018	-35,84,435	Sale	1,03,78,737	0.48
				19.10.2018	39,744	Purchase	1,04,18,481	0.48
				02.11.2018	25,579	Purchase	1,04,44,060	0.48
				23.11.2018	89,151	Purchase	1,05,33,211	0.49
				30.11.2018	21,54,207	Purchase	1,26,87,418	0.58
				07.12.2018	-2,150	Sale	1,26,85,268	0.58
				21.12.2018	1,23,720	Purchase	1,28,08,988	0.59
				28.12.2018	-6,504	Sale	1,28,02,484	0.59
				04.01.2019	-3,14,206	Sale	1,24,88,278	0.58
				18.01.2019	24,244	Purchase	1,25,12,522	0.58
				08.02.2019	2,33,986	Purchase	1,27,46,508	0.59
				15.02.2019	-202	Sale	1,27,46,306	0.59
				01.03.2019	-2,90,466	Sale	1,24,55,840	0.57
				08.03.2019	-2,41,614	Sale	1,22,14,226	0.56
				22.03.2019	73,732	Purchase	1,22,87,958	0.57
				29.03.2019	5,80,246	Purchase	1,28,68,204	0.59
				31.03.2019	-	-	1,28,68,204	0.59

Sl. No	Name of Shareholder	Shareholding at the beginning of the year (01.04.2018)		Date	Increase/ Decrease in Shareholding	Reason	Cumulative shareholding during the year (01.04.2018-31.03.2019)	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
9	ICICI Prudential Life Insurance Company Limited	1,97,24,677	0.91	01.04.2018				
				06.04.2018	6,78,535	Purchase	2,04,03,212	0.94
				13.04.2018	35,847	Purchase	2,04,39,059	0.94
				20.04.2018	-2,16,321	Sale	2,02,22,738	0.93
				27.04.2018	1,81,064	Purchase	2,04,03,802	0.94
				04.05.2018	-9,476	Sale	2,03,94,326	0.94
				11.05.2018	-10,85,051	Sale	1,93,09,275	0.89
				18.05.2018	-1,34,169	Sale	1,91,75,106	0.88
				25.05.2018	-6,08,141	Sale	1,85,66,965	0.86
				01.06.2018	3,35,002	Purchase	1,89,01,967	0.87
				08.06.2018	-25,33,006	Sale	1,63,68,961	0.75
				15.06.2018	-27,76,752	Sale	1,35,92,209	0.63
				22.06.2018	-1,53,864	Sale	1,34,38,345	0.62
				29.06.2018	-16,00,945	Sale	1,18,37,400	0.55
				06.07.2018	-2,92,279	Sale	1,15,45,121	0.53
				13.07.2018	39,347	Purchase	1,15,84,468	0.53
				20.07.2018	6,05,298	Purchase	1,21,89,766	0.56
				27.07.2018	-96,559	Sale	1,20,93,207	0.56
				03.08.2018	-1,18,639	Sale	1,19,74,568	0.55
				10.08.2018	-11,362	Sale	1,19,63,206	0.55
				17.08.2018	-3,01,506	Sale	1,16,61,700	0.54
				24.08.2018	-72	Sale	1,16,61,628	0.54
				31.08.2018	-1,24,563	Sale	1,15,37,065	0.53
				14.09.2018	-70,214	Sale	1,14,66,851	0.53
				21.09.2018	-3,13,095	Sale	1,11,53,756	0.51
				28.09.2018	11,21,669	Purchase	1,22,75,425	0.57
				05.10.2018	-1,46,394	Sale	1,21,29,031	0.56
				12.10.2018	-16,50,308	Sale	1,04,78,723	0.48
				19.10.2018	-98,628	Sale	1,03,80,095	0.48
				26.10.2018	3,976	Purchase	1,03,84,071	0.48
				02.11.2018	98,529	Purchase	1,04,82,600	0.48
				09.11.2018	-44,625	Sale	1,04,37,975	0.48
				16.11.2018	10,84,794	Purchase	1,15,22,769	0.53
				30.11.2018	-4,35,167	Sale	1,10,87,602	0.51
				07.12.2018	-2,54,193	Sale	1,08,33,409	0.50
				14.12.2018	-52,128	Sale	1,07,81,281	0.50
				21.12.2018	69,598	Purchase	1,08,50,879	0.50
				28.12.2018	-7,649	Sale	1,08,43,230	0.50
				31.12.2018	4,737	Purchase	1,08,47,967	0.50
				04.01.2019	-87,705	Sale	1,07,60,262	0.50
				11.01.2019	-1,42,665	Sale	1,06,17,597	0.49
				18.01.2019	2,766	Purchase	1,06,20,363	0.49

Sl. No	Name of Shareholder	Shareholding at the beginning of the year (01.04.2018)		Date	Increase/ Decrease in Shareholding	Reason	Cumulative shareholding during the year (01.04.2018-31.03.2019)	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
				25.01.2019	1,42,212	Purchase	1,07,62,575	0.50
				01.02.2019	-1,44,438	Sale	1,06,18,137	0.49
				08.02.2019	2,30,154	Purchase	1,08,48,291	0.50
				15.02.2019	22,130	Purchase	1,08,70,421	0.50
				22.02.2019	-1,02,906	Sale	1,07,67,515	0.50
				01.03.2019	3,05,330	Purchase	1,10,72,845	0.51
				08.03.2019	-16,832	Sale	1,10,56,013	0.51
				15.03.2019	3,22,126	Purchase	1,13,78,139	0.52
				22.03.2019	1,117	Purchase	1,13,79,256	0.52
				29.03.2019	-4,89,037	Sale	1,08,90,219	0.50
				31.03.2019	-	-	1,08,90,219	0.50
10	Blackrock Global Funds Asian Dragon Fund	1,09,84,463	0.51	01.04.2018				
				06.04.2018	-1,29,694	Sale	1,08,54,769	0.50
				25.05.2018	-3,31,868	Sale	1,05,22,901	0.49
				15.06.2018	-2,83,915	Sale	1,02,38,986	0.47
				22.06.2018	-1,68,381	Sale	1,00,70,605	0.46
				27.07.2018	-2,90,571	Sale	97,80,034	0.45
				03.08.2018	-2,99,621	Sale	94,80,413	0.44
				24.08.2018	-3,99,209	Sale	90,81,204	0.42
				21.09.2018	-2,08,176	Sale	88,73,028	0.41
				05.10.2018	-2,08,305	Sale	86,64,723	0.40
				19.10.2018	-2,33,882	Sale	84,30,841	0.39
				26.10.2018	-9,366	Sale	84,21,475	0.39
				02.11.2018	-2,16,858	Sale	82,04,617	0.38
				18.01.2019	-6,53,572	Sale	75,51,045	0.35
				01.02.2019	1,99,741	Purchase	77,50,786	0.36
				29.03.2019	-1,24,820	Sale	76,25,966	0.35
				31.03.2019	-	-	76,25,966	0.35

Note: The shares of the Company are traded on daily basis and hence, date wise increase/decrease in Shareholding is provided as per weekly download from Depositories.

(v) Shareholding of Directors and Key Managerial Personnel

SL NO	NAME	Shareholding at the beginning of the year(01.04.2018)		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2018-31.03.2019)	
		No. of Shares	% of Total Shares of the Company				No.of Shares	% of Total Shares of the Company
	Whole Time Directors							
1	Shri D. Rajkumar Chairman & Managing Director	3,600		01.04.2018	-	-	3,600	0.00
				31.03.2019			3,600	0.00
2	Shri R. Ramachandran Director (Refineries)	1,224		01.04.2018	-	-	1,224	0.00
				31.03.2019			1,224	0.00
3	Shri Ramesh Srinivasan Director (Marketing) (Up to 23.09.2018)	600		01.04.2018	-	-	600	0.00
				23.09.2019			600	0.00
4	Shri K. Sivakumar Director (Finance) (Up to 07.05.2018) & CFO (Up to 13.11.2018)	-		01.04.2018	-	-	-	0.00
				13.11.2018			-	0.00
5	Shri K. Padmakar Director (Human Resources)	-	-	01.04.2018	-	-		
				31.03.2019			-	-
6	Shri Arun Kumar Singh Director (Marketing) (w.e.f. 01.10.2018)	2,100	-	01.10.2018	-	-	2,100	0.00
				31.03.2019			2,100	0.00
7	Shri Vijayagopal N. CFO (W.e.f 14.11.2018) Director (Finance) (w.e.f. 17.12.2018)	3,000		14.11.2018	-	-	3,000	0.00
				31.03.2019			3,000	0.00
	Non-Executive (Ex-Officio) Directors:							
8	Shri Rajiv Bansal	-	-	01.04.2018	-	-		
				31.03.2019			-	-
9	Dr. K. Ellangovan	-	-	01.04.2018	-	-		
				31.03.2019			-	-
	Non-Executive (Independent) Directors:							
10	Shri Rajesh Mangal	-	-	01.04.2018	-	-		
				31.03.2019			-	-
11	Shri Deepak Bhojwani (Up to 30.11.2018)	2,137		01.04.2018	-	-	2,137	0.00
				30.11.2018			2,137	0.00
12	Shri Gopal Chandra Nanda (Up to 30.11.2018)	-	-	01.04.2018	-	-		
				30.11.2018			-	-
13	Shri Vishal V Sharma	-	-	01.04.2018	-	-		
				31.03.2019			-	-
14	Shri V.S. Oberoi	-	-	01.04.2018	-	-		
				31.03.2019			-	-
15	Smt. Jane Mary Shanti Sundharam	-	-	01.04.2018	-	-		
				31.03.2019			-	-
16	Dr. (Smt.) Tamilisai Soundararajan (Up to 22.03.2019)	-	-	01.04.2018	-	-		
				22.03.2019			-	-
	Key Managerial Personnel							
17	Shri M. Venugopal	4,230		01.04.2018	-	-	4,230	0.00
				31.03.2019			4,230	0.00

V. INDEBTEDNESS

Amount (₹ in Crores)

Indebtedness of the Company including interest outstanding/ accrued but not due for payment				
Particulars	**Secured Loans excluding deposits**	**Unsecured loans**	**Deposits**	**Total**
Indebtedness at the beginning of the financial year (01.04.2018)				
(i) Principal Amount	3,714.69	19,702.52	-	23,417.21
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	183.33	-	183.33
TOTAL (i + ii + iii)	**3,714.69**	**19,885.85**	**-**	**23,600.54**
Changes in Indebtedness during the financial year 2018-19				
Addition	1,711.12	13,025.84	-	14,736.96
Reduction	2,306.19	6,469.84	-	8,776.03
Net Change	**(595.07)**	**6,556.00**	**-**	**5,960.93**
Indebtedness at the end of the financial year (31.03.2019)				
(i) Principal Amount	3,119.62	26,161.55	-	29,281.17
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	280.30	-	280.30
TOTAL (i + ii + iii)	3,119.62	26,441.85	-	29,561.47

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time Directors and/or Manager

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Mamager							Total
		D. Rajkumar	R. Ramachandran	K. Padmakar	A.K. Singh (w.e.f 01.10.2018)	N. Vijayagopal (w.e.f. 17.12.2018)	S. Ramesh (Up to 23.09.2018)	K. Sivakumar (Up to 07.05.2018)	
1	Gross Salary								
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	81,37,025	72,77,250	59,33,285	42,85,653	28,31,459	1,26,02,367	7,51,844	4,18,18,883
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	16,96,463	15,25,080	12,10,660	7,49,141	5,11,996	28,18,678	-	85,12,018
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-	-	-	-	-
2	Stock option	-	-	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-	-	-
4	Commission	-	-	-	-	-	-	-	-
	~as % of profit	-	-	-	-	-	-	-	-
	~ others, specify	-	-	-	-	-	-	-	-
5	Others: Allowances/Contributions	7,03,591	6,66,314	6,51,368	3,40,700	1,99,299	23,27,963	1,973	48,91,208
	Total (A)	**1,05,37,079**	**94,68,644**	**77,95,313**	**53,75,494**	**35,42,754**	**1,77,49,008**	**7,53,817**	**5,52,22,109**
	Ceiling as per the Act	Provisions of Section 197 of the Companies Act, 2013 with respect to overall maximum managerial remuneration is not applicable to the Company being a Govt. Company as per MCA notification GSR 463 (E) dated 05.06.2015.							

B. Remuneration to other Directors

(Amount in ₹)

Sl. NO.	Particulars of Remuneration	Name of Directors							Total
1	Independent Directors	Rajesh Mangal	Deepak Bhojwani (Up to 30.11.2018)	Gopal Chandra Nanda (Up to 30.11.2018)	Vishal V Sharma	J.M.Shanti Sundharam	Vinay Sheel Oberoi	Tamilisai Soundararajan (Up to 22.03.2019)	
	For attending Board Committee meetings	18,80,000	10,40,000	9,60,000	19,20,000	7,60,000	10,00,000	3,20,000	78,80,000
	Commission	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-
	Total (1)	**18,80,000**	**10,40,000**	**9,60,000**	**19,20,000**	**7,60,000**	**10,00,000**	**3,20,000**	**78,80,000**

(Amount in ₹)

Sl. No	Particulars of Remuneration	Name of Directors		Total
2	Other Non-executive Directors	Shri Rajiv Bansal	Dr. Ellangovan	
	For attending Board Committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (2)	-	-	-
	Total (B)= (1+2)	-	-	**78,80,000**
	Total Managerial Remuneration (A+B)			**6,31,02,109**
	Overall ceiling as per the Act	Provisions of Section 197 of the Companies Act, 2013 with respect to overall maximum managerial remuneration is not applicable to the Company being a Govt. Company as per MCA notification GSR 463(E) dated 05.06.2015.		

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Amount is ₹)

Sl. No	Particulars of Remuneration	Key Managerial Personnel				Total
		CEO	Company Secretary	CFO		
			M.Venugopal	K.Sivakumar (08.05.2018-13.11.2018)	N.Vijayagopal (14.11.2018-16.12.2018)	
1	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961		55,60,451	31,48,095	3,66,080	90,74,626
	(b) Value of perquisites under section 17(2) of the Income Tax Act, 1961		12,49,347	29,61,155	52,809	42,63,311
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961					
2	Stock option					
3	Sweat Equity					
4	Commission					
	- as % of profit					
	- others, specify					
5	Others: Allowances/Contributions		3,37,152	10,25,042	16,846	13,79,040
	Total		**71,46,950**	**71,34,292**	**4,35,735**	**1,47,16,977**

C&MD being the CEO, the remuneration details are provided under VI A above.

VII. Penalties/Punishment/Compounding of Offences

Sl. No	Type	Section of the Companies Act	Brief description	Details of Penalty/ Punishment / Compounding fees imposed	Authority (RD/ NCLT/ COURT)	Appeal made, if any (give details)
A.	Company					
	Penalty					
	Punishment					
	Compounding					
B.	Directors					
	Penalty			NIL		
	Punishment					
	Compounding					
C.	Other Officers in default					
	Penalty					
	Punishment					
	Compounding					

ANNEXURE H

Disclosure as required under Regulation 34, Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

(₹ in Crores)

Particulars		Balance as on		Maximum amount outstanding during the period	
		31.03.2019	31.03.2018	2018-19	2017-18
(a)	Loans and advances in the nature of Loans:				
	(i) To Subsidiary Company- Bharat PetroResources Limited	1,100.00	1,275.00	1,625.00	2,775.00
	(ii) To Joint Ventures-Bharat Oman Refineries Limited	1,254.10	1,254.10	1,254.10	1,254.10
	(iii) To Firms/Companies in which directors are interested	-	-	-	-
(b)	Investment by the loanee in the shares of BPCL and its subsidiary company	-	-	-	-

ANNEXURE I

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[Issued in pursuance to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with modifications as deemed necessary, without changing the substance of format given in MR-3]

To,
The Members,
Bharat Petroleum Corporation Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Bharat Petroleum Corporation Limited (CIN L23220MH1952GOI008931)** (hereinafter called the "Company") for the financial year ended 31st March, 2019.Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

A. In expressing our opinion it must be noted that-

i. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis of our opinion.

iii. We have not verified the correctness and appropriateness of the financial statements of the Company.

iv. The Company being a Government Company under the administrative control of the Ministry of Petroleum & Natural Gas (MoP&NG), the power to appoint Directors (including Independent Directors) and the terms and conditions of such appointment, including remuneration and evaluation, vests with the Government of India.

v. Wherever required, we have obtained the management representation pertaining to compliance of laws, rules and regulations, happening of events, etc.

vi. The compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

vii. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

B. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes (duly evolved) and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

C. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

I. The Companies Act, 2013 ("the Act") and the rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V-A The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and

(e) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ;

V-B The Company has not undertaken any of the activities during the audit period as envisaged in the following Regulations and Guidelines prescribed under the SEBI Act and hence are not relevant for the purpose of audit:-

(a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (up to 9th November,2018) and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (with effect from 10th November,2018).

(b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. (up to 10th September, 2018) and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (with effect from 11th September, 2018)

VI The following Acts and Rules made thereunder pertaining to oil and gas business, as applicable to the Company:

(a) Oil fields (Regulation and Development) Act, 1948;

(b) The Petroleum Act, 1934;

(c) Mines and Minerals (Regulation and Development) Act, 1957;

(d) Petroleum and Minerals Pipelines (Acquisition of Right of User Inland) Act, 1962;

(e) Oil Mines Regulations, 1984;

(f) Petroleum & Natural Gas Rules, 1959;

(g) Petroleum Rules, 2002;

(h) The Oil Industry (Development) Act, 1974.

(i) The Energy Conservation Act, 2001

(j) Petroleum & Natural Gas Regulatory Board Act, 2006

We have also examined the compliance with regard to Secretarial Standards in respect of Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except to the extent that the Company did not have requisite number of Independent Directors on its Board as required under the Regulation 17(1)(b) of SEBI(Listing Obligations & Disclosure Requirements) Regulations, 2015 for the period from 1.12.2018 to 31.03.2019;

D. We further report that,

I. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except to the extent as mentioned above. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013.

II. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

III. As per the minutes of the Board duly recorded and signed by the Chairman, the agenda items are deliberated and decisions of the Board were unanimous and no dissenting views have been recorded.

E. We further report that there are adequate systems and process in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

F. We further report that during the audit period

a. Pursuant to Order Number 24/8/17-CL-III in the matter of scheme of amalgamation of Petronet CCK, a wholly owned subsidiary with the Company, the authorized share capital of the Company would become ₹ 2635 Crore divided in to 263,50,00,000 equity shares of ₹ 10/- each effective from 1st June 2018.

b. The Board of Directors has approved transfer of Gas Business Division of the Company to Bharat Gas Resources Limited, wholly owned subsidiary of the Company on a going concern basis by way of slump sale. There will not be any change in the shareholding pattern of the Company pursuant to the said transaction.

c. The Company has raised ₹ 1000 Crores on 11th March 2019 through Private Placement of Un-Secured Non-Convertible Debentures at a coupon of 8.02% p.a. payable annually with a door to door maturity of 5 years.

II We further report that during the audit period none of the following events has taken place, except those mentioned above:

(i) Public/Rights/Preferential Issue of Shares/ Sweat equity etc.

(ii) Redemption/Buy Back of securities.

(iii) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013

(iv) Merger/reconstruction etc.

(v) Foreign Technical Collaborations.

For **DHOLAKIA & ASSOCIATES LLP**
(Company Secretaries)

Sd/-
CS Bhumitra V. Dholakia
Designated Partner
FCS-977 CP No. 507

Place : Mumbai
Date : July 8, 2019

ANNEXURE J

DIVIDEND DISTRIBUTION POLICY

PREAMBLE:

The shares of Bharat Petroleum Corporation Limited (the "Company") are listed on the National Stock Exchange of India Limited, Mumbai and BSE Limited, Mumbai. SEBI vide its notification dated 08.07.2016 has inserted Regulation 43A in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 which requires top five hundred listed entities based on market capitalization (calculated as on March 31 of every financial year) to formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites.

The Board of Directors of the Company ("the Board") has approved the Dividend Distribution Policy of the Company ("the policy").

OBJECTIVE

The Company aims at maximisation of shareholder value and believes that this can be attained by driving growth. The policy endeavours to strike an optimum balance between rewarding shareholders through dividend and ensuring that sufficient profits are retained for growth of the Company and other needs. The objective of the policy is to lay down a consistent approach to dividend declaration.

PARAMETERS FOR DIVIDEND DISTRIBUTION

- The Company has only one class of shares i.e. Equity shares and hence, the parameters disclosed hereunder apply to the same.
- The Board, while considering payment of dividend for a financial year may, inter-alia, consider the following factors:-
  - Profit for the financial year as well as general reserves of the Company.
  - Projections of future profits and cash flows.
  - Borrowing levels and the capacity to borrow including repayment commitments.
  - Present and future capital expenditure plans of the Company including organic/inorganic growth avenues.
  - Applicable taxes including tax on dividend.
  - Compliance with the provisions of the Companies Act or any other statutory guidelines including guidelines issued by the Govt. of India.
  - Past dividend trends for the Company and the industry.
  - State of the economy and capital markets.
  - Any other factor as may be deemed fit by the Board.
- The profits for a year may be adjusted at the discretion of the Board, for the purpose, to exclude exceptional or one off items or non-cash items resulting from change in law, accounting policies, accounting standards or otherwise.
- The Company would endeavor to pay minimum annual dividend of 30% of Profit after Tax (PAT) or 5% of net worth, whichever is higher, subject to the maximum dividend permitted under the extant legal provisions.
- In case of deviation, if any, in a particular year due to inadequacy or absence of profits/reserves or otherwise, the reasons and justification thereof shall be disclosed to the shareholders through the Annual Report of the Company.
- The Company is committed to continuous growth and has plans requiring significant capital outlay. The retained earnings, after distribution of dividend, shall primarily be utilized towards this purpose.
- Dividend shall be recommended by the Board for approval of shareholders of the Company for payment. However, the Board may also consider payment of interim dividend as and when it feels appropriate.

GENERAL

- In the event of the policy being inconsistent with any new regulatory provision, such regulatory provision shall prevail upon the corresponding provision of this policy and the policy shall be construed to be amended accordingly from the effective date of such provision.
- The Company reserves its right to alter, modify, add, delete or amend any or all of the provisions of the policy as it may deem fit or in accordance with the guidelines as may be issued by SEBI, Government of India or any other regulatory authority. The change in the policy shall, however, be disclosed alongwith the justification thereof on the Company's website and in the ensuing Annual Report in accordance with the extant regulatory provisions.

PERFORMANCE PROFILE

Particulars	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
1. Refinery Thruput (TMT)										
Imported	**26,139**	23,795	20,421	18,028	17,661	16,761	17,155	16,353	14,769	14,126
Indigenous	**4,867**	4,746	4,970	6,088	5,694	6,590	6,050	6,559	7,015	6,281
TOTAL	**31,006**	28,541	25,391	24,115	23,355	23,351	23,205	22,912	21,784	20,407
2. Production Quantity (TMT)	**29,340**	26,946	24,206	22,965	22,149	22,052	21,843	21,522	20,547	19,199
Light Distillates %	**28.85**	29.50	30.05	28.90	27.93	29.19	28.52	28.91	29.83	28.11
Middle Distillates %	**58.13**	59.58	59.83	60.27	59.65	57.02	56.26	55.42	55.46	54.51
Heavy Ends %	**13.02**	10.93	10.12	10.83	12.42	13.78	15.22	15.68	14.71	17.38
3. Fuel and Loss as % of Crude Processed *	**5.4**	5.6	4.7	4.8	5.2	5.6	5.9	6.1	5.7	5.9
4. Market Sales (MMT)	**43.07**	41.21	37.68	36.53	34.45	34.00	33.30	31.14	29.27	27.89
5. Lubricants Production (MT)	**2,47,910**	3,27,049	2,93,791	2,95,509	2,87,649	2,58,112	2,58,586	2,17,851	2,20,387	2,09,301
6. Market Participation %	**23.8**	23.8	22.8	22.9	23.3	23.5	23.1	22.4	22.5	22.5
7. Marketing Network										
Installations	**14**	13	13	13	13	12	12	12	12	12
Depots	**109**	110	115	118	114	116	115	115	114	129
Aviation Service Stations	**56**	50	43	40	35	34	36	36	31	30
Total Tankages (Million KL)	**4.02**	3.95	3.70	3.60	3.52	3.49	3.44	3.43	3.39	3.40
Retail Outlets	**14,802**	14,447	13,983	13,439	12,809	12,123	11,637	10,310	9,289	8,692
LPG Bottling Plants	**52**	51	51	50	50	50	50	49	49	49
LPG Distributors	**5,907**	5,084	4,684	4,494	4,044	3,355	2,949	2,658	2,452	2,187
LPG Customers (No. Million)	**78.33**	66.63	60.60	50.6	45.8	41.2	37.4	34.5	31.1	28.3
8. Manpower (Nos.)	**11,971**	12,019	12,484	12,623	12,687	13,214	13,213	13,343	13,837	13,900
9. Sales and Earnings (Figures in ₹ Crores)										
i) Sales and Other Income**	**3,39,693**	2,79,447	2,43,464	2,18,072	2,47,552	2,53,492	2,29,796	2,03,866	1,54,886	1,27,884
ii) Gross Profit before Depreciation, Interest & Tax	**14,948**	14,772	13,430	12,801	10,515	9,555	7,787	5,569	5,167	4,619
iii) Depreciation	**3,189**	2,653	1,891	1,845	2,516	2,247	1,926	1,885	1,655	1,242
iv) Interest	**1,319**	833	496	565	583	1,359	1,825	1,800	1,117	1,011
v) Profit before Tax	**10,440**	11,286	11,043	10,391	7,416	5,949	4,036	1,884	2,395	2,366
vi) Tax	**3,308**	3,310	3,004	3,335	2,331	1,888	1,393	573	848	828
vii) Profit after Tax	**7,132**	7,976	8,039	7,056	5,085	4,061	2,643	1,311	1,547	1,538
10. What the Company Owned (₹ Crores)										
i) Gross Property, Plant and Equipment (including Capital Work-in-Progress and investment property)	**62,858**	53,594	46,761	37,700	49,475	41,229	36,095	32,846	30,307	27,930
ii) Net Property, Plant and Equipment (including Capital Work-in-Progress and investment property)	**53,554**	47,436	43,060	35,872	27,981	22,105	19,110	17,732	16,972	16,187
iii) Net Current Assets	**4,866**	878	151	(65)	(991)	9,584	14,690	13,612	9,715	19,954
iv) Non-Current Assets	**15,436**	15,693	14,672	11,283	11,463	10,671	9,482	8,430	8,113	
Total Assets Net (ii + iii+ iv)	**73,856**	64,007	57,883	47,090	38,453	42,360	43,282	39774	34,800	36,141

PERFORMANCE PROFILE (CONTD.)

Particulars	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
11. What the Company Owed (₹ Crores)										
i) Share Capital @	**1,967**	1,967	1,311	656	723	723	723	362	362	362
ii) Other Equity	**34,771**	32,164	28,357	26,667	21,744	18,736	15,911	14,552	13,696	12,725
iii) Total Equity (i +ii)	**36,738**	34,131	29,668	27,323	22,467	19,459	16,634	14,914	14,058	13,087
iv) Borrowings	**29,099**	23,351	23,159	15,857	13,098	20,322	23,839	22,994	18,960	22,195
v) Deferred Tax Liability (net)	**6,169**	4,956	3,502	2,622	1,708	1,361	1,656	1,401	1,008	859
vi) Non- Current Liabilites	**1,850**	1,569	1,554	1,288	1,180	1,218	1,153	465	774	
Total Funds Employed (iii + iv + v +vi)	**73,856**	64,007	57,883	47,090	38,453	42,360	43,282	39,774	34,800	36,141
12. Internal Generation (₹ Crores)	**7,449**	8,759	4,723	6,516	5,989	4,586	4,002	3,135	2,759	1,897
13. Value Added (₹ Crores)	**30,888**	28,318	25,903	24,885	20,569	20,855	17,638	14,837	12,926	10,085
14. Earnings in Foreign Exchange (₹ Crores)	**13,220**	10,371	10,152	7,138	12,364	19,122	18,456	19,316	12,380	9,504
15. Ratios										
i) Gross Profit before Depreciation, Interest & Tax as % age of Sales and Other Income	**4.4**	5.3	5.5	5.9	4.1	3.5	3.1	2.5	3.1	3.5
ii) Profit after Tax as % age of average Total Equity	**20.1**	25.0	28.2	28.3	24.3	22.5	16.8	9.1	11.4	12.2
iii) Gross Profit before Depreciation, Interest & Tax as % age of Capital Employed	**23.1**	25.5	30.1	38.9	36.1	25.4	19.7	14.6	15.7	13.7
iv) Profit before Tax as % age of Capital Employed	**16.1**	19.5	24.8	31.6	25.5	15.8	10.2	4.9	7.2	7.0
v) Profit After Tax as % age of Capital Employed	**11.0**	13.8	18.0	21.4	17.5	10.8	6.7	3.4	4.7	4.6
vi) Debt Equity Ratio	**0.79**	0.68	0.78	0.58	0.58	1.04	1.43	1.54	1.35	1.70
16. Earning per Share (₹) #	**36.26**	40.55	40.87	35.88	23.44	18.72	12.18	6.04	7.13	7.09
17. Book Value per Share (₹) #	**186.78**	173.53	150.84	138.92	103.57	89.70	76.68	68.75	64.80	60.33
18. Dividend ^										
i) Percentage	**190**	210	325	310	225	170	110	110	140	140
ii) Amount (₹ Crs.)	**4,122**	4,555	4,700	2,242	1,627	1,229	795	398	506	506

Note: The figures from 2015-16 onwards are as per Indian Accounting Standards

The figures from the year 2010-11 and onwards are prepared as per the requirements of the Revised Schedule VI/Schedule III as applicable

The figures for the year 2017-18 has been restated after merger of PCCKL operations with BPCL

* The Figures of Fuel & Loss reported do not include the external fuel used in Refineries

@ The share capital from 2015-16 onwards is after adjustment of BPCL Trust for Investment in Shares.

\# Adjusted for bonus shares issued

^ Dividend includes proposed dividend

** Sales and Other Income is excluding Subsidy.

SOURCES AND APPLICATION OF FUNDS

₹ in Crores

	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
SOURCES OF FUNDS										
OWN										
Profit after Tax	**7,132**	7,976	8,039	7,056	5,085	4,061	2,643	1,311	1,547	1,538
Foreign Exchange Gain credited to Foreign Currency Monetary Item Translation Difference Account (Net of amortisation)	**-**	-	286	-	-	184	-	-	-	-
Capital Grants received / (Reversed) (Net of amortisation)	**-**	-	-	-	3	5	-	-	2	-
Adjustment on account of transitional provisions	**(40)**	(78)	-	-	-	-	-	-	-	-
Depreciation	**3,189**	2,653	1,888	1,838	2,524	2,247	1,926	1,885	1,655	1,247
Investment (net)	**-**	-	-	-	-	262	-	461	2,124	4,577
Deferred Tax Provision	**1,213**	1,454	880	588	347	(295)	255	393	148	(380)
Equity instruments through OCI	**(64)**	(15)	183	(182)	-	-	-	-	-	-
Income from BPCL trust for investment in shares	**364**	297	526	260	-	-	-	-	-	-
Remeasurement of defined benefit plan	**(138)**	24	(51)	(93)	-	-	-	-	-	-
BORROWINGS										
Loans (net)	**5,749**	191	7,302	2,864	-	-	845	4,022	-	1,024
Deposits for container	**1,881**	1,405	1,695	1,124	1,183	904	653	613	570	411
Decrease in current / non current items	**-**	-	-	-	9,533	3,109	-	-	235	-
Adjustment on account of Deletion/Re-classification, etc.	**139**	147	52	38	(28)	19	236	63	50	16
Total	**19,426**	**14,056**	**20,800**	**13,493**	**18,647**	**10,496**	**6,558**	**8,748**	**6,331**	**8,433**
APPLICATION OF FUNDS										
Capital Expenditure	**9,633**	7,123	9,128	9,946	8,494	5,553	3,544	2,762	2,532	3,447
Addition in Net Block of assets due to PCCKL merger	**-**	54	-	-	-	-	-	-	-	-
Foreign Exchange loss debited to Foreign Currency Monetary Item Translation Difference Account (including amortisation)	**96**	140	-	106	157	-	-	-	-	-
Dividend (incl interim dividend)	**3,905**	3,182	5,640	2,784	1,627	1,229	795	398	506	506
Tax on distributed profits	**648**	420	998	497	294	197	127	57	71	73
Repayment of Loans (net)	**-**	-	-	-	7,224	3,517	-	-	3,222	-
Investment (net)	**770**	1,025	1,790	12	851	-	1,192	-	-	-
Increase in current / non current items	**4,374**	2,113	3,244	148	-	-	900	5,531	-	4,407
Total	**19,426**	**14,056**	**20,800**	**13,493**	**18,647**	**10,496**	**6,558**	**8,748**	**6,331**	**8,433**

Note: The figures from 2015-16 onwards are as per Indian Accounting Standards.

SALES VOLUME ('000 MT)

	2018-19		2017-18		2016-17		2015-16		2014-15	
	Sales	Market Share (%)	Sales	Market Share (%)	Sales	Market Share (%)	Sales	Market Share (%)	Sales	Market Share (%)
Light Distillates :										
Naphtha	**428**	**7.7**	348	6.7	177	3.6	104	2.2	326	6.8
LPG (Bulk & Packed)	**6,491**	**26.5**	5,986	26.3	5,449	25.9	4,874	25.7	4,510	25.8
Motor Spirit	**7,428**	**28.6**	6,980	28.7	6,412	28.5	6,011	28.5	5,350	28.8
Special Boiling Point Spirit/Hexane	**41**	**49.5**	36	54.4	30	50.7	28	46.5	31	50.6
Benzene	**94**	**34.9**	62	28.6	48	23.5	46	23.5	31	16.5
Toluene	**31**	**100.0**	17	100.0	22	100.0	19	100.0	26	100.0
Polypropylene Feedstock	**148**	**46.5**	97	39.6	94	35.1	105	38.3	109	-
Regasified - LNG	**1,292**	**9.2**	1,312	9.5	967	7.1	718	6.5	816	-
Others	**482**	**33.0**	417	33.4	376	34.8	356	21.8	337	-
Sub Total	**16,435**		15,255		13,575		12,261		11,536	
Middle Distillates :										
Aviation Turbine Fuel	**1,990**	**25.9**	1,790	25.6	1,547	25.0	1,283	22.8	1,255	23.6
Superior Kerosene Oil	**602**	**16.1**	664	16.2	903	16.0	1,100	15.6	1,171	16.1
High Speed Diesel	**20,421**	**26.9**	20,094	27.0	19,097	26.7	19,354	26.8	18,375	26.7
Light Diesel Oil	**128**	**22.1**	112	21.5	106	23.6	90	22.0	81	22.1
Mineral Turpentine Oil	**94**	**50.0**	93	54.1	89	60.2	87	61.3	84	66.1
Sub Total	**23,235**		22,753		21,742		21,914		20,966	
Others :										
Furnace Oil	**690**	**13.4**	695	12.7	783	13.5	742	13.6	650	14.0
Low Sulphur Heavy Stock	**6**	**1.9**	20	20.3	51	48.5	80	53.5	162	42.9
Bitumen	**903**	**15.9**	790	16.2	636	13.5	779	16.2	733	16.8
Petcoke	**1,193**	**20.6**	1,046	20.2	422	10.8	291	8.5	-	-
Lubricants	**238**	**17.7**	320	23.2	293	21.5	322	24.3	311	26.0
Others	**367**	**16.8**	331	13.8	182	9.6	145	19.4	91	14.3
Sub Total	**3,397**		3,202		2,367		2,359		1,947	
Grand Total	**43,067**	**23.83**	41,210	23.75	37,684	22.77	36,534	22.94	34,449	23.29

Note : Market Share is based on Sales Volumes of Public Sector Oil Companies.

PRODUCTION ('000 MT)

Particulars	2018-19	2017-18	2016-17	2015-16	2014-15
Light Distillates :					
Naphtha	**1,291**	1,468	1,405	1,135	1,291
LPG	**1,488**	1,403	1,099	1,048	955
Motor Spirit	**5,364**	4,850	4,517	4,207	3,686
Special Boiling Point Sprit/Hexane	**41**	37	32	28	32
Benzene	**92**	73	93	95	78
Toluene	**32**	17	23	18	25
Polypropylene Feedstock/ Propylene	**147**	99	94	104	108
Ind. Reformate	**-**	-	5	-	12
Others	**9**	2	5	1	1
Sub Total	**8,464**	7,949	7,274	6,636	6,187
Middle Distillates:					
Aviation Turbine Fuel	**1,721**	1,613	1,479	1,284	1,268
Superior Kerosene Oil	**342**	344	449	534	530
High Speed Diesel	**14,529**	13,597	11,932	11,579	11,005
Light Diesel Oil	**212**	106	264	91	80
Mineral Turpentine Oil	**93**	93	95	83	82
Lube Oil Base Stock	**159**	262	255	270	246
Others	**-**	38	11	-	-
Sub Total	**17,056**	16,053	14,484	13,841	13,211
Heavy Ends :					
Petcoke	**983**	687	-	-	-
Furnace Oil	**1,393**	1,099	1,698	1,537	1,706
Low Sulphur Heavy Stock	**8**	25	39	81	221
Sulphur	**273**	215	82	89	93
Bitumen	**914**	807	623	781	731
Others	**249**	111	7	-	-
Sub Total	**3,820**	2,944	2,449	2,488	2,751
Grand Total	**29,340**	26,946	24,206	22,965	22,149

Lubricants Production (MT)

	2018-19	2017-18	2016-17	2015-16	2014-15
	2,47,910	3,27,049	2,93,791	2,95,509	2,87,649

Quantity of LPG Filled in Cylinders (MT)

	2018-19	2017-18	2016-17	2015-16	2014-15
	60,99,995	56,73,579	51,28,580	46,16,172	42,67,898

HOW VALUE IS GENERATED

₹ in Crores

Particulars	2018-19	2017-18
Value of Production (Refinery)	1,25,428	91,598
Less : Direct Materials Consumed	(1,20,030)	(84,009)
Added Value	5,398	7,589
Marketing Operations	22,506	17,818
Value added by Manufacturing & Trading Operations	27,904	25,407
Add : Other Income and prior period items	2,984	2,911
Total Value Generated	30,888	28,318

HOW VALUE IS DISTRIBUTED

₹ in Crores

Particulars	2018-19	2018-19	2017-18	2017-18
1. OPERATIONS				
Operating & Service Costs		12,277		10,108
2. EMPLOYEES' BENEFITS				
Salaries, Wages & Bonus	2,821		2,520	
Other Benefits	843	3,664	917	3,437
3. PROVIDERS OF CAPITAL				
Interest on Borrowings	1,319		833	
Dividend after netting off Trust shares	3,540	4,859	2,885	3,718
4. INCOME TAX & DIVIDEND TAX		2,639		2,296
5. RE-INVESTMENT IN BUSINESS				
Depreciation	3,189		2,653	
Deferred Tax	1,316		1,435	
Retained Profit (including Debenture Redemption Reserves)	2,944	7,449	4,671	8,759
Total Value Distributed		30,888		28,318

Standalone
Financial Statements

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BHARAT PETROLEUM CORPORATION LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

1. We have audited the accompanying standalone Indian Accounting Standards ("Ind AS") financial statements of Bharat Petroleum Corporation Limited ("the Corporation"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS Financial Statements ").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Corporation as at March 31, 2019, the profit and total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit of the Standalone Ind AS Financial Statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Corporation in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Standalone Ind AS Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS Financial Statements .

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters:

S. No.	Key Audit Matter	Auditors' Response
1	**Computation of Expected Credit Loss (ECL):** Trade receivables and loans to LPG consumers granted under the Pradhan Mantri Ujwala Yojana (PMUY) scheme constitute a significant component of the total current assets of the Corporation. The Corporation recognizes Lifetime ECL at each reporting date on these current assets using a 'simplified approach', which relies on Management's estimates regarding probability of default rates linked to age-wise bucketing of the corresponding asset.	Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: • We have evaluated the methodology for age-wise bucketing of trade receivables and key assumptions underlying the probability of default estimates on the same, to ascertain that the same were broadly in-line with the Corporation's historical default rates. • We selected a few sample outstanding receivable cases having different overdue period and checked if the computation of ECL is appropriate in line with the Corporation's policy. • In respect of loans to LPG consumers granted under the PMUY scheme, we reviewed the methodology used for segregating the total outstanding loans into buckets and the assumptions underlying probability of default estimates in respect of the same. Based on discussions with the Management, we understand that this methodology was arrived at after discussion with few industry peers.

S. No.	Key Audit Matter	Auditors' Response
2	**Investments in E&P Subsidiary:** The Corporation has an investment of Rs 5,494.41 Crores in 100% subsidiary Bharat Petro Resources Ltd (BPRL). This subsidiary alongwith its step down subsidiaries, JVs & Associates holds participating interest in various oil/ gas blocks for exploration & evaluation, development and production activities (E&P). The Corporation's realisation from these E&P investments is dependent on the continued successful operations/ development of reserves resulting in expected earnings and revenue growth of the respective companies.	The following procedures were carried out in this regard: • We evaluated the design and implementation of key controls in relation to the impairment testing carried out by the Corporation for E&P assets. • We reviewed the audited financial statements of BPRL and the independent auditor's report thereon to ascertain if there are any signs of permanent diminution in the Corporation's investments therein.
3	**Evaluation of Contingent Liabilities:** The Corporation has material uncertain positions including matters under dispute which involves significant judgment to estimate the possible outcome of these disputes. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote. Contingent liabilities disclosed are in respect of items which in each case are above the threshold limit.	• We examined sample items above the threshold limit for recognition of contingent liabilities and obtained details of completed Excise, VAT/ Sales Tax/ Entry Tax assessments and demands as on March 31, 2019. • We have assessed the Management's underlying assumptions in estimating the possible outcome of the disputes. We also considered legal precedence and other rulings in evaluating Management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions at beginning of the financial year to evaluate whether any change was required to Management's position on these uncertainties.
4	**Inventories:** Valuation of Inventories is a significant area requiring Management's judgment of estimates and application of accounting policies that have significant effect on the amounts recognized in the financial statements.	• We evaluated the system of inventory monitoring and control. It was observed that inventory has been physically verified by the Management during the year at reasonable intervals. • In respect of inventory lying with third parties, we have ascertained that these have substantially been confirmed by them. Our audit teams have also physically verified on sample basis the Inventories at various locations and compliance with cut off procedures. We examined the system for records maintenance for stocks lying at third party locations. • We have also tested the values considered in respect of Net realisable value, cost of products and verified with the inventory valuation.

S. No.	Key Audit Matter	Auditors' Response
5	**Property, Plant & Equipment:** Estimates of useful lives and residual value of Property, Plant and Equipment is a significant area requiring Management judgment of estimates and application of accounting policies that have significant effect on the amounts recognized in the financial statements.	• We examined whether the Corporation has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. • The physical verification of fixed assets (except LPG Cylinders and pressure regulators with customers) has been carried out by the Management in accordance with the phased program of verification of all assets which was reviewed by us. • The useful life of the major assets was adopted based on internal estimate and was also comparable with other entities in the same industry. We have tested the computation of depreciation on sample basis.

Information Other than the Standalone Ind AS Financial Statements and Auditors' Report Thereon

5. The Corporation's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Ind AS Financial Statements and our audit report thereon.

6. Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we do not express any form of assurance thereon.

7. In connection with our audit of the Standalone Ind AS Financial Statements , our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

8. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Ind AS Financial Statements

9. The Corporation's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, cash flows and changes in equity of the Corporation in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Corporation and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

10. In preparing the Standalone Ind AS Financial Statements , management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

11. The Corpoartions's Board of Directors management is responsible for overseeing the Corporation's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Ind AS Financial Statements

12. Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of Standalone Ind AS Financial Statements .

13. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the Standalone Ind AS Financial Statements , whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Corporation has adequate internal financial controls system in place and the operating effectiveness of such controls.

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

      Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.

    - Evaluate the overall presentation, structure and content of the Standalone Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

14. Materiality is the magnitude of misstatements in the Standalone Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

15. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

16. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

17. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

18. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, and on the basis of such checks of the books and records of the Corporation, as we considered appropriate and according to the information and explanations given to us, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

19. As required by Section 143(5) of the Act, we give in "Annexure B", a statement on the matters specified by the Comptroller and Auditor-General of India for the Corporation.

20. As required by Section 143(3) of the Act, based on our audit we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Corporation so far as it appears from our examination of those books.

    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

    d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Act.

    e) In view of exemption given vide notification no. G.S.R. 463(E) dated June 5, 2015, issued by Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualification of directors, are not applicable to the Corporation;

    f) With respect to the adequacy of the internal financial controls over financial reporting of the Corporation and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

    g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

        i. The Corporation has disclosed the impact, if any, of pending litigations on its financial position in its standalone Ind AS financial statements. (Refer Note 63 of the standalone Ind AS financial statements;)

        ii. The Corporation has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Corporation.

For CVK & Associates
Chartered Accountants
ICAI FRN 101745W

Sd/–
A K Pradhan
Partner
Membership No. 032156

For Borkar & Muzumdar
Chartered Accountants
ICAI FRN 101569W

Sd/–
Devang Vaghani
Partner
Membership No.109386

Place: Mumbai
Date: 20th May 2019

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 18 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Bharat Petroleum Corporation Limited ("the Corporation") on the standalone Ind AS financial statements as of and for the year ended March 31, 2019]

(i) (a) The Corporation has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) As per information and explanations given to us, physical verification of fixed assets (except LPG Cylinders and pressure regulators with customers) has been carried out by the Management during the year in accordance with the phased programme of verification of all assets over three years which, in our opinion, is reasonable having regard to the size of the Corporation and the nature of its assets. As informed, no material discrepancies were noticed on such verification;

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Corporation, the title deeds of immovable properties are held in the name of the Corporation, except in cases given below:

Particulars	Number of Cases	Net Block (₹ in Crores)	Remarks
Freehold Land	9	85.20	Documents of title not available for verification
Freehold Land	11	8.34	Documents of title lying with registration authorities, as informed
Freehold Land	2	203.70	Mutation Pending, as informed

(ii) The inventory (excluding stocks with third parties and goods in transit) has been physically verified by the Management during the year at reasonable intervals. In respect of inventory lying with third parties, these have substantially been confirmed by them. No material discrepancies were noticed on physical verification of inventories carried out at the end of the year;

(iii) As informed, the Corporation has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraphs 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable;

(iv) In our opinion and according to the information and explanations given to us, the Corporation has complied with the provisions of Section 185 and Section 186 of the Act, with respect to the loans, investments, guarantees and securities;

(v) In our opinion and according to the information and explanations given to us, the Corporation has not accepted any deposits from public within the provisions of Sections 73 to 76 of the Act read with The Companies (Acceptance of Deposits) Rules, 2014 and other relevant provisions of the Act;

(vi) We have broadly reviewed the books of account maintained by the Corporation in respect of products where the maintenance of cost records has been specified by the Central Government under Section 148(1) of the Act and the rules framed there under and we are of the opinion that prima-facie, the prescribed books of account and cost records have been made and maintained. We have not, however, made a detailed examination of the same with a view to determining whether they are accurate or complete;

(vii) (a) The Corporation is generally regular in depositing with appropriate authorities, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Goods and Service tax (GST), Customs Duty, Excise Duty, Value Added Tax, Cess and any other material statutory dues applicable to it;

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, GST, Customs Duty, Excise Duty, Value Added Tax, Cess and any other material statutory dues applicable to it, were outstanding, as on the last day of the financial year, for a period of more than six months from the date they became payable;

(b) According to the information and explanation given to us, the dues outstanding with respect to Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax have not been deposited on account of any dispute, are as per Statement 1;

(viii) According to the information and explanations given to us, the Corporation has not defaulted in repayment of loans or borrowing to financial institutions, banks, government or dues to debenture holders;

(ix) The Corporation did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. According to the information and explanations given to us, money raised by way of term loans during the year have been applied for the purpose for which those were raised;

(x) During the course of our examination of the books and records of the Corporation, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, no instances of fraud by the Corporation or on the Corporation by its officers and employees have been noticed or reported during the year;

(xi) In view of exemption given vide notification no. G.S.R. 463(E) dated June 5 2015, issued by Ministry of Corporate Affairs, provisions of Section 197 read with Schedule V of the Act regarding managerial remuneration are not applicable to the Corporation. Accordingly, paragraph 3(xi) of the Order is not applicable;

(xii) In our opinion and according to the information and explanations given to us, the Corporation is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable;

(xiii) According to the information and explanations given to us and based on our examination of the records of the Corporation, all transactions entered into by the Corporation with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements, as required by the applicable Indian Accounting Standards;

(xiv) According to the information and explanations given to us and based on our examination of the records, the Corporation has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable;

(xv) According to the information and explanations given to us and based on our examination of the records, the Corporation has not entered during the year into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable;

(xvi) The Corporation is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

For CVK & Associates
Chartered Accountants
ICAI FRN 101745W

Sd/-
A K Pradhan
Partner
Membership No. 032156

For Borkar & Muzumdar
Chartered Accountants
ICAI FRN 101569W

Sd/-
Devang Vaghani
Partner
Membership No.109386

Place: Mumbai
Date: 20th May 2019

Statement 1 (Refer Clause vii (b) of Annexure A)

₹ in Crores

S. No.	Name of the Statute	Nature of Dues	Forum Where Dispute is pending	Amount	Period block to which it relates ^
1.	Central Excise Act, 1944	Duty, interest and penalty for cases relating to Determination of Assessable value, Cenvat Credit etc.	Supreme Court	1,247.03	2000 to 2010
			High Court	23.95	1995 to 2015
			Appellate Tribunal *	1,240.48	1985 to 2019
			Appellate Authority **	85.31	1990 to 2019
			Total	**2,596.77**	
2.	Customs Act, 1962	Duty, interest and penalty for cases relating to Determination of Valuation etc.	Appellate Tribunal *	**7.19**	2000 to 2010
3.	Income Tax Act, 1961	Tax, interest and penalty demands towards various Income tax disputes	Appellate Authority **	**10.37**	2005 to 2019
4.	Sales Tax/VAT Legislations	Tax, interest and penalty demand towards Sales Tax/ VAT disputes	Supreme Court	8.59	1995 to 2005
			High Court	634.41	1980 to 2019
			Appellate Tribunal *	3,830.29	1980 to 2015
			Appellate Authority **	8,199.01	1980 to 2019
			Adjudicating Authority ***	95.30	1985 to 2015
			Total	**12,767.60**	
5.	Finance Act, 1994 (Service Tax)	Duty, interest and penalty for cases relating to Service Tax disputes	Supreme Court	32.86	2005 to 2015
			High Court	0.51	2005 to 2010
			Appellate Tribunal *	29.40	2000 to 2015
			Appellate Authority **	14.82	2000 to 2019
			Total	**77.59**	
			Grand Total	**15,459.52**	

Remarks

Dues Include Penalty & Interest, wherever applicable.

* Appellate Tribunal includes Sales Tax Tribunal, CESTAT and ITAT.

** Apellate Authority includes Commissioner Appeals, Assistant Commissioner Appeals, Deputy Commissioner Appeals, Joint Commissioner Appeals and Deputy Commissioner Commercial Taxes Appeals.

*** Adjudicating Authority includes Collector of Sales Tax, Sales Tax Officer and Deputy Commissioner Sales Tax, Joint / Deputy/ Additional Commissioner of Commercial Taxes etc.

^ Period block shall indicate the period interval in which all the disputes under that authority have taken place.

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 19 under "Report on Other Legal and Regulatory Requirements" in the Independent Auditors' Report of even date to the Members of Bharat Petroleum Corporation Limited ("the Corporation") on the standalone Ind AS financial statements as of and for the year ended 31st March 2019]

1.	**Area examined**	**Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.**
	Observations/ Findings	The Corporation has a system in place to process all the accounting transactions through its implemented IT system, SAP. As such, we have not come across any accounting transactions processed outside IT system which would have an impact on the integrity of the accounts or any financial implications.
2.	**Area examined**	**Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.**
	Observations/ Findings	Based on our examination of relevant records of the Corporation and the information and explanations received from the Management, there were no cases of restructuring of an existing loan or cases of waiver/write off of debts/loans / interest by any of the lenders of the Corporation due to inability to repay the loan.
3.	**Area examined**	**Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.**
	Observations/ Findings	Based on our examination of relevant records of the Corporation and the information and explanations received from the Management, Funds received/receivable for specific schemes from central/state agencies were properly accounted for/utilised as per terms and conditions and applicable Ind AS.

For CVK & Associates
Chartered Accountants
ICAI FRN 101745W

Sd/-
A K Pradhan
Partner
Membership No. 032156

For Borkar & Muzumdar
Chartered Accountants
ICAI FRN 101569W

Sd/-
Devang Vaghani
Partner
Membership No.109386

Place: Mumbai
Date: 20th May 2019

ANNEXURE C TO INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 20(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Bharat Petroleum Corporation Limited on the standalone Ind AS financial statements for the year ended March 31, 2019]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Bharat Petroleum Corporation Limited ("the Corporation") as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Corporation for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Corporation's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Corporation considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Corporation's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Corporation's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Corporation has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Corporation considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For CVK & Associates
Chartered Accountants
ICAI FRN 101745W

Sd/-
A K Pradhan
Partner
Membership No. 032156

For Borkar & Muzumdar
Chartered Accountants
ICAI FRN 101569W

Sd/-
Devang Vaghani
Partner
Membership No.109386

Place: Mumbai
Date: 20th May 2019

BALANCE SHEET AS AT 31ST MARCH 2019

₹ In Crores

					Note no.	As at 31/03/2019	As at 31/03/2018
I.	**ASSETS**						
	(1)	**Non-current assets**					
		(a)	Property, Plant and Equipment		2	**46,259.18**	42,810.60
		(b)	Capital work-in-progress		3	**6,702.63**	4,043.75
		(c)	Investment Property		4	**0.24**	0.26
		(d)	Other Intangible assets		5	**228.70**	217.51
		(e)	Intangible assets under development		6	**363.10**	363.83
		(f)	Investments in Subsidiaries, Joint Ventures and Associates		7	**10,305.60**	9,949.96
		(g)	Financial Assets				
			(i)	Investments	8	**610.13**	681.21
			(ii)	Loans	9	**2,515.66**	3,089.91
			(iii)	Other financial assets	10	**45.27**	56.34
		(h)	Income Tax Assets (Net)		11	**449.40**	406.58
		(i)	Other non-current assets		12	**1,510.09**	1,508.72
						68,990.00	63,128.67
	(2)	**Current Assets**					
		(a)	Inventories		13	**21,544.65**	20,874.57
		(b)	Financial Assets				
			(i)	Investments	14	**5,075.89**	4,995.18
			(ii)	Trade receivables	15	**6,670.72**	5,151.73
			(iii)	Cash and cash equivalents	16	**78.49**	153.34
			(iv)	Bank Balances other than Cash and cash equivalents	17	**16.92**	29.19
			(v)	Loans	18	**1,628.88**	71.02
			(vi)	Other financial assets	19	**9,411.92**	4,643.13
		(c)	Current Tax Assets (Net)		20	**-**	24.54
		(d)	Other current assets		21	**1,252.91**	1,042.87
						45,680.38	36,985.57
	(3)	**Assets held-for-sale and Assets included in disposal group held-for-sale**			22 (a)	**956.87**	16.93
	TOTAL ASSETS					**1,15,627.25**	1,00,131.17
II.	**EQUITY AND LIABILITIES**						
	Equity						
	(a)	Equity Share Capital			23	**1,966.88**	1,966.88
	(b)	Other Equity			24	**34,770.80**	32,164.61
	Total Equity					**36,737.68**	34,131.49
	Liabilities						
	(1)	**Non-current liabilities**					
		(a)	Financial liabilities				
			(i)	Borrowings	25	**23,628.57**	14,758.22
			(ii)	Other financial liabilities	26	**56.48**	58.35
		(b)	Provisions		27	**1,509.86**	1,367.04
		(c)	Deferred tax liabilities (Net)		28	**6,168.99**	4,955.52
		(d)	Other non-current liabilities		29	**284.01**	143.19
						31,647.91	21,282.32
	(2)	**Current liabilities**					
		(a)	Financial liabilities				
			(i)	Borrowings	30	**3,580.75**	8,093.01
			(ii)	Trade payables			
			a.	Total Outstanding dues of Micro Enterprises and Small Enterprises	31	**52.04**	43.63
			b.	Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises		**17,183.14**	14,945.89
			(iii)	Other financial liabilities	32	**19,578.48**	15,988.57
		(b)	Other current liabilities		33	**4,614.26**	4,054.32
		(c)	Provisions		34	**1,746.96**	1,452.76
		(d)	Current Tax Liabilities (Net)		35	**255.48**	139.18
						47,011.11	44,717.36
	(3)	**Liabilities included in disposal group held-for-sale**			22 (b)	**230.55**	-
	Total Liabilities					**78,889.57**	65,999.68
	TOTAL EQUITY AND LIABILITIES					**1,15,627.25**	1,00,131.17
Significant Accounting Policies					1		
Notes Forming part of Financial Statements					44-69		

For and on behalf of the Board of Directors

As per our attached report of even date
For and on behalf of

Sd/-
D. Rajkumar
Chairman and Managing Director
DIN: 00872597

CVK & Associates
Chartered Accountants
ICAI FR No.101745W

Borkar & Muzumdar
Chartered Accountants
ICAI FR No.101569W

Sd/-
N. Vijayagopal
Director (Finance)
DIN: 03621835

Sd/-
M. Venugopal
Company Secretary

Sd/-
A.K. Pradhan
Partner
Membership No. 032156

Sd/-
Devang Vaghani
Partner
Membership No. 109386

Place: MUMBAI
Date: 20th May 2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019

₹ in Crores

	Particulars	Note No.	2018-19	2017-18
	Income			
I)	Revenue from operations	36	**3,37,622.53**	2,77,270.54
II)	Other income	37	**2,983.60**	2,911.10
III)	**Total Income (I + II)**		**3,40,606.13**	2,80,181.64
IV)	**Expenses**			
	Cost of materials consumed	38	**1,19,419.22**	81,467.45
	Purchases of stock-in-trade	39	**1,46,974.06**	1,25,462.73
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	40	**(1,703.06)**	320.60
	Excise duty expense		**40,347.48**	40,849.13
	Employee benefits expense	41	**3,664.18**	3,437.44
	Finance costs	42	**1,318.96**	833.25
	Depreciation and amortization expense	2,4,5	**3,189.28**	2,653.00
	Other expenses	43	**16,956.39**	13,872.07
	Total Expenses (IV)		**3,30,166.51**	2,68,895.67
V)	**Profit before tax (III - IV)**		**10,439.62**	11,285.97
VI)	**Tax expense**	28		
	1) Current tax		**2,079.00**	2,141.08
	2) Deferred tax		**1,316.48**	1,434.58
	3) Short / (Excess) provision of earlier years		**(87.88)**	(265.99)
	Total Tax expense (VI)		**3,307.60**	3,309.67
VII)	**Profit for the period (V - VI)**		**7,132.02**	7,976.30
VIII)	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of defined benefit plans		**(212.16)**	37.49
	(b) Equity instruments through Other Comprehensive Income-net change in fair value		**(71.08)**	(11.44)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		**81.64**	(16.91)
	Other Comprehensive Income (VIII)		**(201.60)**	9.14
IX)	**Total Comprehensive Income for the period (VII + VIII)**		**6,930.42**	7,985.44
X)	**Basic and Diluted Earnings per Equity share (Face value ₹ 10)**	54	**36.26**	40.55
Significant Accounting Policies		1		
Notes forming part of Financial Statements		44 to 69		

For and on behalf of the Board of Directors

As per our attached report of even date
For and on behalf of

Sd/-
D. Rajkumar
Chairman and Managing Director
DIN: 00872597

CVK & Associates
Chartered Accountants
ICAI FR No.101745W

Borkar & Muzumdar
Chartered Accountants
ICAI FR No.101569W

Sd/-
N. Vijayagopal
Director (Finance)
DIN: 03621835

Sd/-
M. Venugopal
Company Secretary

Sd/-
A.K. Pradhan
Partner
Membership No. 032156

Sd/-
Devang Vaghani
Partner
Membership No. 109386

Place: MUMBAI
Date: 20th May 2019

STATEMENT OF CASH FLOWS

₹ in Crores

	For the Year ended	31/03/2019	31/03/2018
A.	**Net Cash Flow from Operating Activities**		
	Net Profit Before Tax	**10,439.62**	11,285.97
	Adjustments for :		
	Depreciation	**3,189.28**	2,653.00
	Finance Costs	**1,318.96**	833.25
	Foreign Exchange Fluctuations	**(122.76)**	106.58
	(Profit) / Loss on Sale of Property, Plant and Equipment	**(5.29)**	35.63
	(Profit) / Loss on Sale of Investments	**(27.79)**	(10.65)
	Income from Investments	**(1,058.99)**	(958.15)
	Dividend Received	**(1,011.95)**	(1,245.56)
	Expenditure towards Corporate Social Responsibility	**203.32**	185.01
	Other Non-Cash items*	**249.17**	(492.46)
	Operating Profit before Working Capital Changes	**13,173.57**	12,392.62
	(Invested in)/Generated from :		
	Inventories	**(751.22)**	(1,075.70)
	Trade Receivables	**(1,660.31)**	(284.59)
	Other Receivables	**(6,289.18)**	(2,065.60)
	Current Liabilities & Payables	**5,243.04**	2,341.25
	Cash generated from Operations	**9,715.90**	11,307.98
	Direct Taxes Paid	**(1,893.10)**	(2,132.49)
	Paid for Corporate Social Responsibility	**(177.95)**	(166.24)
	Net Cash from / (used in) Operating Activities	**7,644.85**	9,009.25
B.	**Net Cash Flow from Investing Activities**		
	Purchase of Property, Plant and Equipment / Intangible Assets	**(9,056.83)**	(6,933.32)
	Sale of Property, Plant and Equipment	**40.00**	16.30
	Capital Advances	**(56.33)**	51.18
	Investment, Loans and Advances to Subsidiaries, Joint Venture Companies and Associates		
	GSPL India Gasnet Limited (Equity)	**(8.25)**	(12.10)
	GSPL India Transco Limited (Equity)	**-**	(14.85)
	Kannur International Airport Limited (Equity)	**-**	(3.00)
	Kochi Salem Pipeline Private Limited (Equity)	**(21.25)**	(20.00)
	Mumbai Aviation Fuel Farm Facility Private Limited (Equity)	**(6.40)**	(3.62)
	Bharat PetroResources Limited (Equity)	**(552.00)**	(1,528.00)
	Haridwar Natural Gas Private Limited (Equity)	**(5.00)**	-
	Goa Natural Gas Private Limited (Equity)	**(2.00)**	(5.00)
	BPCL - KIAL Fuel Farm Facility Private Limited (Equity)	**(1.11)**	-
	Ratnagiri Refinery & Petrochemical Ltd (Equity)	**-**	(25.00)
	Bharat PetroResources Limited - Loan (Net)	**175.00**	1,225.00
	GSPL India Transco Limited (Advance against Equity)	**-**	(4.51)
	Petronet India Limited	**-**	15.84
	Bharat Gas Resources Limited (Equity)	**(160.00)**	-
	Advance against equity to Bharat Gas Resources Limited	**(8.62)**	-

₹ in Crores

For the Year ended	31/03/2019	31/03/2018
Sale of Oil Bonds	**95.10**	380.25
Purchase of Government Securities	**(94.00)**	(90.20)
Purchase of Investments - Mutual Funds	**(49,058.00)**	(25,870.00)
Sale of Investments - Mutual Funds	**49,090.69**	25,900.40
Sai Wardha Power Generation Limited (Equity)	**2.30**	(2.30)
Income from Investment	**1,078.17**	936.49
Dividend Received	**1,011.95**	1,245.56
Net Cash from / (used in) Investing Activities	**(7,536.58)**	(4,740.88)
C. Net Cash Flow from Financing Activities		
Short Term Borrowings (Net)	**(4,726.04)**	537.36
Long Term Borrowings	**10,401.65**	1,395.99
Repayment of Loans	**(499.44)**	(2,219.66)
Interest Paid	**(1,075.32)**	(831.36)
Dividend Paid	**(3,540.39)**	(2,884.76)
Dividend Distribution Tax	**(647.95)**	(420.49)
Net Cash from / (used in) Financing Activities	**(87.49)**	(4,422.92)
D. Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	**20.78**	(154.55)
Cash and Cash Equivalents as at	**31/03/2018**	**31/03/2017**
Cash on hand	**17.69**	0.70
Cheques and drafts on hand	**16.19**	38.69
Cash at Bank	**119.46**	49.35
Less : Working capital loans / Cash Credit	**(306.75)**	(87.60)
	(153.41)	1.14
Cash and Cash Equivalents as at	**31/03/2019**	**31/03/2018**
Cash on hand	**33.26**	17.69
Cheques and drafts on hand	**24.70**	16.19
Cash at Bank	**20.53**	119.46
Less : Working capital loans / Cash Credit	**(211.12)**	(306.75)
	(132.63)	(153.41)
Net change in Cash and Cash Equivalents	**20.78**	(154.55)

***Includes FCMITDA Amortisation loss of ₹ **66.72 Crores** (Previous year Gain ₹ 65.26 Crores)

STATEMENT OF CASH FLOWS (CONTD.)

Disclosure to changes in liabilities arising from Financing Activities

₹ in Crores

Particulars	Short term borrowings (excluding Working capital loans/Cash Credit)	Long term borrowings (including current maturities)	Total liabilities from financing activities
As on 31st March, 2018	7,786.26	15,257.66	23,043.92
Cash flows	(4,726.04)	9,902.22	5,176.18
Non cash changes			
a) Foreign exchange movement	309.41	255.68	565.09
b) Recognition of deferred income and its amortisation	-	70.73	70.73
c) Fair value changes	-	32.26	32.26
As on 31st March, 2019	3,369.63	25,518.55	28,888.18

₹ in Crores

Particulars	Short term borrowings (excluding Working capital loans/Cash Credit)	Long term borrowings (including current maturities)	Total liabilities from financing activities
As on 31st March, 2017	7,139.76	15,931.85	23,071.61
Cash flows	537.36	(823.67)	(286.31)
Non cash changes			
a) Foreign exchange movement	109.14	132.07	241.21
b) Fair value changes	-	17.41	17.41
As on 31st March, 2018	7,786.26	15,257.66	23,043.92

Explanatory notes to Statement of Cash Flows

1. The Statement of Cash Flows is prepared in accordance with the format prescribed by Securities and Exchange Board of India and as per Ind AS 7 as notified by Ministry of Corporate Affairs.
2. In Part-A of the Statement of Cash Flows, figures in brackets indicate deductions made from the Net Profit for deriving the net cash flow from operating activities. In Part-B and Part-C, figures in brackets indicate cash outflows.
3. The net profit / loss arising due to conversion of current assets / current liabilities, receivable / payable in foreign currency is furnished under the head “Foreign Exchange Fluctuations”.
4. “Other Non-Cash items” include excess provisions written back, diminution in value of investment, Reversal of excess capitalisation, amortisation of Capital grant, Bad debts and materials written off and miscellaneous adjustments not affecting Cash Flow.
5. “Current Liabilities and Payables” may include Payables in respect of Purchase of Property Plant and Equipments, if any.

For and on behalf of the Board of Directors

Sd/-
D. Rajkumar
Chairman and Managing Director
DIN: 00872597

Sd/-
N. Vijayagopal
Director (Finance)
DIN: 03621835

Sd/-
M. Venugopal
Company Secretary

As per our attached report of even date
For and on behalf of

CVK & Associates
Chartered Accountants
ICAI FR No.101745W

Sd/-
A.K. Pradhan
Partner
Membership No. 032156

Borkar & Muzumdar
Chartered Accountants
ICAI FR No.101569W

Sd/-
Devang Vaghani
Partner
Membership No. 109386

Place: MUMBAI
Date: 20th May 2019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2019

₹ in Crores

(a) Equity share capital	As at 31/03/2019		As at 31/03/2018	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting period	**2,16,92,52,744**	**2,169.25**	1,44,61,68,496	1,446.17
Add: Issue of Bonus Shares [Refer Note No. 23]	**-**	**-**	72,30,84,248	723.08
Balance at the end of the reporting period	**2,16,92,52,744**	**2,169.25**	2,16,92,52,744	2,169.25
Less: Adjustment for Shares held by BPCL Trust for Investment in Shares [Refer Note No. 45]	**(20,23,72,422)**	**(202.37)**	(20,23,72,422)	(202.37)
Balance at the end of the reporting period after Adjustment	**1,96,68,80,322**	**1,966.88**	1,96,68,80,322	1,966.88

₹ in Crores

(b) Other equity	Reserves & Surplus					Equity Instruments through Other Comprehensive Income [Note 24]	BPCL Trust for Investment in Shares [Note 24]	Total
	Capital Reserve [Note 24]	Debenture Redemption Reserve [Note 24]	General Reserve [Note 24]	Retained Earnings [Note 24]*	Foreign Currency Monetary Item Translation Difference Account (FCMITDA) [Note 24]			
Balance at 1st April 2017	**12.33**	**810.82**	**24,683.03**	**3,074.56**	**206.34**	**94.24**	**(524.19)**	**28,357.13**
Effect of Merger of Petronet CCK Ltd. [Refer Note No.66]	(33.09)	-	-	(44.41)	-	-	-	(77.50)
Opening balance after the above effect	(20.76)	810.82	24,683.03	3,030.15	206.34	94.24	(524.19)	28,279.63
Profit for the year	-	-	-	7,976.30	-	-	-	7,976.30
Other Comprehensive Income for the year	-	-	-	24.39	-	(15.25)	-	9.14
Issue of Bonus Shares [Refer Note No. 23]	-	-	(723.08)	-	-	-	67.45	(655.63)
Dividends	-	-	-	(3,181.57)	-	-	-	(3,181.57)
Dividend to BPCL Trust for Investment in Shares [Refer Note No. 45]	-	-	-	296.81	-	-	-	296.81
Dividend Distribution Tax	-	-	-	(420.49)	-	-	-	(420.49)
Transfer to Debenture Redemption reserve	-	297.74	-	(297.74)	-	-	-	-
Transfer to General Reserve	-	-	2,400.50	(2,400.50)	-	-	-	-
Transfer to General Reserve on redemption of debentures	-	-	-	-	-	-	-	-
Additions/(deletions) during the year - FCMITDA	-	-	-	-	(74.32)	-	-	(74.32)
Amortisation during the year - FCMITDA	-	-	-	-	(65.26)	-	-	(65.26)
Balance at 31st March 2018	**(20.76)**	**1,108.56**	**26,360.45**	**5,027.35**	**66.76**	**78.99**	**(456.74)**	**32,164.61**

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2019 (CONTD.)

₹ in Crores

(b) Other equity	Reserves & Surplus					Equity Instruments through Other Comprehensive Income [Note 24]	BPCL Trust for Investment in Shares [Note 24]	Total
	Capital Reserve [Note 24]	Debenture Redemption Reserve [Note 24]	General Reserve [Note 24]	Retained Earnings [Note 24]*	Foreign Currency Monetary Item Translation Difference Account (FCMITDA) [Note 24]			
Balance as at 1st April 2018	**(20.76)**	**1,108.56**	**26,360.45**	**5,027.35**	**66.76**	**78.99**	**(456.74)**	**32,164.61**
Transfer to Deffered Income on account of implementation of Ind AS 115 (net of tax) [Refer Note No. 65]	-	-	-	(39.79)	-	-	-	(39.79)
Balance after the above effect	(20.76)	1,108.56	26,360.45	4,987.56	66.76	78.99	(456.74)	32,124.82
Profit for the year	-	-	-	7,132.02	-	-	-	7,132.02
Other Comprehensive Income for the year	-	-	-	(138.02)	-	(63.58)	-	(201.60)
Dividends	-	-	-	(3,904.66)	-	-	-	(3,904.66)
Dividend to BPCL Trust for Investment in Shares [Refer Note No. 45]	-	-	-	364.27	-	-	-	364.27
Dividend Distribution Tax	-	-	-	(647.95)	-	-	-	(647.95)
Transfer to Debenture Redemption reserve	-	295.91	-	(295.91)	-	-	-	-
Transfer to General Reserve	-	-	2,500.00	(2,500.00)	-	-	-	-
Transfer to General Reserve from Debenture Redemption Reserve	-	(243.92)	243.92	-	-	-	-	-
Additions/(deletions) during the year - FCMITDA	-	-	-	-	(162.82)	-	-	(162.82)
Amortisation during the year - FCMITDA	-	-	-	-	66.72	-	-	66.72
Balance at 31st March 2019	**(20.76)**	**1,160.55**	**29,104.37**	**4,997.31**	**(29.34)**	**15.41**	**(456.74)**	**34,770.80**

*The balance includes accumulated loss on account of Remeasurements of defined benefit plans (Net of tax) as on 31st March 2019 ₹ **257.56 Crores** (Previous year ₹ (119.54) Crores).

For and on behalf of the Board of Directors

As per our attached report of even date
For and on behalf of

Sd/-
D. Rajkumar
Chairman and Managing Director
DIN: 00872597

CVK & Associates
Chartered Accountants
ICAI FR No.101745W

Borkar & Muzumdar
Chartered Accountants
ICAI FR No.101569W

Sd/-
N. Vijayagopal
Director (Finance)
DIN: 03621835

Sd/-
M. Venugopal
Company Secretary

Sd/-
A.K. Pradhan
Partner
Membership No. 032156

Sd/-
Devang Vaghani
Partner
Membership No. 109386

Place: MUMBAI
Date: 20th May 2019

CORPORATION OVERVIEW

Bharat Petroleum Corporation Limited referred to as "BPCL" or "the Corporation" was incorporated on 3rd November, 1952. BPCL is a Government of India Enterprise listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Corporation is engaged in the business of refining of crude oil and marketing of petroleum products. It has refineries at Mumbai and Kochi, LPG bottling plants and Lube blending plants at various locations. The Corporation's marketing infrastructure includes vast network of Installations, Depots, Retail Outlets, Aviation Fuelling Stations and LPG distributors.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis for preparation: The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder.

The Financial Statements have been prepared under historical cost convention basis, except for certain assets and liabilities measured at fair value.

The Corporation has adopted all the Ind AS and the adoption was carried out during Financial Year 2016-17 in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Generally Accepted Accounting Principles in India (Indian GAAP) as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, which was the "Previous GAAP".

The Corporation's presentation and functional currency is Indian Rupees (₹). All figures appearing in the financial statements are rounded to the nearest Crores (₹ Crores) except where otherwise indicated.

Authorisation of Financial Statements: The Financial Statements were authorised for issue in accordance with a resolution of the Board of Directors in its meeting held on 20th May 2019.

1.1. Use of Judgement and Estimates

The preparation of the Corporation's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Corporation continually evaluates these estimates and assumptions based on the most recently available information.

In particular, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:

- Assessment of functional currency;
- Financial instruments;
- Estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets;
- Valuation of inventories;
- Measurement of recoverable amounts of cash-generating units;
- Measurement of Defined Benefit Obligations and actuarial assumptions;
- Provisions including loss allowances;
- Evaluation of recoverability of deferred tax assets; and
- Contingencies.

Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

1.2. Property, Plant and Equipment

1.2.1. Property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

1.2.2. The initial cost of an asset comprises its purchase price or construction cost (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use).

1.2.3. Direct expenses incurred during construction period on capital projects are capitalised. Other expenses of the project group which are allocated to projects costing above a threshold limit are also capitalised. Expenditure incurred on enabling assets are capitalised.

1.2.4. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Corporation.

1.2.5. Expenditure on assets, other than plant and machinery, LPG cylinders and pressure regulators, not exceeding threshold limit are charged to revenue.

1.2.6. Spare parts which meet the definition of Property, Plant and Equipment are capitalized as Property, Plant and Equipment in case the unit value of the spare part is above the threshold limit. In other cases, the spare part is inventorised on procurement and charged to Statement of Profit and Loss on consumption.

1.2.7. An item of Property, Plant and Equipment and any significant part initially recognised separately as part of Property, Plant and Equipment is derecognised upon disposal; or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is derecognised.

1.2.8. The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial year end and changes, if any, are accounted in the line with revisions to accounting estimates.

1.2.9. In respect of the capital goods common for both GST and non-GST products, the GST input tax credit is taken on the eligible portion based on GST and non-GST product ratio in the month of procurement and the ineligible portion is capitalised. Subsequently, this ratio is reviewed every month as per the GST provisions and the differential GST amount arising due to changes in the ratio is capitalised when beyond the materiality threshold.

1.2.10. The Corporation has elected to use the exemption available under Ind AS 101 to continue the carrying value for all of its Property, Plant and Equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (1st April 2015).

1.3. Depreciation

Depreciation on Property, Plant and Equipment are provided on the straight line basis, over the estimated useful lives of assets (after retaining the estimated residual value of upto 5%). These useful lives determined are in line with the useful lives as prescribed in the Schedule II of the Act, except in following cases:

1.3.1. Plant & Machinery at Retail Outlets (other than Storage tanks and related equipments) are depreciated over a useful life of 15 years based on the technical assessment.

1.3.2. Computer equipments are depreciated over a period of 3 years and Mobile phones are depreciated over a period of 2 years based on internal assessment. Electronic and electrical equipments provided to management staff under furniture on hire scheme are depreciated over a period of 4 years (previously 6 years) as per internal assessment. Other furniture items provided to management staff are depreciated over a period of 6 years as per internal assessment.

1.3.3. Solar Panels are depreciated over a period of 25 years based on the technical assessment of useful life and applicable warranty conditions.

1.3.4. Moulds, used for the manufacturing of the packaging material for Lubricants, are depreciated over a period of 5 years based on technical assessment of useful life.

1.3.5. Items of Property, Plant and Equipment costing not more than the threshold limit are depreciated at 100 percent in the year of acquisition except LPG Cylinders and Pressure Regulators which are depreciated over a useful life of 15 years based on the technical assessment.

1.3.6. Components of the main asset that are significant in value and have different useful lives as compared to the main asset are depreciated over their estimated useful life. Useful life of such components has been assessed based on historical experience and internal technical assessment.

1.3.7. Depreciation on spare parts specific to an item of Property, Plant and Equipment is based on life of the related Property, Plant and Equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment.

1.3.8. Depreciation is charged on additions / deletions on pro-rata monthly basis including the month of addition / deletion.

1.4. Intangible Assets

1.4.1. Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any. Expenditure on internally generated intangibles, excluding development costs, is not capitalised and is reflected in Statement of Profit and Loss in the period in which such expenditure is incurred. Development costs are capitalised if, and only if, technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Corporation has an intention and ability to complete and use or sell the asset and the costs can be measured reliably.

1.4.2. Assets where entire output generated is committed to be sold to entities providing public services for almost entire useful life of the asset are classified as intangible assets as per the requirements of Ind AS 11 and are amortised (after retaining the residual value, if applicable) over their useful life or the period of the agreement, whichever is lower.

1.4.3. In cases where, the Corporation has constructed assets on behalf of public infrastructure entities and the Corporation has only a preferential right to use, these assets are classified as intangible assets and are amortised (after retaining the residual value, if applicable) over their useful life or the period of the agreement, whichever is lower.

1.4.4. Intangible assets with indefinite useful lives, such as right of way which is perpetual and absolute in nature, are not amortised, but are tested for impairment annually. The useful lives are reviewed at each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If not, the change in useful life from indefinite to finite is made on a prospective basis. The impairment losses on intangible assets with indefinite life is recognised in the Statement of Profit and Loss.

1.4.5. Expenditure incurred for creating / acquiring other intangible assets above threshold limit from which future economic benefits will flow over a period of time, is amortised over the estimated useful life of the asset or five years, whichever is lower, on a straight line basis, from the time the intangible asset starts providing the economic benefit. In other cases, the expenditure is reflected in the Statement of Profit and Loss in the year in which the expenditure is incurred. The amortisation period and the amortisation method for an intangible asset with a finite life are reviewed at each year end. The amortisation expense on intangible asset with finite useful lives and impairment losses in case there is an indication that the intangible asset may be impaired, is recognised in the Statement of Profit and Loss.

1.4.6. The Corporation has elected to use the exemption available under Ind AS 101 to continue the carrying value for all of its intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (1st April 2015).

1.5. Investment Property

1.5.1. Investment property is property (land or a building - or part of a building - or both) held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes. Investment properties are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

1.5.2. Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the Investment Property is recognised in Statement of Profit and Loss.

1.5.3. On transition to Ind AS i.e 1st April 2015, the Corporation has re-classified certain items from Property, Plant and Equipment to investment property. For the same, Corporation has elected to use the exemption available under Ind AS 101 to continue the carrying value for such assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (1st April 2015).

1.6. Borrowing costs

1.6.1. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.6.2. Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

1.6.3. Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

1.7. Non-current assets/Disposal Group held for sale

1.7.1. Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.

1.7.2. Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell (@5% of the acquisition value)

1.7.3. The disposal group classified as held for sale, are measured at the lower of carrying amount and fair value less costs to sell.

1.7.4. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortized.

1.8. Leases

1.8.1. Finance Lease

Lease Agreements are classified as finance leases, if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the lessee.

Lease Agreements in respect of land for lease period above threshold limit are classified as a finance lease.

1.8.2. Operating Lease

Lease Agreements which are not classified as finance leases are considered as operating leases.

Payments made under operating leases are recognised in Statement of Profit and Loss with reference to lease terms and other relevant considerations. Lease incentives received / lease premium paid (if any) are recognised as an integral part of the total lease expense, over the term of the lease. Payments made under Operating Leases are generally recognised in Statement of Profit and Loss on a straight-line basis over the term of the lease, unless such payments are structured to increase in line with expected general inflation.

1.8.3. At the inception of an arrangement, the Corporation determines whether the arrangement is or contains a lease. At inception or on reassessment of an arrangement that contains a lease, the Corporation separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. In case of a finance lease, if the corporation concludes that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying assets; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Corporation's incremental borrowing rate.

1.9. Impairment of Non-financial Assets

1.9.1. Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Corporation estimates the asset's recoverable amount. The recoverable amount is the higher of the asset's or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

1.9.2. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.10. Inventories

1.10.1. Inventories are stated at cost or net realisable value, whichever is lower. Cost of inventories comprises of expenditure incurred in the normal course of business in bringing inventories to their present location including appropriate overheads apportioned on a reasonable and consistent basis and are determined on the following basis:

- Crude oil, traded goods and finished products other than lubricants are determined on First in First out basis
- Other raw materials, packages, lubricants and stores and spares are determined on weighted average basis.
- The cost of Stock-in-Process is determined at raw material cost plus cost of conversion.

1.10.2. Customs duty on Raw materials/Finished goods lying in bonded warehouse are provided for at the applicable rates except where liability to pay duty is transferred to consignee.

1.10.3. Excise duty on finished stocks lying at manufacturing locations is provided for at the assessable value applicable at each of the locations based on end use.

1.10.4. The net realisable value of finished goods and stock in trade are based on the inter-company transfer prices and final selling prices (applicable at the location of stock) for sale to oil marketing companies and retail consumers respectively. For the purpose of stock valuation, the proportion of sales to oil marketing companies and retail consumers are determined on all India basis and considered for stock valuation at all locations.

1.10.5. Raw Materials held for use in the production of finished goods are not written down below cost except in cases where raw material prices have declined and it is estimated that the cost of the finished goods will exceed their net realisable value.

1.10.6. Obsolete, slow moving, surplus and defective stocks are identified at the time of physical verification of stocks and where necessary, provision is made for such stocks.

1.11. Revenue Recognition

1.11.1. Sale of goods

Revenue from the sale of goods is recognised when the performance obligation is satisfied by transferring the related goods to the customer. The performance obligation is considered to be satisfied when the customer obtains control of the goods.

Revenue from the sale of goods includes excise duty and is measured at the fair value of the consideration received or receivable (after including fair value allocations related to arrangements involving more than one performance obligation), net of returns, taxes or duties collected on behalf of the Government and applicable trade discounts or rebates.

Revenue is allocated between loyalty programmes and other components of the sale. The amount allocated to the loyalty programme is deferred, and is recognised as revenue when the Corporation has fulfilled its obligation to supply the products under the terms of the programme.

Any upfront fees earned by the Corporation with no identifiable performance obligation are recognized as revenue on a systematic basis over the period of the Contract.

Where the Corporation acts as an agent on behalf of a third party, the associated income is recognised on a net basis.

Claims in respect of subsidy on LPG and SKO, from Government of India are booked on in principle acceptance thereof on the basis of available instructions / clarifications, subject to final adjustments as stipulated.

1.11.2. Construction contracts

Revenue from Construction contracts arise from the service concession arrangements entered into by the Corporation and certain arrangements involving construction of specific assets as part of arrangements involving more than one performance obligation.

Contract revenue includes the amount agreed in the contract to the extent that it is probable that they will result in revenue and can be measured reliably.

Based on an assessment of the terms of such contracts, the contract revenue is recognised in the Statement of Profit and Loss based on the percentage of completion method.

The stage of completion is assessed with reference to the proportion of actual cost incurred as compared to the total estimated cost of the related contract.

Contract expenses are recognised as incurred unless they create an asset relating to future contract activity. An expected loss on a contract is recognised immediately in the Statement of Profit and Loss.

1.11.3. Interest income is recognised using effective interest rate (EIR) method.

1.11.4. Dividend is recognised when right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably.

1.11.5. Income from sale of scrap is accounted for on realisation.

1.11.6. Claims other than subsidy claims on LPG and SKO, from Government of India are booked when there is a reasonable certainty of recovery.

1.12. Classification of Income / Expenses

1.12.1. Income / expenditure (net) in aggregate pertaining to prior year(s) above the threshold limit are corrected retrospectively in the first set of financial statements approved for issue after their discovery by restating the comparative amounts and / or restating the opening Balance Sheet for the earliest prior period presented.

1.12.2. Prepaid expenses upto threshold limit in each case, are charged to revenue as and when incurred.

1.12.3. Deposits placed with Government agencies / local authorities which are perpetual in nature are charged to revenue in the year of payment.

1.13. Employee Benefits

1.13.1. Short-term employee benefits

Short-term employee benefits are recognized as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

1.13.2. Post-employment benefits

Defined Contribution Plans

Obligations for contributions to defined contribution plans such as pension are recognised as an expense in the Statement of Profit and Loss as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a set-off in future payments is available.

Defined Benefit Plans

The Corporation’s net obligation in respect of defined benefit plans such as gratuity, other post-employment benefits etc., is calculated separately for each plan by estimating the amount of future benefit that the employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed at each reporting period end by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Corporation, the recognised asset is limited to the present value of the economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

The current service cost of the defined benefit plan, recognized in the Statement of Profit and Loss as part of employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Statement of Profit and Loss. The net interest is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This net interest is included in employee benefit expense in the Statement of Profit and Loss.

Re-measurements which comprise of actuarial gains and losses, the return on plan assets (excluding amounts included in the net interest on the net defined benefit liability (asset)) and the effect of the asset ceiling (if any, excluding amounts included in the net interest on the net defined benefit liability (asset)), are recognised in other comprehensive income.

1.13.3. Other long-term employee benefits

Liability towards other long term employee benefits - leave encashment and long service awards etc., are determined on actuarial valuation by qualified actuary by using Projected Unit Credit method.

The current service cost of other long terms employee benefits, recognized in the Statement of Profit and Loss as part of employee benefit expense, reflects the increase in the obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Statement of Profit and Loss. The interest cost is calculated by applying the discount rate to the balance of the obligation. This cost is included in employee benefit expense in the Statement of Profit and Loss. Re-measurements are recognised in the Statement of Profit and Loss.

1.13.4. Termination benefits

Expenditure on account of Voluntary Retirement Scheme are charged to Statement of Profit and Loss as and when incurred.

1.14. Foreign Currency Transactions

1.14.1. Monetary items

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items (except for long term foreign currency monetary items outstanding as of 31st March 2016) are recognised in Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs.

The Corporation has elected to continue the policy adopted under Previous GAAP for accounting the foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items outstanding as of 31st March 2016 i.e. foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the asset and in other cases, if any, accumulated in “Foreign Currency Monetary Item Translation Difference Account” and amortised over the balance period of the liability.

1.14.2. Non – Monetary items

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.15. Investment in Subsidiaries, Joint Ventures and Associates

Investments in equity shares of Subsidiaries, Joint Ventures and Associates are recorded at cost and reviewed for impairment at each reporting date.

1.16. Government Grants

1.16.1. Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

1.16.2. When the grant relates to an expense item, it is recognized in Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

1.16.3. Government grants relating to Property, Plant and Equipment are presented as deferred income and are credited to the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset.

1.17. Provisions, Contingent Liabilities and Capital Commitments

1.17.1. Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

1.17.2. The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.

1.17.3. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

1.17.4. Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Corporation, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

1.17.5. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

1.17.6. Contingent liabilities and Capital Commitments disclosed are in respect of items which in each case are above the threshold limit.

1.18. Fair Value measurement

1.18.1. The Corporation measures certain financial instruments at fair value at each reporting date.

1.18.2. Certain accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.

1.18.3. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Corporation has access at that date. The fair value of a liability also reflects its non-performance risk.

1.18.4. The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Corporation determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

1.18.5. While measuring the fair value of an asset or liability, the Corporation uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

- **Level 1**: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2**: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- **Level 3**: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

1.18.6. When quoted price in active market for an instrument is available, the Corporation measures the fair value of the instrument using that price. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

1.18.7. If there is no quoted prices in an active market, then the Corporation uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

1.18.8. The Corporation regularly reviews significant unobservable inputs and valuation adjustments. If the third party information, such as broker quotes or pricing services, is used to measure fair values, then the Corporation assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

1.19. Financial Assets

1.19.1. Initial recognition and measurement

Trade Receivables and debt securities issued are initially recognised when they are originated. All other financial assets are initially recognised when the Corporation becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

1.19.2. Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Corporation classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit and loss.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

The asset is held within a business model whose objective is

- To hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Debt instruments at Fair value through Other Comprehensive Income (FVOCI)

A 'debt instrument' is measured at the fair value through Other Comprehensive Income if both the following conditions are met:

The asset is held within a business model whose objective is achieved by both

- collecting contractual cash flows and selling financial assets and
- contractual terms of the asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment losses are recognised in the Statement of Profit and Loss. Other net gains and losses are recognised in other comprehensive Income.

Debt instruments at Fair value through Profit or Loss (FVTPL)

Fair Value through Profit or Loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation at amortised cost or as FVOCI, is classified as FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognised in the Statement of Profit and Loss separately.

Equity investments

All equity investments within the scope of Ind-AS 109 are measured at fair value. Such equity instruments which are held for trading are classified as FVTPL. For all other such equity instruments, the Corporation decides to classify the same either as FVOCI or FVTPL. The Corporation makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in Other Comprehensive Income (OCI). Dividends on such equity instruments are recognised in the Statement of Profit and Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

1.19.3. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Corporation's Balance Sheet) when:

The rights to receive cash flows from the asset have expired, or

The Corporation has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- The Corporation has transferred substantially all the risks and rewards of the asset, or
- The Corporation has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognised in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognised and accumulated in OCI are not reclassified to profit or loss on de-recognition.

1.19.4. Impairment of financial assets

In accordance with Ind-AS 109, the Corporation applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortised cost and debt instruments measured at FVOCI.

Loss allowances on receivables from customers and LPG consumers are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. In respect of other financial assets such as debt securities and bank balances, the loss allowance is measured at 12 month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date.

1.20. Financial Liabilities

1.20.1. Initial recognition and measurement

Financial liabilities are initially recognised when the Corporation becomes a party to the contractual provisions of the instrument.

Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

1.20.2. Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

A financial liability is classified as at Fair Value through Profit or Loss (FVTPL) if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit and Loss.

Financial Liabilities at amortised cost

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortised cost using the effective interest rate ("EIR") method.

Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The amortisation done using the EIR method is included as finance costs in the Statement of Profit and Loss.

1.20.3. De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

1.21. Financial guarantees

Financial guarantee contracts issued by the Corporation are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of the debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the fair value initially recognised less cumulative amortisation.

1.22. Derivative financial instruments

The Corporation uses derivative financial instruments to manage the commodity price risk and exposure on account of fluctuation in interest rate and foreign exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value with the changes being recognised in the Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The fair valuation gains or losses on foreign currency derivatives measured at FVTPL are grouped along with Gain or loss on foreign currency transactions and translations and presented under “Other Income” or “Other expenses”, as the case may be, since these derivatives constitute hedges from an economic perspective and may not qualify for hedge accounting under Ind AS 109.

1.23. Embedded derivatives

If the hybrid contract contains a host that is a financial asset within the scope of Ind-AS 109, the classification requirements contained in Ind AS 109 are applied to the entire hybrid contract. Derivatives embedded in all other host contracts, including financial liabilities are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit and loss. These embedded derivatives are measured at fair value with changes in fair value recognised in Statement of Profit and Loss, unless designated as effective hedging instruments. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows.

1.24. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

1.25. Taxes on Income

1.25.1. Current Tax

Income-tax Assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

Current Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

1.25.2. Deferred tax

Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.26. Earnings per share

1.26.1. Basic earnings per share are calculated by dividing the profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

1.26.2. For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

1.27. Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Corporation's normal operating cycle (considered as 12 months) and other criteria set out in Schedule III of the Act.

1.28. Cash and Cash equivalents

Cash and cash equivalents in the Balance Sheet include cash at bank, cash, cheque, draft on hand and demand deposits with an original maturity of less than three months, which are subject to an insignificant risk of changes in value.

For the purpose of Statement of Cash Flows, Cash and cash equivalents include cash at bank, cash, cheques and drafts on hand, net of outstanding bank overdrafts as they are considered an integral part of the Corporation's cash management. The Corporation considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.29. Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

1.30. The Corporation has adopted materiality threshold limits in the preparation and presentation of financials statements as given below:

Threshold Item	Accounting Policy Reference	Unit	Threshold Limit Value
Allocation of other expenses to projects costing in each case	1.2.3	₹ Crores	5
Expenditure on certain items of Property, Plant and Equipment charged to revenue in each case	1.2.5	₹	1,000
Capitalisation of spare parts meeting the definition of Property, Plant and Equipment in each case	1.2.6	₹ Lakhs	10
GST on common capital goods per item per month	1.2.9	₹ Lakhs	5
Depreciation at 100 percent in the year of acquisition except LPG Cylinders and Pressure Regulators	1.3.5	₹	5,000
Expenditure incurred for creating / acquiring other intangible assets in each case	1.4.5	₹ Lakhs	50
Lease agreements in respect of land	1.8.1	Period (years)	99
Income / expenditure (net) in aggregate pertaining to prior year(s)	1.12.1	₹ Crores	50
Prepaid expenses in each case	1.12.2	₹ Lakhs	5
Disclosure of Contingent liabilities and Capital Commitments in each case	1.17.6	₹ Lakhs	5

NOTE 2 PROPERTY, PLANT AND EQUIPMENT

(₹ in Crores)

Particulars	Gross Block					Depreciation				Net Carrying Amount	
	As at 01-04-18	Additions	Other Adjustments (Refer Note 55)	Reclassifications / Deductions On Account Of Retirement / Disposal	As at 31-03-19	Up to 31-03-18	For the Year	Reclassifications / Deductions On Account Of Retirement / Disposal	Up to 31-03-19	As at 31-03-19	As at 31-03-18
Land											
(a) Freehold *	1,231.65	673.75	-	4.62	**1,900.78**	-	-	-	**-**	**1,900.78**	1,231.65
(b) Leasehold *	0.74	-	-	(0.03)	**0.77**	0.06	0.01	0.04	**0.03**	**0.74**	0.68
Buildings including Roads *	6,745.08	832.55	1.20	75.38	**7,503.45**	990.49	374.71	8.09	**1,357.11**	**6,146.34**	5,754.59
Plant and Equipments *	22,226.74	1,368.59	413.76	30.84	**23,978.25**	2,711.93	1,576.30	13.43	**4,274.80**	**19,703.45**	19,514.81
Furniture and Fixtures *	590.80	124.47	-	4.10	**711.17**	177.16	73.16	2.89	**247.43**	**463.74**	413.64
Vehicles *	52.96	16.29	-	2.18	**67.07**	15.93	7.48	1.26	**22.15**	**44.92**	37.03
Office Equipments *	842.43	159.61	0.02	23.45	**978.61**	327.38	150.48	20.83	**457.03**	**521.58**	515.05
Railway Sidings *	154.82	26.97	0.02	0.90	**180.91**	39.99	14.42	0.15	**54.26**	**126.65**	114.83
Tanks and Pipelines *	8,951.73	875.62	3.83	32.05	**9,799.13**	702.71	377.59	1.69	**1,078.61**	**8,720.52**	8,249.02
Dispensing Pumps	2,552.62	231.69	-	8.23	**2,776.08**	477.65	176.51	4.21	**649.95**	**2,126.13**	2,074.97
LPG Cylinders and Allied Equipments	5,554.16	2,014.87	-	0.01	**7,569.02**	649.83	414.86	-	**1,064.69**	**6,504.33**	4,904.33
Total	**48,903.73**	**6,324.41**	**418.83**	**181.73**	**55,465.24**	**6,093.13**	**3,165.52**	**52.59**	**9,206.06**	**46,259.18**	**42,810.60**
Previous Year	34,993.79	13,720.88	544.80	355.74	**48,903.73**	3,677.20	2,636.83	220.90	**6,093.13**	**42,810.60**	

* These include assets which are given on Operating Leases or taken on Finance Leases, the details thereof are included in Note no. 49

NOTE 3 CAPITAL WORK-IN-PROGRESS

₹ in Crores

Particulars			As at 31-03-2019	As at 31-03-2018
Capital Work In Progress				
Property, Plant & equipment under erection/construction			**5,382.50**	3,070.10
Capital stores including lying with contractors			**938.62**	614.40
Capital goods in transit			**249.44**	154.87
Allocation of Construction period expenses	**2018-19**	**2017-18**		
Opening balance	**204.38**	785.08		
Add: Expenditure during the year				
Establishment charges including Salaries & Wages	**120.60**	133.23		
Interest	**70.31**	107.93		
Loss on foreign currency transactions and translations	**0.19**	0.34		
Insurance	**1.25**	7.56		
Others	**11.44**	14.51		
	408.17	1,048.65		
Less: Allocated to assets capitalised during the year/ charged off	**(89.48)**	(844.27)		
Closing balance pending allocation			**318.69**	204.38
Less: Assets included in disposal group held for sale [Refer note no. 22(a) and 67]			**(186.62)**	-
Total			**6,702.63**	4,043.75

NOTE 4 INVESTMENT PROPERTY

₹ in Crores

Particulars	Gross Block				Depreciation				Net Carrying Amount	
	As at 01-04-18	Additions	Reclassifications / Deductions On Account Of Retirement / Disposal	As at 31-03-19	Up to 31-03-18	For the year	Reclassifications / Deductions On Account Of Retirement / Disposal	Up to 31-03-19	As at 31-03-19	As at 31-03-18
Buildings	0.33	-	-	0.33	0.07	0.02	-	0.09	0.24	0.26
TOTAL	**0.33**	**-**	**-**	**0.33**	**0.07**	**0.02**	**-**	**0.09**	**0.24**	**0.26**
Previous year	0.66	-	0.33	0.33	0.26	0.02	0.21	0.07	0.26	

The Corporation's investment properties consists of office buildings rented out to third parties.

Information Regarding Income and Expenditure of Investment Property

₹ in Crores

Particulars	2018-19	2017-18
Rental Income derived from investment Properties	1.08	1.08
Less - depreciation	0.02	0.02
Profit arising from investment Properties before other direct expenses	**1.06**	1.06

Other direct operating expenses on the investment property are not separately identifiable and the same are not likely to be material.

As at 31st March 2019 and 31st March 2018 the fair values of the property are ₹ **4.97 Crores** and ₹ 3.73 Crores respectively. These fair values of the investment property are categorised as Level 2 in the fair valuation hierarchy and have been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

NOTE 5 OTHER INTANGIBLE ASSETS

₹ in Crores

Particulars	Useful Life (No. of Years)	Gross Block					Amortisation				Net Carrying Amount	
		As at 01-04-18	Additions	Other Adjustments	Reclassifications/ Deletions	As at 31-03-19	Up to 31-03-18	For the year	Reclassifications/ Deletions	Up to 31-03-19	As at 31-03-19	As at 31-03-18
Right of Way	Indefinite	50.77	-	-	-	**50.77**	-	-	-	**-**	**50.77**	50.77
Right of Way	Upto 30	34.99	-	-	-	**34.99**	4.10	2.48	-	**6.58**	**28.41**	30.89
Right to use	Upto 30	4.09	22.72	0.03	-	**26.84**	0.14	0.89	-	**1.03**	**25.81**	3.95
Service Concession Arrangements [Refer note no. 48]	20	63.00	-	-	-	**63.00**	8.70	3.70	-	**12.40**	**50.60**	54.30
Software/ Licenses	Upto 5	41.59	13.37	-	0.25	**54.71**	23.33	8.51	0.01	**31.83**	**22.88**	18.26
Process Licenses	Upto 5	87.61	8.88	-	-	**96.49**	28.27	17.99	-	**46.26**	**50.23**	59.34
Total		**282.05**	**44.97**	**0.03**	**0.25**	**326.80**	**64.54**	**33.57**	**0.01**	**98.10**	**228.70**	**217.51**
Previous Year		209.80	68.98	3.27	-	**282.05**	35.87	28.67	-	**64.54**	**217.51**	

NOTE 6 INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ in Crores

Particulars	Gross Amount			
	As at 01-04-18	Additions	Capitalizations as Intangible Asset/ Deletions	As at 31-03-19
Process Licenses	363.83	0.01	0.74	**363.10**
Total	**363.83**	**0.01**	**0.74**	**363.10**
Previous Year	405.79	7.43	49.39	**363.83**

There are no internally generated intangible assets.

Additional information in respect of Note nos. 2 to 6:

a) Land:

i) Freehold land includes ₹ **295.04 Crores** (Previous year ₹ 93.08 Crores) capitalized at various locations for which conveyance deeds are yet to be executed and/or mutation is pending.

ii) Freehold land includes ₹ **2.20 Crores** (Previous year ₹ 2.20 Crores), which is under dispute and not in the Company's possession, is in the process of being surrendered to the Competent Authority.

iii) Lease hold land represents land taken on finance lease for more than 99 years.

b) Buildings include Ownership flats having gross block of ₹ **42.68 Crores** (Previous year ₹ 41.28 Crores) in proposed / existing co-operative societies and others.

c) Other adjustments include capitalization of foreign exchange differences (net) of ₹ **411.53 Crores** (Previous year ₹ 25.76 Crores) and borrowing costs of ₹ **7.33 Crores** (Previous year ₹ 522.31 Crores).

d) Freehold Land, Plant and Equipment, Tanks and Pipelines, Railway Sidings, Buildings etc. jointly owned in varying extent with other Oil Companies / Railways: Gross Block ₹ **222.85 Crores** (Previous year ₹ 198.77 Crores), Cumulative Depreciation ₹ **41.07 Crores** (Previous year ₹ 29.95 Crores), Net Block ₹ **181.78 Crores** (Previous year ₹ 168.82 Crores).

e) Certain assets forming part of Property, Plant and Equipment have been constructed by the Corporation at Railway consumer depots, having net carrying amount of ₹ **21.17 Crores** (Previous year ₹ 20.26 Crores), out of which few Railway consumer depots are being used by other oil companies based on award of tender by Railways, net carrying amount of such assets is ₹ **1.68 Crores** (Previous year ₹ 1.79 Crores).

f) Charge has been created over the property, plant & equipment of the Corporation, mainly Plant and Machinery at Mumbai Refinery and Kochi Refinery in regard to the borrowings– Refer note no. 25.

g) Compensation received from third parties in respect of items of Property, Plant and Equipment / Capital work in progress that were impaired, lost or given up during the year ₹ **92.20 Crores** (Previous year ₹ 8.11 Crores)

h) Gross Block reclassifications / deductions includes:

i) Decapitalization of ₹ **97.33 Crores** (Previous year ₹ 57.61 Crores)

ii) On account of retirement / disposal during the year ₹ **81.66 Crores** (Previous year ₹ 298.46 Crores)

iii) Deduction on account of reclassification during the year ₹ **2.99 Crores** (Previous year Nil)

i) Depreciation and amortization for the year is ₹ **3,199.11 Crores** (Previous year ₹ 2,665.52 Crores) from which, after reducing -

i) Depreciation on decapitalization of ₹ **9.48** Crores (Previous year ₹ 8.28 Crores) and

ii) Depreciation on reclassification of assets of ₹ **0.35** Crores (Previous year ₹ 4.24 Crores)

Net Depreciation and amortization for the year charged to Profit and Loss statement is ₹ **3,189.28** Crores (Previous year ₹ 2,653.00 Crores)

j) Deduction from accumulated depreciation on account of retirement / disposal during the year is ₹ **42.77** Crores (Previous year ₹ 208.59 Crores)

k) The Corporation has assessed the useful life of Right of way as indefinite where the same is perpetual in nature.

l) The Corporation has changed the useful life of Electronic items under Furniture on Hire scheme for management staff from 6 years to 4 years during FY 2018-19. The impact of change in useful life has resulted in increase in depreciation of ₹ **3.23** Crores for Financial Year 2018-19.

NOTE 7 INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

Particulars	No. of units		₹ in Crores	
	As at 31/03/2019	As at 31/03/2018	As at 31/03/2019	As at 31/03/2018
Investment in Subsidiaries				
Unquoted				
Equity shares of [₹ 10 each (fully paid up)]				
Numaligarh Refinery Limited	**45,35,45,998**	45,35,45,998	**453.55**	453.55
Bharat PetroResources Limited #	**5,00,00,00,000**	4,44,80,02,670	**5,494.41**	4,942.41
Bharat Gas Resources Limited	**16,00,00,000**		**160.00**	-
Investment in Joint Ventures				
Unquoted				
Equity Shares of [₹ 10 each (fully paid up)]				
Bharat Oman Refineries Limited (BORL)	**88,86,13,336**	88,86,13,336	**888.61**	888.61
Delhi Aviation Fuel Facility Private Limited	**6,06,80,000**	6,06,80,000	**60.68**	60.68
Maharashtra Natural Gas Limited*	**2,24,99,600**	2,24,99,600	**-**	22.50
Sabarmati Gas Limited*	**99,87,400**	99,87,400	**-**	122.40
Central UP Gas Limited*	**1,49,99,600**	1,49,99,600	**-**	15.00
Bharat Stars Services Pvt. Ltd	**1,00,00,000**	1,00,00,000	**10.00**	10.00
Bharat Renewable Energy Ltd	**33,60,000**	33,60,000	**3.36**	3.36
Mumbai Aviation Fuel Farm Facility Pvt Ltd	**4,82,88,750**	4,18,88,750	**48.29**	41.89
Kochi Salem Pipeline Private Limited	**9,62,50,000**	7,50,00,000	**96.25**	75.00
BPCL-KIAL Fuel Farm Facility Private Limited	**66,60,000**	55,50,000	**6.66**	5.55
Haridwar Natural Gas Private Limited*	**1,25,00,000**	75,00,000	**-**	7.50
Goa Natural Gas Private Limited*	**95,00,000**	75,00,000	**-**	7.50
Ratnagiri Refinery & Petrochemical Ltd	**2,50,00,000**	2,50,00,000	**25.00**	25.00
Equity Shares of [USD 1 each (fully paid up)]				
Matrix Bharat Pte. Ltd.	**20,00,000**	20,00,000	**8.41**	8.41
Share warrants of BORL				
- of ₹ 10 each (fully paid up)	**48,68,86,664**	48,68,86,664	**486.89**	486.89
- of ₹ 15 each (fully paid up)	**29,91,94,364**	29,91,94,364	**448.79**	448.79
- of ₹ 18 each (fully paid up)	**36,11,11,111**	36,11,11,111	**650.00**	650.00
0% Compulsorily Convertible Debenture of ₹ 10 each (fully paid up) of BORL	**1,00,00,00,000**	1,00,00,00,000	**1,000.00**	1,000.00
Investment in Associates				
Quoted				
Equity Shares				
Petronet LNG Limited [₹10 each (Fully Paid up)]*	**18,75,00,000**	18,75,00,000	**-**	98.75
Indraprastha Gas Limited [₹2 each (Fully Paid up)]*	**15,75,00,400**	15,75,00,400	**-**	31.50

NOTE 7 INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTD.)

Particulars	No. of units		₹ in Crores	
	As at 31/03/2019	As at 31/03/2018	As at 31/03/2019	As at 31/03/2018
Unquoted				
Equity Shares of [₹ 10 each (fully paid up)]				
GSPL India Gasnet Ltd.*	**5,08,22,128**	4,25,72,128	**-**	42.57
GSPL India Transco Ltd.*	**4,19,10,000**	3,74,00,000	**-**	37.40
Petronet CI Limited	**15,84,000**	15,84,000	**1.58**	1.58
Fino PayTech Ltd	**2,84,35,423**	2,84,35,423	**251.00**	251.00
Equity Shares of [₹ 0.10 each (fully paid up)]				
Petronet India Limited	**1,60,00,000**	1,60,00,000	**0.16**	0.16
Equity Shares of (₹ 100 each (fully paid up))				
Kannur International Airport Limited	**2,16,80,000**	2,16,80,000	**216.80**	216.80
Unquoted - Association of Persons				
Capital Contribution in Petroleum India International ^			**0.10**	0.10
Impairment in the value of investments				
Bharat Renewable Energy Ltd			**(3.36)**	(3.36)
Petronet CI Limited			**(1.58)**	(1.58)
Total			**10,305.60**	9,949.96
Aggregate amount of Unquoted Securities			**10,305.60**	9,819.71
Aggregate amount of Quoted Securities			**-**	130.25
Market value of Quoted Securities			**-**	8,728.77
Aggregate amount of Impairment in the value of investments			**4.94**	4.94

Includes equity component of ₹ **494.40** Crores (Previous year ₹ 494.40 Crores) recognised on fair valuation of concessional rate loan given to subsidiary.

* Pursuant to the Board Of Directors decision for transferring the Gas Business to a wholly owned subsidiary Bharat Gas Resources Limited (BGRL), the investments in Maharashtra Natural Gas Ltd., Sabarmati Gas Ltd., Central UP Gas Ltd., Haridwar Natural Gas Pvt. Ltd., Goa Natural Gas Pvt. Ltd., Petronet LNG Ltd., Indraprastha Gas Ltd., GSPL India Gasnet Ltd. and GSPL India Transco Ltd. whose carrying amount as on 31st March 2019 is ₹ **404.88** Crores have been classified under Assets included in disposal group held-for-sale. [Refer Note No. 22 (a) and 67]

^ Member Companies of Association of Persons are Bharat Petroleum Corporation Limited, Engineers India Limited, Hindustan Petroleum Corporation Limited, Indian Oil Corporation Limited, Reliance Industries Limited, Chennai Petroleum Corporation Limited, Oil and Natural Gas Corporation Limited and Oil India Limited. The total capital is ₹ 0.55 Crore of which share of Bharat Petroleum Corporation Limited is ₹ 0.10 Crore, Indian Oil Corporation Limited is ₹ 0.15 Crore and other members have equal share of ₹ 0.05 Crore each.

NOTE 8 INVESTMENTS

₹ in Crores

Particulars	No. of Units 31/03/2019	No. of Units 31/03/2018	As at 31/03/2019	As at 31/03/2018
Investment in equity instruments designated at Fair Value Through Other Comprehensive Income				
Equity Shares of (₹ 10 each (fully paid up))				
Quoted				
Oil India Limited *	**2,67,50,550**	2,67,50,550	**495.82**	575.94
Unquoted				
Cochin International Airport Limited *	**1,31,25,000**	1,31,25,000	**114.30**	105.26
Investment in Debentures at Amortised cost				
Unquoted				
5% Debentures (Fully Paid up) of East India Clinic Limited	**1**	1	**0.01**	0.01
Investment in Equity Instruments designated at Fair Value Through Profit or Loss				
Unquoted				
Equity Shares of Kochi Refineries Employees Consumer Co-operative Society Limited (Fully paid up)	**500**	500	**#**	#
# Value ₹ 5,000				
Ordinary Shares (Fully paid up) of Sindhu Resettlement Corporation Limited	**6**	6	**##**	##
## Value ₹ 19,000				
Total			**610.13**	681.21
Aggregate amount of Unquoted Securities			**114.31**	105.27
Aggregate amount of Quoted Securities			**495.82**	575.94
Market value of Quoted Securities			**495.82**	575.94
Aggregate amount of Impairment in the value of investments			**-**	-

* The Corporation has designated these investments at fair value through Other Comprehensive Income because these investments represent the investments that the Corporation intends to hold for long-term purposes. No such investments were disposed off during the year and accordingly, there have been no transfers of the cumulative gains or losses on these investments.

NOTE 9 LOANS

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Security deposits		
Considered good* #	**127.43**	99.03
Considered doubtful	**0.59**	0.75
Less : Allowance for doubtful	**(0.59)**	(0.75)
Loans to subsidiaries		
Loan to Bharat PetroResources Limited	**688.49**	841.81
Loans to Joint Ventures		
Bharat Oman Refineries Limited	**1,254.10**	1,254.10
Loans to employees (including accrued interest) (secured) (Refer Note No. 52)	**391.32**	389.22
Loans to others :		
Considered good**	**54.32**	505.75
Considered doubtful	**2.08**	2.26
Less: Allowance for doubtful	**(2.08)**	(2.26)
Total	**2,515.66**	3,089.91

* Includes Secured deposits of ₹ **19.97 Crores** (Previous year ₹ 18.49 Crores).

** The balance as at 31st March 2018 includes ₹ 463.87 Crores pertaining to Loans given to Consumers under Pradhan Mantri Ujjwala Yojana scheme, the recovery period for which was deferred beyond one year with effect from 1st April 2018. The deferrment scheme has ended on 31st March 2019.

Pursuant to the Board Of Directors decision for transferring the Gas Business to a wholly owned subsidiary Bharat Gas Resources Limited (BGRL), Security Deposits whose carrying amount is ₹ **0.33 Crore** as on 31st March 2019 have been classified under Assets included in disposal group held-for-sale. [Refer Note No. 22 (a) and 67].

NOTE 10 OTHER FINANCIAL ASSETS

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Claims		
Considered good	**35.65**	39.89
Considered doubtful	**18.34**	17.96
Less : Allowances for doubtful	**(18.34)**	(17.96)
Bank deposits with more than twelve months maturity		
Considered good*	**1.00**	11.94
Considered doubtful	**0.02**	0.02
Less: Allowance for doubtful	**(0.02)**	(0.02)
Advances against Equity to Joint Ventures #		
GSPC India Transco Limited	**-**	4.51
Bharat Renewable Energy Limited	**0.54**	0.54
Less : Allowance for doubtful	**(0.54)**	(0.54)
Advances against Equity to Subsidiary #		
Bharat Gas Resources Limited	**8.62**	-
Total	**45.27**	56.34

* Includes deposits of ₹ **0.99 Crore** (Previous year ₹ 0.98 Crore) that have been pledged / deposited with local authorities.

Advance against equity shares (pending allotment).

NOTE 11 INCOME TAX ASSETS (NET)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Advance Payment of Income Tax (Net of provision)	**449.40**	406.58
Total	**449.40**	406.58

NOTE 12 OTHER NON-CURRENT ASSETS

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Capital advances*	**132.95**	76.62
Advance to Associates		
Petronet LNG Limited*	**-**	164.72
Advance to Employee Benefit Trusts [Refer Note No. 50]	**-**	28.09
Prepaid Expenses	**888.36**	814.19
Claims and Deposits :		
Considered good	**488.78**	425.10
Considered doubtful	**139.69**	141.68
Less : Allowance for doubtful	**(139.69)**	(141.68)
Total	**1,510.09**	1,508.72

* Pursuant to the Board Of Directors decision for transferring the Gas Business to a wholly owned subsidiary Bharat Gas Resources Limited (BGRL), Capital Advances of ₹ **0.02 Crores** and Advance to Associate (Petronet LNG Limited) of ₹ **143.87 Crores** as on 31st March 2019 have been classified under Assets included in disposal group held-for-sale. [Refer Note No. 22 (a) and 67]

NOTE 13 INVENTORIES

(Refer Note No. 1.10)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Raw materials	**3,843.86**	4,972.63
[Including in transit ₹ **1,245.76 Crores** (Previous year ₹ 2,381.78 Crores)]		
Work-in-progress	**1,156.10**	883.39
Finished goods	**9,593.83**	9,282.92
Stock -in-trade*	**6,235.19**	5,196.89
[Including in transit ₹ **1,040.59 Crores** (Previous year ₹ 682.22 Crores)]		
Stores and spares	**693.96**	528.04
[Including in transit ₹ **7.43 Crores** (Previous year ₹ 5.05 Crores)]		
Packaging material	**21.71**	10.70
Total	**21,544.65**	20,874.57

The write-down of inventories to net realisable value during the year amounted to ₹ **73.14 Crores** (Previous year : ₹ 155.00 Crores). The reversal of write downs during the year amounted to ₹ **21.83 Crores** (Previous year : ₹ 3.08 Crores) due to increase in net realisable value of the inventories. The write downs and reversal are included in cost of materials consumed or changes in inventories of finished goods, stock-in-trade and work-in-progress.

* Pursuant to the Board Of Directors decision for transferring the Gas Business to a wholly owned subsidiary Bharat Gas Resources Limited (BGRL), Stock- In - Trade of ₹ **81.14 Crores** as on 31st March 2019 have been classified under Assets included in disposal group held-for-sale. [Refer Note No. 22 (a) and 67].

Inventories pledged as collateral - Refer Note No. 30

NOTE 14 INVESTMENTS

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Investments at Fair Value Through Profit and Loss		
Investments in Government Securities of Face Value ₹ 100 each (fully paid)		
Quoted		
6.35% Oil Marketing Companies GOI Special Bonds 2024	**2,020.57**	1,979.42
6.90% Oil Marketing Companies GOI Special Bonds 2026#	**1,922.94**	1,986.15
7.95% Oil Marketing Companies GOI Special Bonds 2025	**11.02**	10.92
8.20% Oil Marketing Companies GOI Special Bonds 2024	**930.41**	923.04
7.59% Government Stock 2026#	**190.95**	93.35
	5,075.89	4,992.88
Investment in Others		
Unquoted		
Equity Shares of (₹ 10 each (fully paid up))		
Sai Wardha Power Generation Limited.	**-**	2.30
Total	**5,075.89**	4,995.18

Kept as Collateral Security with Clearing Corporation of India Limited for borrowing in Triparty Repo Settlement System (Previous year Collateralised Borrowing and Lending Obligation)of face Value ₹ **1,385 Crores** (Previous year ₹ 2,162 Crores) (Refer Note No. 30)

Aggregate amount of Unquoted Securities	**-**	2.30
Aggregate amount of Quoted Securities	**5,075.89**	4,992.88
Market value of Quoted Securities	**5,075.89**	4,992.88
Aggregate amount of Impairment in the value of investments	**-**	-

NOTE 15 TRADE RECEIVABLES

(Unsecured unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Considered good * #	**6,845.56**	5,301.27
Less: Loss Allowance	**(174.84)**	(149.54)
Total	**6,670.72**	5,151.73

* Includes Secured debts ₹ **566.66 Crores** (Previous year ₹ 446.14 Crores)

Pursuant to the Board Of Directors decision for transferring the Gas Business to a wholly owned subsidiary Bharat Gas Resources Limited (BGRL), Trade Receivables of ₹ **107.15 Crores** as on 31st March 2019 have been classified under Assets included in disposal group held-for-sale. [Refer Note No. 22 (a) and 67]

Trade receivables pledged as collateral [Refer Note No. 30]

NOTE 16 CASH AND CASH EQUIVALENTS

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Balances with Banks:		
On Current Account	**20.53**	42.12
Deposits with Banks with original maturity of less than three months	**–**	77.34
Cheques and drafts on hand	**24.70**	16.19
Cash on hand	**33.26**	17.69
Total	**78.49**	153.34

NOTE 17 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Balances with banks		
Deposits with banks with original maturity of 3 - 12 months #	**0.31**	16.85
Earmarked Balances		
Unpaid Dividend	**16.61**	12.34
Total	**16.92**	29.19

Includes deposits of ₹ **0.31 Crore** (Previous year : Nil) that has been pledged / deposited with Local Authorities .

NOTE 18 LOANS

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Loans to employees [(including accrued interest) (Secured) (Refer Note No. 52)]	**70.54**	62.52
Loans to Others*	**1,802.16**	8.50
Less: Loss Allowance	**(243.82)**	-
Total	**1,628.88**	71.02

* The above includes ₹ **1,792.70 Crores** pertaining to loans given to LPG consumers under Pradhan Mantri Ujjwala Yojana. [Refer Note No.9]

NOTE 19 OTHER FINANCIAL ASSETS

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Bank deposits with remaining maturity of less than 12 months	**10.95**	-
Interest accrued on bank deposits, etc.		
Considered good	**4.90**	4.51
Considered doubtful	**0.02**	0.02
Less: Allowance for doubtful	**(0.02)**	(0.02)
Interest Accrued on Loans to Related Parties	**56.16**	97.87
Derivative asset	**23.72**	11.64
Receivable from Central Government/State Government		
Considered good	**8,651.69**	3,860.06
Considered doubtful	**143.51**	79.99
Less: Allowance for doubtful	**(143.51)**	(79.99)
Dues from Related parties		
Dues from subsidiaries	**4.91**	26.22
Dues from Joint Venture Companies	**14.76**	26.66
Advances and recoverables		
Considered good	**644.83**	616.17
Considered doubtful	**107.34**	114.72
Less : Allowance for doubtful	**(107.34)**	(114.72)
Total	**9,411.92**	4,643.13

NOTE 20 CURRENT TAX ASSETS (NET)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Advance Income Tax (Net of provision for taxation)	**-**	24.54
Total	**-**	24.54

NOTE 21 OTHER CURRENT ASSETS

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Advances other than Capital Advances		
Other advances including prepaid expenses*	**229.41**	256.74
Claims	**315.07**	419.71
Recoverables from Customs, Excise, etc.	**708.43**	366.42
Total	**1,252.91**	1,042.87

* Pursuant to the Board Of Directors decision for transferring the Gas Business to a wholly owned subsidiary Bharat Gas Resources Limited (BGRL), Other Advances including Prepaid expenses of ₹ **20.25 Crores** as on 31st March 2019 have been classified under Assets included in disposal group held-for-sale. [Refer Note No. 22 (a) and 67]

NOTE 22 (A) ASSETS HELD-FOR-SALE AND ASSETS INCLUDED IN DISPOSAL GROUP HELD-FOR-SALE

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Assets Held for Sale *	**12.61**	16.93
Assets included in disposal group held-for-sale#	**944.26**	-
Total	**956.87**	16.93

*Non-current assets held for sale consists of items such as Plant and equipment, Dispensing pumps, etc. which have been identified for disposal due to replacement/ obsolescence of assets which happens in the normal course of business. These assets are expected to be disposed off within the next twelve months. On account of re-classification of these assets, an impairment loss of ₹ **7.67 Crores** during the year (Previous year: ₹ 26.72 Crores) has been recognised in the statement of profit and loss.

Pursuant to the Board Of Directors decision for transferring the Gas Business to a wholly owned subsidiary Bharat Gas Resources Limited (BGRL), Assets of ₹ **944.26 Crores** as on 31st March 2019 have been classified under Assets included in disposal group held-for-sale. [Refer Note No. 67].

NOTE 22 (B) LIABILITIES INCLUDED IN DISPOSAL GROUP HELD-FOR-SALE

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Liabilities included in disposal group held-for-sale*	**230.55**	-
Total	**230.55**	-

* Pursuant to the Board of Directors decision for transferring the Gas Business to a wholly owned subsidiary Bharat Gas Resources Limited (BGRL), Liabilities of ₹ **230.55 Crores** directly associated with assets held for sale as on 31st March 2019 have been classified under Liabilities included in disposal group held-for-sale. [Refer Note No. 67]

NOTE 23 EQUITY SHARE CAPITAL

₹ in Crores

Particulars		As at 31/03/2019	As at 31/03/2018
i.	**Authorised***		
	2,63,50,00,000 equity shares (Previous year 2,50,00,00,000 equity shares)	**2,635.00**	2,500.00
ii.	**Issued, subscribed and paid-up**		
	2,16,92,52,744 (Previous year 2,16,92,52,744) equity shares fully paid-up	**2,169.25**	2,169.25
	Less - BPCL Trust for Investment in Shares [Refer Note No. 45]	**(202.37)**	(202.37)
	Total	**1,966.88**	1,966.88

*Pursuant to Merger with Petronet CCK Limited, the authorised capital has been increased to ₹ **2,635 Crores** from ₹ 2,500 Crores.

iii. The Corporation has only one class of shares namely equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per equity share. In the event of liquidation of the Corporation, the holders of equity shares will be entitled to receive the remaining assets of the Corporation in proportion to the number of equity shares held.

The Corporation declares and pays dividend in Indian Rupees. The final dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

iv. During the Financial year 2017-18, the Corporation has issued Bonus Shares in the ratio of 1:2 by capitalisation of General Reserves. The total number of shares issued is 72,30,84,248 having face value of ₹ 10 each.

During the Financial year 2016-17, the Corporation has issued Bonus Shares in the ratio of 1:1 by capitalisation of General Reserves. The total number of shares issued is 72,30,84,248 having face value of ₹ 10 each.

v. Reconciliation of No. of Equity Shares

Particulars	As at 31/03/2019	As at 31/03/2018
A. Opening Balance	**2,16,92,52,744**	1,44,61,68,496
B. Shares Issued		
- Bonus Shares	**-**	72,30,84,248
C. Shares Bought Back	**-**	-
D. Closing Balance	**2,16,92,52,744**	2,16,92,52,744

vi. Details of Shareholders holding more than 5% shares

	As at 31/03/2019		As at 31/03/2018	
Name of Shareholder	**% Holding**	**No. of Shares**	**% Holding**	**No. of Shares**
Government of India	**53.29**	**1,15,60,95,962**	54.31	1,17,80,95,019
BPCL Trust for Investment in Shares [Refer Note No. 45]	**9.33**	**20,23,72,422**	9.33	20,23,72,422
Life Insurance Corporation of India	**5.88**	**12,74,97,778**	3.46	7,49,93,713

NOTE 24 OTHER EQUITY

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Capital Reserve	(20.76)	(20.76)
Debenture Redemption Reserve	1,160.55	1,108.56
General Reserve	29,104.37	26,360.45
Foreign Currency Monetary Item Translation Difference Account	(29.34)	66.76
Equity Instruments through Other Comprehensive Income	15.41	78.99
Retained Earnings	4,997.31	5,027.35
BPCL Trust for Investment in Shares [Refer Note No.45]	(456.74)	(456.74)
Total	**34,770.80**	32,164.61

Particulars	As at 31/03/2019	As at 31/03/2018
Capital Reserve :		
Opening balance	(20.76)	12.33
Effect of Merger of Petronet CCK Ltd. [Refer Note No. 66]	-	(33.09)
Opening balance after effect of Merger	-	(20.76)
Add/(Less) : Additions/(Deletions) during the year	-	-
Closing balance	(20.76)	(20.76)
Debenture Redemption Reserve :		
Opening balance	1,108.56	810.82
Add : Transfer from Retained Earnings	295.91	297.74
Less: Transfer to General Reserve	(243.92)	-
Closing balance	1,160.55	1,108.56
General Reserve :		
Opening balance	26,360.45	24,683.03
Add : Transfer from Debenture Redemption Reserve	243.92	-
Add : Transfer from Retained Earnings	2,500.00	2,400.50
Less : Amount utilised for issue of bonus shares [Refer Note No. 23]	-	(723.08)
Closing balance	29,104.37	26,360.45
Foreign Currency Monetary Item Translation Difference Account : (Refer Note No. 55)		
Opening balance	66.76	206.34
Additions / (Deletions) during the year	(162.82)	(74.32)
Additions / (Deletions) on account of Amortization during the year	66.72	(65.26)
Closing balance	(29.34)	66.76
Equity Instruments through Other Comprehensive Income :		
Opening balance	78.99	94.24
Additions / (Deletions) during the year	(63.58)	(15.25)
Closing balance	15.41	78.99
BPCL Trust for Investment in Shares: [Refer Note No. 45]		
Opening balance	(456.74)	(524.19)
Additions / (Deletions) during the year	-	67.45
Closing balance	(456.74)	(456.74)

NOTE 24 OTHER EQUITY (CONTD.)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Retained Earnings :		
Opening balance	**5,027.35**	3,074.56
Effect of Merger of Petronet CCK Ltd	**-**	(44.41)
Transfer to Deferred Income on account of implementation of Ind AS 115 (net of tax)	**(39.79)**	-
Opening balance after the above effect	**4,987.56**	3,030.15
Add : Profit/(Loss) for the year as per Statement of Profit and Loss	**7,132.02**	7,976.30
Add/(Less) : Remeasurements of defined benefit plans (net of tax)	**(138.02)**	24.39
Less : Transfer to Debenture Redemption Reserve	**(295.91)**	(297.74)
Less : Transfer to General Reserve	**(2500.00)**	(2400.50)
Less : Interim Dividends for the year: ₹ **11** per share (Previous year : ₹14 per share)	**(2386.18)**	(3036.95)
Less : Dividend Distribution Tax on Interim Dividends for the year	**(359.97)**	(420.49)
Less : Final Dividend for FY 2017-18 ₹ 7 per share (FY 2016-17: ₹1 per share)	**(1518.48)**	(144.62)
Less: Dividend Distribution Tax on Final Dividend for Previous year	**(287.98)**	-
Add : Income from BPCL Trust for Investment in Shares [Refer Note No. 45]	**364.27**	296.81
Closing balance*	**4,997.31**	5,027.35
Total	**34,770.80**	32,164.61

*The balance includes accumulated loss on account of Remeasurements of defined benefit plans (Net of tax) as on 31st March 2019 ₹ **257.56** Crores (Previous year: ₹119.54 Crores)

Nature and purpose of reserves

Capital reserve

It represents capital reserve appearing in the financial statements of erstwhile Kochi Refineries Limited (KRL) transferred on amalgamation and difference between the investment made in Petronet CCK Limited (PCCKL) and the share capital received during the acquisition when the first time control is obtained .

Debenture redemption reserve

Debenture redemption reserve represents reserve created out of the profits of the Corporation available for distribution to shareholders which is utilised for redemption of debentures/bonds.

General Reserve

General Reserve represents appropriation of retained earnings and are available for distribution to shareholders.

Foreign Currency Monetary Item Translation Difference Account

Foreign Currency Monetary Item Translation Difference Account represents amounts recognised on account of translation of long term foreign currency denominated borrowings not related to acquisition of depreciable assets. Amounts so recognised are amortised in the statement of profit and loss over remaining maturity of related borrowings.

Retained Earnings

Retained Earnings (excluding accumulated balance of remeasurements of defined benefit plans (net of tax)) represents surplus/accumulated earnings of the Corporation and are available for distribution to shareholders.

₹ in Crores

Proposed Dividends on Equity Shares not recognised:	2018-19	2017-18
Final Dividend for the year ended ₹ **8** per share (Previous year : ₹ 7 per share)	**1,735.40**	1,518.48
Dividend Distribution Tax on Proposed Dividend	**356.72**	312.12
Total	**2,092.12**	1,830.60

NOTE 25 BORROWINGS

₹ in Crores

Particulars	As at 31/03/2019		As at 31/03/2018	
	Current #	Non-Current	Current #	Non-Current
Secured				
From others				
Debentures				
7.35% Secured Non-Convertible Debentures 2022 *	-	549.88	-	549.84
Term Loan				
Loan from Oil Industry Development Board **	499.44	859.06	499.44	858.50
Unsecured				
From banks				
Foreign Currency Loans - Syndicated	-	8,108.55	-	2,771.42
Term loan	-	2,000.00	-	2,000.00
From Others				
Debentures				
7.69% Unsecured Non-Convertible Debentures 2023	-	749.73	-	749.68
8.02% Unsecured Non-Convertible Debentures 2024	-	999.71	-	
Bonds				
4% US Dollar International Bonds 2025	-	3,436.12	-	3,227.22
4.625% US Dollar International Bonds 2022	-	3,447.27	-	3,238.55
4.375% US Dollar International Bonds 2022	-	3,448.98	-	
3% Swiss Franc International Bonds 2019	1,390.54	-	-	1,363.01
Term Loan				
Interest Free Loan from Govt. of Kerala	-	29.27	-	-
Total	1,889.98	23,628.57	499.44	14,758.22

Classified under Other Financial Liabilities [Refer Note No. 32]

Terms of Repayment Schedule of Long-term borrowings (Gross Amount) as on 31/03/2019 :

Non-Current	Coupon Rate of Interest	₹ in Crores	Maturity
Interest Free Loan from Govt. of Kerala	0%	100.00	30-Mar-34
4% US Dollar International Bonds 2025	4.00%	3,458.57	8-May-25
Loan from Oil Industry Development Board - Secured	7.72%	125.00	26-Mar-24
Term Loan	SBI MCLR	1,466.40	15-Mar-24
8.02% Unsecured Non-Convertible Debentures 2024	8.02%	1,000.00	11-Mar-24
Foreign Currency Loans - Syndicated	L + 130 bps	3,112.71	11-Jan-24
Foreign Currency Loans - Syndicated	L + 80 bps	2,075.14	5-Dec-23
Term Loan	SBI MCLR	133.40	15-Apr-23
Loan from Oil Industry Development Board - Secured	7.72%	125.00	26-Mar-23
7.69% Unsecured Non-Convertible Debentures 2023	7.69%	750.00	16-Jan-23
4.625% US Dollar International Bonds 2022	4.625%	3,458.57	25-Oct-22
Term Loan	SBI MCLR	133.40	15-Apr-22
7.35% Secured Non-Convertible Debentures 2022	7.35%	550.00	10-Mar-22
4.375% US Dollar International Bonds 2022	4.375%	3,458.57	24-Jan-22

NOTE 25 BORROWINGS (CONTD.)

Terms of Repayment Schedule of Long-term borrowings (Gross Amount) as on 31/03/2019 : (Continued)

Non-Current	Coupon Rate of Interest	₹ in Crores	Maturity
Term Loan	SBI MCLR	133.40	15-Apr-21
Loan from Oil Industry Development Board - Secured	7.68% - 8.09%	211.50	Apr 21 to Mar 22
Foreign Currency Loans - Syndicated	L + 82 bps	2,282.65	26-Feb-21
Foreign Currency Loans - Syndicated	L + 71 bps	691.71	6-Nov-20
Term Loan	SBI MCLR	133.40	15-Apr-20
Loan from Oil Industry Development Board - Secured	7.68% - 8.09%	397.56	Apr 20 to Mar 21

Current	Coupon Rate of Interest	₹ in Crores	Maturity
3% Swiss Franc International Bonds 2019	3.00%	1,391.20	20-Dec-19
Loan from Oil Industry Development Board - Secured	7.68% - 9.11%	499.44	Apr 19 to Mar 20

* The Corporation had allotted non-convertible 7.35% Debentures of face value of ₹ 550 Crores on 10th March 2017 redeemable on 10th March 2022. These were secured by first legal mortgage by way of a Registered Debenture Trust Deed over the fixed assets of the Company, mainly Plant and Machinery at Mumbai Refinery.

** These are secured by first legal mortgage over the Plant and Machinery of the Corporation, mainly Plant and Machinery at Mumbai Refinery and Kochi Refinery.

NOTE 26 OTHER FINANCIAL LIABILITIES

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Security/Earnest Money Deposits	**3.20**	2.86
Retiral Dues	**53.28**	55.49
Total	**56.48**	58.35

NOTE 27 PROVISIONS

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Provision for employee benefits [Refer Note No. 50]	**1,509.86**	1,367.04
Total	**1,509.86**	1,367.04

NOTE 28 TAX EXPENSE AND DEFERRED TAX LIABILITIES (NET)

(a) Amounts recognised in profit and loss

₹ in Crores

	2018-19	2017-18
Current tax expense (A)		
Current year	2,079.00	2,141.08
Short/(Excess) provision of earlier years	(87.88)	(265.99)
Deferred tax expense (B)		
Origination and reversal of temporary differences*	1,316.48	1,434.58
Tax expense recognised in the income statement (A+B)	3,307.60	3,309.67

(b) Amounts recognised in other comprehensive income

₹ in Crores

	2018-19			2017-18		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	(212.16)	74.14	(138.02)	37.49	(13.10)	24.39
Equity instruments through Other Comprehensive income- net change in fair value	(71.08)	7.50	(63.58)	(11.44)	(3.81)	(15.25)
Total	(283.24)	81.64	(201.60)	26.05	(16.91)	9.14

(c) Amounts recognised directly in equity

₹ in Crores

	2018-19			2017-18		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Temporary difference arising on account of implementation of Ind AS 115 [Refer Note No. 65]	(61.16)	21.37	(39.79)	-	-	-
Total	(61.16)	21.37	(39.79)	-	-	-

NOTE 28 TAX EXPENSE AND DEFERRED TAX LIABILITIES (NET) (CONTD.)

(d) Reconciliation of effective tax rate

₹ in Crores

Particulars	2018-19 %	2018-19 ₹ in Crores	2017-18 %	2017-18 ₹ in Crores
Profit before tax		10,439.62		11,285.97
Tax using the Company's domestic tax rate (Current year 34.94% and Previous year 34.61%)	34.94	3,648.02	34.61	3,905.85
Tax effect of:				
Non-deductible tax expenses	1.07	111.72	0.56	69.59
Tax-exempt income	-3.38	(353.04)	-3.80	(428.83)
Interest expense not deductible for tax purposes	-0.06	(6.34)	-0.05	(5.45)
Incremental deduction allowed for research and development costs	-0.08	(8.55)	-0.21	(23.26)
Investment allowance deduction	0.01	1.06	0.02	1.80
Change in Tax Rate impact	-	-	0.48	54.51
Others	0.02	2.61	0.07	1.45
Effective Income Tax Rate	32.52	3,395.48	31.68	3,575.66
Adjustments recognised in current year in relation to the current tax of prior years		(87.88)		(265.99)
Income Tax Expense		3,307.60		3,309.67

(e) Movement in deferred tax balances

₹ in Crores

	Net balance as at 01/04/2018	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	As at 31/03/2019 Net Balance	As at 31/03/2019 Deferred tax asset	As at 31/03/2019 Deferred tax liability
Deferred tax Asset / (Liabilities)							
Property, plant and equipment	(6,768.88)	(895.18)	-	-	(7,664.06)	-	(7,664.06)
Intangible assets	(35.26)	16.46	-	-	(18.80)	-	(18.80)
Derivatives	(0.47)	(7.77)	-	-	(8.24)	-	(8.24)
Investments	68.24	(30.95)	7.50	-	44.79	44.79	-
Trade and other receivables	51.71	9.39	-	-	61.10	61.10	-
Loans and borrowings	0.47	0.46	-	-	0.93	0.93	-
Employee benefits	532.94	(24.31)	74.14	-	582.77	582.77	-
Deferred income	30.86	2.19	-	21.37	54.42	54.42	-
Provisions	125.37	102.91	-	-	228.28	228.28	-
Other Current liabilities	326.43	(5.62)	-	-	320.81	320.81	-
MAT Credit Entitlement*	680.00	(432.00)	-	-	248.00	248.00	-
Other items	33.07	(52.06)	-	-	(18.99)	-	(18.99)
Tax assets/(Liabilities)	(4,955.52)	(1,316.48)	81.64	21.37	(6,168.99)	1,541.10	(7,710.09)

NOTE 28 TAX EXPENSE AND DEFERRED TAX LIABILITIES (NET) (CONTD.)

(f) Movement in deferred tax balances

₹ in Crores

	Net balance as at 01/04/2017	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	As at 31/03/2018 Net Balance	Deferred tax asset	Deferred tax liability
Deferred tax Asset / (Liabilities)							
Property, plant and equipment	(4,956.85)	(1,812.03)	-	-	(6,768.88)	-	(6,768.88)
Intangible assets	(19.74)	(15.52)	-	-	(35.26)	-	(35.26)
Derivatives	(1.26)	0.79	-	-	(0.47)	-	(0.47)
Investments	50.55	21.50	(3.81)	-	68.24	68.24	-
Trade and other receivables	97.20	(45.49)	-	-	51.71	51.71	-
Loans and borrowings	8.68	(8.21)	-	-	0.47	0.47	-
Employee benefits	650.97	(104.93)	(13.10)	-	532.94	532.94	-
Deferred income	-	30.86	-	-	30.86	30.86	-
Provisions	85.89	39.48	-	-	125.37	125.37	-
Other Current liabilities	362.20	(35.77)	-	-	326.43	326.43	-
MAT Credit Entitlement*	-	680.00	-	-	680.00	680.00	-
Other items	218.33	(185.26)	-	-	33.07	33.07	-
Tax assets/(Liabilities)	(3,504.03)	(1,434.58)	(16.91)	-	(4,955.52)	1,849.09	(6,804.61)

The corporation offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

*MAT credit entitlement of ₹ 680.00 Crores was recognised in FY 2017-18 as the corporation was liable to pay tax as per provision of Section 115JB of Income Tax Act, 1961 in the FY 2017-18. MAT Credit of ₹ **432.00 Crores** has been utilized during FY 2018-19. Management is confident that it would be in a position to utilise the balance MAT credit entitlement within the period specified under the Income Tax Act, 1961.

NOTE 29 OTHER NON-CURRENT LIABILITIES

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Deferred Income and Others *	**284.01**	143.19
Total	**284.01**	143.19

*Deferred Income includes unamortised portion of capital grants amounting to ₹ **141.61 Crores** (Previous year ₹ 85.97 Crores) , comprising mainly of works contract tax reimbursement, interest free loan received from Government of Kerala as part of the fiscal incentives sanctioned for IREP and grants received for technology development.

NOTE 30 BORROWINGS

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Loans repayable on demand		
Secured		
From banks		
Working capital loans / Cash Credit *	**211.12**	306.75
From others		
Loans through Triparty Repo Settlement System (TREPS)/Collateralised Borrowing and Lending Obligations (CBLO) of Clearing Corporation of India Limited**	**1,000.00**	1,500.00
Unsecured		
From banks		
Foreign Currency Loans	**1,632.44**	6,286.26
From Others		
Commercial Paper	**737.19**	-
Total	**3,580.75**	8,093.01

* Secured in favour of the participating banks ranking pari passu inter-alia by hypothecation of raw materials, finished goods, stock- in- process, book debts, stores, components and spares and all movables both present and future. [Refer Note no. 13 and 15]

The Corporation has Triparty Repo Settlement System (TREPS)/Collateralised Borrowing and Lending Obligations (CBLO) of Clearing Corporation of India Limited, the balance of which is ₹ **1,000 Crores (Previous year ₹ 1,500 Crores) . These are secured by 6.90 % Oil Marketing Companies GOI Special Bonds 2026 & 7.59% Govt. Stock 2026 of Face Value ₹ **1,385 Crores** (Previous year ₹ 2,162 Crores) [Refer Note no. 14]

NOTE 31 TRADE PAYABLES

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Total Outstanding dues of Micro Enterprises and Small Enterprises (Refer Note No. 62)	**52.04**	43.63
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises		
Dues to subsidiaries	**1,094.86**	942.67
Dues to others [Refer Note No. 46]*	**16,088.28**	14,003.22
	17,183.14	14,945.89
Total	**17,235.18**	14,989.52

*Pursuant to the Board Of Directors decision for transferring the Gas Business to a wholly owned subsidiary Bharat Gas Resources Limited (BGRL), Trade Payables of ₹ **213.25 Crores** as on 31st March 2019 have been classified under Liabilities included in disposal group held-for-sale. (Refer Note No. 22 (b) and 67)

NOTE 32 OTHER FINANCIAL LIABILITIES

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Current maturities of long-term borrowings [Refer Note No. 25]	**1,889.98**	499.44
Interest accrued but not due on borrowings	**280.30**	183.33
Security/Earnest Money deposits#	**612.10**	552.65
Deposits for Containers**	**13,782.04**	11,901.50
Unclaimed Dividend*	**16.61**	12.34
Dues to Micro Enterprises and Small Enterprises [Refer Note No. 62]	**150.01**	143.91
Derivative liability	**180.47**	90.16
Other Liabilities #	**2,666.97**	2,605.24
Total	**19,578.48**	15,988.57

* No amount is due at the end of the Period for credit to Investors Education and Protection Fund.

Pursuant to the Board Of Directors decision for transferring the Gas Business to a wholly owned subsidiary Bharat Gas Resources Limited (BGRL), Security/Earnest Money Deposits of ₹ 0.54 Crores and Other liabilities of ₹ 16.76 Crores as on 31st March 2019 have been classified under Liabilities included in disposal group held-for-sale. (Refer Note No. 22 (b) and 67)

** Includes deposits received under Rajiv Gandhi Gramin LPG Vitrak Yojana and Pradhan Mantri Ujjwala Yojana (Central Scheme) ₹ **2,919.13 Crores** (Previous year ₹ 1,625.91 Crores). The deposit against these schemes have been funded from CSR fund and Government of India.

NOTE 33 OTHER CURRENT LIABILITIES

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Advances from Customers	724.73	506.22
Statutory Liabilities	3,810.77	3,489.59
Others (Deferred income etc.)	78.76	58.51
Total	**4,614.26**	4,054.32

NOTE 34 PROVISIONS

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Provision for employee benefits [Refer Note No. 47 and 50]	1,256.66	1,002.93
Provision for CSR Expenditure [Refer Note No. 58]	172.25	146.88
Others [Refer Note No. 57]*	318.05	302.95
Total	**1,746.96**	1,452.76

*Above includes deposits/ claims made of ₹ **123.66 Crores** (Previous year ₹ 123.66 Crores) netted of against provisions.

NOTE 35 CURRENT TAX LIABILITIES (NET)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Current tax liabilities (Net of Taxes paid)	255.48	139.18
Total	**255.48**	139.18

NOTE 36 REVENUE FROM OPERATIONS

₹ in Crores

Particulars	2018-19	2017-18
(A) i) **Sales**		
Petroleum products	3,33,629.08	2,73,924.27
Crude oil	1,842.41	1,742.39
	3,35,471.49	2,75,666.66
ii) Subsidy from Central/State Governments [Refer Note No. 44]	912.96	734.23
	3,36,384.45	2,76,400.89
(B) Other operating revenues	1,238.08	869.65
Total	**3,37,622.53**	2,77,270.54

NOTE 37 OTHER INCOME

₹ in Crores

Particulars	2018-19	2017-18
Interest Income on		
Instruments measured at FVTPL	**357.58**	372.95
Instruments measured at amortised cost	**649.04**	562.95
Income Tax Refund	**52.37**	38.06
Dividend Income		
Dividend income - Subsidiaries, Joint Ventures and Associates	**983.26**	1,208.84
Dividend income from non-current equity instruments at FVOCI	**28.69**	36.72
Net gain on fair value change of		
Instruments measured at FVTPL ^	**116.34**	-
Derivative at FVTPL	**256.86**	28.86
Share of profit from association of persons	**0.04**	-
Write back of liabilities no longer required	**9.31**	5.32
Reversal of allowance on doubtful debts and advances (net)	**-**	236.54
Gain on sale of Property plant and equipment / Non-current assets held for sale (net)	**5.29**	-
Others#	**524.82**	420.86
Total	**2,983.60**	2,911.10

^ Includes gain on sale of investments of ₹ **27.79 Crores** for the current year. Gains on sale of Investment during the Previous year of ₹ 10.65 Crores are grouped under Other expenses along with Net losses on fair value changes of instruments measured at FVTPL.

Includes amortisation of capital grants ₹ **7.28 Crores** (Previous year ₹ 5.46 Crores)

NOTE 38 COST OF MATERIALS CONSUMED

₹ in Crores

Particulars	2018-19	2017-18
Opening stock	**4,972.63**	3,664.95
Add : Purchases	**1,18,290.45**	82,775.13
Less: Closing stock	**(3,843.86)**	(4,972.63)
Total	**1,19,419.22**	81,467.45

NOTE 39 PURCHASES OF STOCK-IN-TRADE

₹ in Crores

Particulars	2018-19	2017-18
Petroleum products	**1,44,814.46**	1,23,535.30
Crude oil	**1,842.41**	1,742.39
Others	**317.19**	185.04
Total	**1,46,974.06**	1,25,462.73

NOTE 40 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

₹ in Crores

Particulars	2018-19	2017-18
Value of opening stock of		
Finished goods	**9,282.92**	7,761.08
Stock-in-trade	**5,196.89**	7,312.29
Stock-in-process	**883.39**	610.43
	15,363.20	15,683.80
Less : Value of closing stock of		
Finished goods	**9,593.83**	9,282.92
Stock-in-trade	**6,316.33**	5,196.89
Stock-in-process	**1,156.10**	883.39
	17,066.26	15,363.20
Net (increase) / decrease in inventories	**(1,703.06)**	320.60

NOTE 41 EMPLOYEE BENEFITS EXPENSE

₹ in Crores

Particulars	2018-19	2017-18
Salaries and Wages [Refer Note No. 47]	**2,821.01**	2,519.64
Contribution to Provident and Other funds	**325.42**	378.47
Staff Welfare Expenses	**517.75**	420.74
Voluntary Retirement Scheme	**-**	118.59
Total	**3,664.18**	3,437.44

NOTE 42 FINANCE COSTS

₹ in Crores

Particulars	2018-19	2017-18
Interest Expense	**1,107.34**	738.64
Other Borrowing Costs	**26.91**	21.97
Exchange differences regarded as an adjustment to borrowing costs	**184.71**	72.64
Total	**1,318.96**	833.25

NOTE 43 OTHER EXPENSES

₹ in Crores

Particulars	2018-19	2017-18
Transportation	6,930.23	6,159.90
Octroi, Other Levies and Irrecoverable Taxes	1,204.38	947.89
Repairs, maintenance, stores and spares consumption	1,379.90	1,098.52
Power and fuel	6,997.91	4,748.83
Less: Consumption of fuel out of own production	(4,819.28)	(2,992.67)
Power and fuel consumed (net)	2,178.63	1,756.16
Packages consumed	210.54	178.50
Net losses on fair value changes of		
Instruments measured at FVTPL ^	-	44.17
Office Administration, Selling and Other expenses		
Rent [Refer Note No. 49]	406.30	377.97
Utilities [Refer Note No. 49]	888.63	794.84
Terminaling and related expenses	205.90	284.49
Travelling and conveyance	231.52	214.18
Remuneration to auditors		
Audit fees	0.58	0.49
Fees for other services - Certification	0.55	0.30
Reimbursement of out of pocket expenses	0.02	0.01
Sub-Total	1.15	0.80
Bad debts and other write offs	0.83	5.60
Allowance for doubtful debts & advances (net)	323.30	-
Share of loss from association of persons	-	0.04
Loss on sale of property plant and equipment / non-current assets held for sale (net)	-	35.63
Net losses on foreign currency transactions and translations		
Exchange losses on foreign currency forwards and principal only swap contracts	51.32	(144.16)
Exchange losses on transactions and translations of other foreign currency assets and liabilities	649.06	152.91
Sub-Total	700.38	8.75
CSR Expenditure [Refer Note No. 58]	203.32	185.01
Impairment loss on Non-current assets held for sale	7.67	26.72
Others	2,083.71	1,752.90
Sub-Total - Office Administration, Selling and Other expenses	5,052.71	3,686.93
Total	16,956.39	13,872.07

^ Includes gain on sale of investments of ₹ 10.65 Crores for the Previous year. During the current year gains on sale of investments of ₹ **27.79 Crores** are grouped under Other income along with gains on fair value changes of instruments measured at FVTPL.

NOTE 44

Consequent to non-revision in retail selling prices corresponding to the international prices and applicable foreign exchange rates prevailing during the year, the Corporation has suffered gross under recovery of ₹ **882.65 Crores** (Previous year ₹ 719.30 Crores) on sale of sensitive petroleum products.

As advised by the Ministry of Petroleum & Natural Gas, the Corporation has accounted compensation towards sharing of under-recoveries on sale of sensitive petroleum products as subsidy from Government of India amounting to ₹ **882.65 Crores** (Previous year ₹ 719.30 Crores) and the same is accounted as Revenue from operations. After adjusting the above compensation, the net under recovery absorbed by the Corporation is Nil (Previous year under recovery Nil).

Further, subsidies received from State Governments which are recognised in Revenue From Operations is ₹ **30.31 Crores** (Previous year ₹ 14.93 Crores) during current year.

NOTE 45

As per the scheme of Amalgamation of the erstwhile Kochi Refineries Limited ("KRL") with the Corporation approved by the Government of India, 3,37,28,737 equity shares of the Corporation were allotted (in lieu of the shares held by the Corporation in the erstwhile KRL) to a trust for the benefit of the Corporation in the financial year 2006-07. After the 1:1 Bonus issue in July 2012 and July 2016 respectively and 1:2 bonus issue in July 2017, presently the trust holds 20,23,72,422 equity shares of the Corporation. The cost of the original investment together with the additional contribution to the corpus of the trust made in 2014-15 has been reduced from the total equity of the Corporation. To the extent of the face value of the shares, the same has been reduced from the Paid up Share capital of the Corporation and the balance has been reduced from Other Equity under a separate reserve. Accordingly, the income received from the Trust has been recognised directly under Other Equity of the Corporation.

NOTE 46

The Corporation has numerous transactions with other oil companies. The outstanding balances (included under Trade Payables / Trade Receivables, etc) from them and certain other outstanding credit and debit balances are subject to confirmation/reconciliation. Adjustments, if any, arising therefrom are not likely to be material on settlement and are accounted as and when ascertained.

NOTE 47

The Corporation has provided for pay revision dues of non-management staff under salaries and wages amounting to ₹ **305.95 Crores** (Previous year: ₹ 98.34 Crores) based on the available information and judgement.

NOTE 48 SERVICE CONCESSION ARRANGEMENTS

The Corporation has entered into service concession arrangements with entities supplying electricity ("The Regulator") to construct, own, operate and maintain a wind energy based electric power generating station ("Plant").

Under the terms of agreement , the Corporation will operate and maintain the Plant and sell electricity generated to Regulator for a period which covers the substantial useful life of the Plant which may be renewed for such further period as may be mutually agreed upon between the parties. The Corporation will be responsible for any maintenance services during the concession period.

The Corporation in turn has a right to charge the Regulator agreed rate as stated in the service concession arrangement. The fair value towards the construction of the Plant has been recognised as an Intangible Asset and is amortised over the useful life of the asset or period of contract whichever is less.

NOTE 49 LEASES

Operating leases

A. Leases as lessee

The Corporation enters into cancellable/non-cancellable operating lease arrangements for land, godowns, office premises, staff quarters, third party operating plant and others. The lease rentals paid for the same are charged to the Statement of Profit and Loss.

a) The future minimum lease payments under Non cancellable leases payable as at the year end are as follows:

₹ in Crores

	Particulars	As at 31/03/2019	As at 31/03/2018
i)	Less than one year	**397.23**	374.18
	Between one and five years	**2,051.96**	1,928.59
	More than five years	**6,716.75**	7,321.39
ii)	Lease Rentals recognized in the Statement of Profit and Loss	**378.32**	349.84

b) The Corporation enters into cancellable operating leases in respect of land, office premises, staff quarters and others which are cancellable by giving appropriate notices as per respective agreements. During the year ₹ **400.77 Crores** (Previous year ₹ 339.85 Crores) has been charged to Statement of Profit and Loss on account of lease rentals.

B. Leases as lessor

a) The Corporation enters into cancellable/non-cancellable operating lease arrangements in respect of lands, commercial spaces, storage distribution facilities, etc. The details are as follows:

As at 31/03/2019 ₹ in Crores

Particulars	Land	Buildings	Plant and Equipments	Tanks & Pipelines	Furnitures and Fixtures	Office Equipment	Railway Sidings	Vehicle	Right of Way
Gross Carrying Amount	**26.22**	**155.09**	**109.76**	**312.66**	**6.75**	**6.30**	**62.87**	**0.01**	**3.30**
Accumulated depreciation	**-**	**23.58**	**32.45**	**55.95**	**4.78**	**2.62**	**21.95**	**-**	**-**
Depreciation recognised in statement of P&L	**-**	**6.31**	**8.25**	**14.15**	**0.56**	**0.83**	**5.53**	**-**	**-**

As at 31/03/2018 ₹ in Crores

Particulars	Land	Buildings	Plant and Equipments	Tanks & Pipelines	Furnitures and Fixtures	Office Equipment	Railway Sidings	Vehicle	Right of Way
Gross Carrying Amount	26.22	151.03	107.56	311.19	6.30	5.29	62.87	0.01	3.30
Accumulated depreciation	-	18.21	24.35	41.79	4.20	1.90	16.42	-	-
Depreciation recognised in statement of P&L	-	6.09	8.36	14.13	0.98	0.75	5.53	-	-

NOTE 49 LEASES (CONTD.)

b) Total contingent rent recognised as income in the Statement of Profit and Loss in the FY 2018-19 is ₹ **21.75 Crores** (Previous year ₹ 21.60 Crores)

c) The future minimum lease rentals under Non cancellable leases receivable as at the year end are as follows:

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Less than one year	**26.03**	26.03
Between one and five years	**104.13**	104.13
More than five years	**32.52**	58.55

Finance Lease

A. Leases as lessee

i) The Corporation has finance lease arrangements for various Land leases. The carrying amount of these assets are shown below:

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Gross Carrying Amount	**0.77**	0.74
Accumulated depreciation	**0.03**	0.06
Depreciation recognised in statement of Profit and Loss	**0.01**	0.01

NOTE 50 EMPLOYEE BENEFITS

[A] Post Employment Benefit Plans:

Defined Contribution Scheme

Defined Contribution Scheme (DCS) was introduced effective from 1st Jan 2007. Corporation contributes at a defined percentage of the employee salary out of the total entitlements on account of superannuation benefits under this scheme. This Fund is maintained under a trust.

₹ in Crores

Amount recognised in the Statement of Profit and Loss	2018-19	2017-18
Defined Contribution Scheme	**102.62**	233.41

Defined Benefit Plans

The Corporation has the following Defined Benefit Plans;

Gratuity

The Corporation has a defined benefit gratuity plan managed by a trust. The Trustees administer contributions made to the trust, investments thereof etc. Based on actuarial valuation, the contribution is paid to the trust which is invested in plan assets as per the investment pattern prescribed by the Government. Gratuity is paid to a staff member who has put in a minimum qualifying period of 5 years of continuous service, on superannuation, resignation, termination or to his nominee on death. Further, for FY 2017-18, Gratuity Non-Funded pertains to PCCKL, which has been merged with the Gratuity Funded Scheme of the Corporation in FY 2018-19, pursuant to merger of PCCKL with the Corporation.

NOTE 50 EMPLOYEE BENEFITS (CONTD.)

Other Defined Benefits include

(a) Post Retirement Medical Scheme (managed by a trust) to employees, spouse, dependent children and dependent parents;

(b) Pension / Ex-Gratia scheme to the retired employees who are entitled to receive the monthly pension / ex-gratia for life;

(c) Death in service / Permanent Disablement benefit given to the spouse of the employee / employee, provided the deceased's family / disabled employee deposits with the Corporation, retirement dues such as Provident Fund, Gratuity, Leave Encashment etc., payable to them;

(d) Resettlement allowance paid to employees to permanently settle down at the time of retirement;

(e) Felicitation benefits to retired employees on reaching the age related milestones; and

(f) The Corporation makes contribution towards Provident Fund, which is administered by the trustees. The Corporation has an obligation to fund any shortfall on the yield of the trust's investments over the interest rates declared by the Government under EPF scheme.

These defined benefit plans expose the Corporation to actuarial risks, such as longetivity risk, interest rate risk, and market (investment) risk.

Movement in net defined benefit (asset)/ liability

a) Reconciliation of balances of Defined Benefit Obligations.

₹ in Crores

	Gratuity - Funded		Post Retirement Medical - Funded		Burmah Shell Pension - Non Funded		Gratuity - Non Funded	
	2018-19	**2017-18**	**2018-19**	**2017-18**	**2018-19**	**2017-18**	**2018-19**	**2017-18**
Defined Obligations at the beginning of the year	**1,042.90**	629.91	**1,037.03**	981.85	**77.43**	88.49	**-**	0.80
Interest Cost	**82.18**	45.73	**80.47**	73.15	**5.95**	6.03	**-**	0.06
Current Service Cost	**14.53**	6.47	**37.23**	39.72	**-**	-	**-**	0.04
Past Service Cost	**-**	455.65	**-**	-	**-**	-	**-**	0.05
Benefits paid	**(114.21)**	(104.90)	**(47.40)**	(36.56)	**(15.39)**	(16.15)	**-**	-
Actuarial (Gains)/ Losses on obligations								
-Changes in financial Assumptions	**6.91**	(37.32)	**(3.41)**	1.63	**1.09**	(2.22)	**-**	(0.04)
-Experience adjustments	**47.90**	47.36	**139.81**	(22.76)	**2.70**	1.28	**-**	(0.01)
Defined Obligations at the end of the year	**1,080.21**	1,042.90	**1,243.73**	1,037.03	**71.78**	77.43	**-**	0.90

b) Reconciliation of balances of Fair Value of Plan Assets in respect of Gratuity / Post Retirement Medical Fund

	Gratuity - Funded		Post Retirement Medical - Funded	
	2018-19	**2017-18**	**2018-19**	**2017-18**
Fair Value at the beginning of the year	**638.92**	639.74	**1,065.12**	930.84
Interest income (i)	**50.35**	46.45	**82.65**	69.35
Return on Plan Assets, excluding interest income(ii)	**1.67**	7.11	**2.55**	12.66
Actual Return on Plan assets (i+ii)	**52.02**	53.56	**85.20**	82.01
Contribution by employer	**50.70**	50.52	**-**	52.27
Contribution by employee	**-**	-	**1.41**	-
Benefits paid	**-**	(104.90)	**(21.80)**	-
Fair Value of Plan Assets at the end of the year	**741.64**	638.92	**1,129.93**	1,065.12

NOTE 50 EMPLOYEE BENEFITS (CONTD.)

₹ in Crores

		Gratuity - Funded		Post Retirement Medical - Funded		Burmah Shell Pension - Non Funded		Gratuity - Non Funded	
		2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
c)	**Amount recognised in Balance sheet (a-b)**	**338.57**	403.98	**113.80**	(28.09)	**71.78**	77.43	**-**	0.90
d)	**Amount recognised in Statement of Profit and Loss**								
	Current Service Cost	**14.53**	6.47	**37.23**	39.72	**-**	-	**-**	0.04
	Past Service Cost	**-**	455.65	**-**	-	**-**	-	**-**	0.05
	Interest Cost	**82.18**	45.73	**80.47**	73.15	**5.95**	6.03	**-**	0.06
	Interest income	**(50.35)**	(46.45)	**(82.65)**	(69.35)	**-**	-	**-**	-
	Contribution by employee	**-**	-	**(1.41)**	-	**-**	-	**-**	-
	Expenses for the year	**46.36**	461.40	**33.64**	43.52	**5.95**	6.03	**-**	0.15

Note: Provision in respect of pay revision dues as mentioned in note no. 47 is over and above the amounts recognised herein.

		Gratuity - Funded		Post Retirement Medical - Funded		Burmah Shell Pension - Non Funded		Gratuity - Non Funded	
		2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
e)	**Amount recognised in Other Comprehensive Income**								
	Remeasurements :								
	Actuarial (Gains)/ Losses								
	-Changes in financial assumptions	**6.91**	(37.32)	**(3.41)**	1.63	**1.09**	(2.22)	**-**	(0.04)
	-Experience adjustments	**47.90**	47.36	**139.81**	(22.76)	**2.70**	1.28	**-**	(0.01)
	Return on plan assets excluding net interest cost	**(1.67)**	(7.11)	**(2.55)**	(12.66)	**-**	-	**-**	-
	Total	**53.14**	2.93	**133.85**	(33.79)	**3.79**	(0.94)	**-**	(0.05)
f)	**Major Actuarial Assumptions**								
	Discount Rate (%)	**7.76**	7.88	**7.78**	7.76	**7.22**	7.68	**-**	7.83
	Salary Escalation/ Inflation (%)	**8.00**	8.00	**NA**	NA	**NA**	-	**-**	5.00
	Expected Return on Plan assets (%)	**7.76**	7.88	**7.78**	7.76	**NA**	-	**-**	-

The estimates for future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors

The expected return on plan assets is based on market expectation at the beginning of the period, for returns over the entire life of the related obligation

g) Investment pattern for Fund

	Gratuity - Funded		Post Retirement Medical - Funded	
	As at 31/03/2019	As at 31/03/2018	As at 31/03/2019	As at 31/03/2018
Category of Asset	%	%	%	%
Government of India Securities	**18.75**	23.38	**2.79**	3.58
Corporate Bonds	**4.45**	5.56	**77.71**	72.17
Insurer Managed funds	**68.64**	61.30	**4.53**	-
State Government Securities	**0.92**	1.49	**10.04**	19.00
Others	**7.24**	8.27	**4.93**	5.25
Total (%)	**100.00**	100.00	**100.00**	100.00

For the funded plans, the trust maintains appropriate fund balance considering the analysis of maturities. Projected Unit credit method is adopted for Asset-Liability Matching.

NOTE 50 EMPLOYEE BENEFITS (CONTD.)

Movement in net defined benefit (asset)/ liability

₹ in Crores

		Death / Permanent disablement - Non Funded		Re-settlement Allowance - Non Funded		Ex-gratia Scheme - Non Funded		Felicitation Scheme - Non Funded	
		2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
a)	**Reconciliation of balances of Defined Benefit Obligations.**								
	Defined Obligations at the beginning of the year	**11.51**	14.01	**13.29**	14.70	**325.79**	326.43	**-**	-
	Interest Cost	**0.86**	0.95	**1.05**	1.07	**25.28**	24.32	**-**	-
	Current Service Cost	**-**	-	**2.89**	3.23	**4.05**	3.09	**0.72**	-
	Past service cost	**-**	-	**-**	-	**-**	-	**83.73**	-
	Benefits paid	**(13.24)**	(9.02)	**(2.42)**	(2.65)	**(24.43)**	(19.90)		-
	Actuarial (Gains)/ Losses on obligations								
	-Changes in financial assumptions	**1.12**	(1.92)	**0.09**	(0.50)	**(0.55)**	(8.38)	**-**	-
	-Experience adjustments	**11.01**	7.49	**(2.03)**	(2.56)	**11.74**	0.23	**-**	-
	Defined Obligations at the end of the year	**11.26**	11.51	**12.87**	13.29	**341.88**	325.79	**84.45**	-
b)	**Amount recognised in Balance sheet**	**11.26**	11.51	**12.87**	13.29	**341.88**	325.79	**84.45**	-
c)	**Amount recognised in Statement of Profit and Loss**								
	Current Service Cost	**-**	-	**2.89**	3.23	**4.05**	3.09	**0.72**	-
	Past Service Cost	**-**	-	**-**	-	**-**	-	**83.73**	-
	Interest Cost	**0.86**	0.95	**1.05**	1.07	**25.28**	24.32	**-**	-
	Expenses for the year	**0.86**	0.95	**3.94**	4.30	**29.33**	27.41	**84.45**	-
d)	**Amount recognised in Other Comprehensive Income**								
	Remeasurements :								
	Actuarial (Gains)/ Losses								
	-Changes in financial assumptions	**1.12**	(1.92)	**0.09**	(0.50)	**(0.55)**	(8.38)	**-**	-
	-Experience adjustments	**11.01**	7.49	**(2.03)**	(2.56)	**11.74**	0.23	**-**	-
	Total	**12.13**	5.57	**(1.94)**	(3.06)	**11.19**	(8.15)	**-**	-
e)	**Major Actuarial Assumptions**								
	Discount Rate (%)	**7.07**	7.50	**7.76**	7.88	**7.78**	7.76	**7.78**	-

The estimates for future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors.

The expected return on plan assets is based on market expectation at the beginning of the period, for returns over the entire life of the related obligation.

NOTE 50 EMPLOYEE BENEFITS (CONTD.)

Sensitivity analysis

Sensitivity analysis for significant actuarial assumptions, showing how the defined benefit obligation would be affected, considering increase/decrease of 1% as at 31.03.2019 is as below:

₹ in Crores

Particulars	Gratuity - Funded	Post Retirement Medical - Funded	Burmah shell Pension- Non Funded	Death/ Permanent Disablement- Non funded	Resettlement allowance- Non funded	Exgratia scheme- Non funded	Felicitation Scheme - Non Funded
+ 1% change in rate of Discounting	**(54.47)**	**(151.95)**	**(2.25)**	**(2.57)**	**(0.70)**	**(25.70)**	**(6.64)**
- 1% change in rate of Discounting	**62.08**	**192.58**	**2.30**	**2.76**	**0.79**	**29.93**	**8.03**
+ 1% change in rate of Salary increase/ inflation	**10.84**	**-**	**-**	**-**	**-**	**-**	**-**
- 1% change in rate of Salary increase/ inflation	**(12.48)**	**-**	**-**	**-**	**-**	**-**	**-**

Sensitivity analysis for significant actuarial assumptions, showing how the defined benefit obligation would be affected, considering increase/decrease of 1% as at 31.03.2018 is as below:

₹ in Crores

Particulars	Gratuity - Funded	Post Retirement Medical - Funded	Burmah shell Pension- Non Funded	Death/ Permanent Disablement- Non funded	Resettlement allowance- Non funded	Exgratia scheme- Non funded
+ 1% change in rate of Discounting	(54.39)	(129.93)	(2.79)	(2.62)	(0.72)	(24.52)
- 1% change in rate of Discounting	61.73	164.98	2.09	2.81	0.82	28.52
+ 1% change in rate of Salary increase/ inflation	13.22	172.09	-	-	-	-
- 1% change in rate of Salary increase/ inflation	(15.13)	(136.32)	-	-	-	-

Sensitivity for significant actuarial asssumptions is computed by varying one actuarial assumption used for the valuation keeping all other actuarial assumptions constant.

NOTE 50 EMPLOYEE BENEFITS (CONTD.)

The expected future cash flows as at 31.03.2019 are as follows:

₹ in Crores

Expected contribution	Gratuity - Funded	Post Retirement Medical - Funded	Burmah shell Pension- Non Funded	Death/ Permanent Disablement- Non funded	Resettlement allowance- Non funded	Exgratia scheme- Non funded	Felicitation Scheme - Non funded
Projected benefits payable in future years from the date of reporting							
1st following year	203.39	53.40	12.71	2.67	1.92	33.02	16.97
2nd following year	91.37	63.69	10.97	2.25	0.92	32.93	4.14
3rd following year	128.28	75.72	9.38	1.98	1.52	32.07	3.29
4th following year	128.59	81.00	7.95	1.68	1.59	31.12	3.61
5th following year	129.23	88.52	6.67	1.35	1.65	30.07	3.54
Years 6 to 10	451.55	566.16	19.12	3.78	5.91	135.58	24.38

Other details as at 31.03.2019

Particulars	Gratuity - Funded	Post Retirement Medical - Funded	Burmah shell Pension- Non Funded	Death/ Permanent Disablement- Non funded	Resettlement allowance- Non funded	Exgratia scheme- Non funded	Felicitation Scheme - Non funded
Weighted average duration of the Projected Benefit Obligation(in years)	7	15	4	6	7	9	10
Prescribed contribution for next year (₹ in Crores)	131.23	155.35	-	-	-	-	-

[B] Provident Fund:

The Corporation's contribution to the Provident Fund is remitted to separate trust established for this purpose based on a fixed percentage of the eligible employees salary and charged to Statement of Profit and Loss.

Shortfall, if any, in the fund assets, based on the Government specified minimum rate of return, will be made good by the Corporation and charged to Statement of Profit and Loss. The actual return earned by the fund has mostly been higher than the Government specified minimum rate of return in the past years. There is no shortfall in the fund as on 31st March 2019 and 31st March 2018.

The details of fund obligations are given below:

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Present value of benefit obligation at period end	5,260.14	4,827.59

NOTE 51 RELATED PARTY TRANSACTIONS

a) Names of the Related parties

Joint Venture & Associate Companies

1. Indraprastha Gas Limited
2. Petronet India Limited *
3. Petronet CI Limited*
4. Petronet LNG Limited
5. Bharat Oman Refineries Limited
6. Maharashtra Natural Gas Limited
7. Central UP Gas Limited
8. Sabarmati Gas Limited
9. Bharat Stars Services Private Limited
   (Including Bharat Stars Services (Delhi) Pvt. Limited)
10. Bharat Renewable Energy Limited *
11. Matrix Bharat Pte. Ltd.
12. Delhi Aviation Fuel Facility Private Limited
13. Kannur International Airport Limited
14. GSPL India Gasnet Limited
15. GSPL India Transco Limited
16. Mumbai Aviation Fuel Farm Facility Private Limited
17. Kochi Salem Pipeline Private Limited
18. Petroleum India International
19. BPCL-KIAL Fuel Farm Private Limited
20. Haridwar Natural Gas Pvt. Ltd.
21. Goa Natural Gas Pvt. Ltd.
22. FINO Paytech Limited (including Fino Payments Bank)
23. Ratnagiri Refinery & Petrochemicals Ltd.
24. Ujjwala Plus Foundation (Section 8 company)
25. IBV (Brasil) Petroleo Ltda.
26. Taas India Pte. Ltd.
27. Vankor India Pte. Ltd.
28. Falcon Oil & Gas BV
29. Mozambique LNG 1 Pte. Ltd.
30. LLC TYNGD
31. JSC Vankorneft
32. Urja Bharat Pte. Ltd.
33. DNP Limited
34. Brahmaputra Cracker and Polymer Limited
35. Assam Bio Refinery (P) Ltd.
36. Indradhanush Gas Grid Limited

*Companies in the process of winding up

NOTE 51 RELATED PARTY TRANSACTIONS (CONTD.)

Key Management Personnel :

Shri D. Rajkumar, Chairman & Managing Director
Shri S. Ramesh, Director (Marketing) (Up to 23.09.2018)
Shri A.K. Singh, Director (Marketing) Appointed (w.e.f. 01.10.2018)
Shri R. Ramachandran, Director (Refineries)
Shri S. P. Gathoo, Director (Human Resources) (Up to 31.10.2017)
Shri K. Padmakar, Director (Human Resources) Appointed (w.e.f. 01.02.2018)
Shri P. Balasubramanian, Director (Finance) (Up to 30.04.2017)
Shri K. Sivakumar, Director (Finance) (w.e.f. 01.05.2017 up to 07.05.2018)
Shri N. Vijayagopal, Director (Finance) Appointed (w.e.f. 17.12.2018)
Shri M. Venugopal, (Company Secretary)
Shri Rajesh Kumar Mangal, Independent Director
Shri Deepak Bhojwani, Independent Director (Up to 30.11.2018)
Shri Gopal Chandra Nanda, Independent Director (Up to 30.11.2018)
Shri Vishal V Sharma, Independent Director
Shri P. H. Kurian, Govt. Nominee Director (up to 18.04.2017)
Shri Paul Antony, Nominee Director (w.e.f. 19.04.2017 Up to 19.03.2018)
Dr. K. Ellangovan, Govt. Nominee Director Appointed (w.e.f. 20.03.2018)
Smt. Jane Mary Shanti Sundharam, Independent Director Appointed (w.e.f. 21.09.2017)
Shri Vinay Sheel Oberoi, Independent Director Appointed (w.e.f. 21.09.2017)
Dr. (Smt.) Tamilisai Soundararajan, Independent Director (w.e.f. 28.09.2017 up to 22.03.2019)
Shri Anant Kumar Singh, Govt. Nominee Director (up to 27.11.2017)
Shri Rajiv Bansal, Govt. Nominee Director Appointed (w.e.f. 28.11.2017)

b) The nature wise transactions with the above related parties are as follows:

₹ in Crores

S. No.	Nature of Transactions	2018-19	2017-18
1.	Purchase of goods	40,057.44	37,709.00
2.	Sale of goods	2,284.92	3,066.71
3.	Purchase of fixed assets	0.09	-
4.	Rendering of Services	102.30	78.04
5.	Receiving of Services	358.27	285.19
6.	Interest Income / Share of profit/(loss)	115.73	114.33
7.	Dividend Income and other receipts	234.91	108.95
8.	Investment and Advance for Investments- Equity	44.01	88.08
9.	Management Contracts (Employees on deputation/ consultancy services)	32.35	28.33
10.	Lease Rental & other charges received	30.96	33.38
11.	Lease Rental & Other Charges paid	0.10	0.09
12.	Deposit given	0.04	-
13.	Deposit refund received	0.02	-
14.	Reduction in Financial Guarantee	1,046.88	-
15.	Receivables as at year end	1,807.93	1,562.79
16.	Payables as at year end	2,228.48	1,429.91
17.	Commitments	137.65	-
18.	Guarantee Outstanding	1,333.03	2,274.03

The outstanding balances are unsecured and are being settled in cash except advance against equities which are settled in equity.

NOTE 51 RELATED PARTY TRANSACTIONS (CONTD.)

c) In the ordinary course of its business, the Corporation enters into transactions with other Government controlled entities (not included in the list above). The Corporation has transactions with other government-controlled entities, including but not limited to the following:

- Sales and purchases of goods and ancillary materials;
- Rendering and receiving of services;
- Receipt of dividends;
- Loans and advances;
- Depositing and borrowing money;
- Guarantees; and
- Uses of public utilities.

These transactions are conducted in the ordinary course of business on terms comparable to those with other entities that are not government controlled entities.

d) Key management personnel compensation

₹ in Crores

Particulars	2018-19	2017-18
Short-term employee benefits	**4.95**	3.63
Post-employment benefits	**0.29**	0.71
Other long-term benefits	**0.00**	1.13
Others (including sitting fees to non-executive directors)	**0.99**	0.86

NOTE 52 DUES FROM DIRECTORS / OFFICERS

Dues from Directors is ₹ **0.41 Crore** (31st March 2018: ₹ 0.34 Crore) and Dues from Officers is ₹ **4.32 Crores** (31st March 2018: ₹ 3.54 Crores)

NOTE 53

In compliance with Ind AS – 27 'Separate Financial Statements', the required information is as under:

Subsidiaries	Principal place of Business / Country of Incorporation	Percentage of ownership Interest	
		As at 31/03/2019	As at 31/03/2018
Numaligarh Refinery Limited	India	**61.65%**	61.65%
Bharat Gas Resources Limited	India	**100.00%**	-
Bharat PetroResources Limited	India	**100.00%**	100.00%
Joint Ventures and associates			
Indraprastha Gas Limited	India	**22.50%**	22.50%
Petronet India Limited #	India	**16.00%**	16.00%
Petronet CI Limited #	India	**11.00%**	11.00%
Petronet LNG Limited	India	**12.50%**	12.50%
Bharat Oman Refineries Limited*	India	**50.00%**	50.00%
Central UP Gas Limited	India	**25.00%**	25.00%
Maharashtra Natural Gas Limited	India	**22.50%**	22.50%
Sabarmati Gas Limited	India	**49.94%**	49.94%
Bharat Stars Services Private Limited	India	**50.00%**	50.00%
Bharat Renewable Energy Limited #	India	**33.33%**	33.33%
Matrix Bharat Pte. Ltd.	Singapore	**50.00%**	50.00%

NOTE 53 (CONTD.)

Subsidiaries	Principal place of Business / Country of Incorporation	Percentage of ownership Interest	
		As at 31/03/2019	As at 31/03/2018
Delhi Aviation Fuel Facility Pvt. Limited	India	**37.00%**	37.00%
Kannur International Airport Limited@	India	**21.68%**	21.68%
GSPL India Gasnet Limited	India	**11.00%**	11.00%
GSPL India Transco Limited	India	**11.00%**	11.00%
Mumbai Aviation Fuel Farm Facility Private Limited	India	**25.00%**	25.00%
Kochi Salem Pipeline Private Limited	India	**50.00%**	50.00%
BPCL-KIAL Fuel Farm Private Limited	India	**74.00%**	74.00%
Haridwar Natural Gas Pvt Ltd.	India	**50.00%**	50.00%
Goa Natural Gas Private Limited	India	**50.00%**	50.00%
FINO Paytech Limited	India	**20.73%**	20.75%
Petroleum India International	India	**18.18%**	18.18%
Ratnagiri Refinery & Petrochemicals Ltd.	India	**25.00%**	25.00%

Companies in the process of winding up

@The percentage of ownership interest is after considering proposed increase in equity participation

* In addition to the ownership interest as mentioned above, the Corporation has made an investment in Compulsorily Convertible Debentures and Share Warrants of BORL.

Note: Ujjwala Plus Foundation is a joint venture of IOCL, BPCL and HPCL with fund contribution in the ratio of 50:25:25 which was incorporated as a limited by guarantee company (without share capital) under section 8 of Companies Act, 2013.

NOTE 54 EARNINGS PER SHARE (EPS)

₹ in Crores

Particulars		2018-19	2017-18
i.	**Profit attributable to equity holders of the Corporation for basic and diluted earnings per equity share**	**7,132.02**	7,976.30
ii.	**Weighted average number of ordinary shares**		
	Issued ordinary shares at 1st April (In Crores)	**216.93**	144.62
	Effect of shares issued as Bonus shares * (In Crores)	**-**	72.31
	Less : Investment held by BPCL Trust for Investment in Shares * [Refer Note No. 45] (In Crores)	**(20.24)**	(20.24)
	Weighted average number of shares at period end for basic and diluted EPS (In Crores)	**196.69**	196.69
	Basic and Diluted EPS (₹)	**36.26**	40.55

*The Corporation has issued bonus shares in the ratio of 1:2 during Financial Year 2017-18.

NOTE 55

The Corporation has elected to continue the policy adopted under Previous GAAP for accounting the foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items outstanding as of 31st March 2016 i.e. foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the asset and in other cases, if any, accumulated in "Foreign Currency Monetary Item Translation Difference Account" and amortised over the balance period of the liability.

The net loss remaining unamortised under Foreign Currency Monetary Item Translation Difference Account as at 31 March 2019 is ₹ **29.34 Crores** (net gain as at 31 March 2018 ₹ 66.76 Crores).

NOTE 56 IMPAIRMENT OF ASSETS

The Corporation assesses, at each reporting date, whether there is an indication of impairment of assets. Further, it is assumed that suitable mechanism would be in place by the Government of India, in line with earlier/ current year(s), to provide compensation towards under recoveries of margin, if any, and recoveries against Direct Benefit Transfer for LPG Scheme on account of sale of sensitive petroleum products in subsequent years. Based on the assessment, there is no indication of imapirment of assets as at 31st March 2019.

NOTE 57 PROVISIONS

In compliance of Ind AS 37 on "Provisions, Contingent Liabilities and Contingent Assets", the required information is as under:

₹ in Crores

Nature	Opening balance	Additions during the year	Utilisation during the year	Reversals during the year	Closing balance
Excise	1.86	0.02	-	-	1.88
Customs	2.51	0.73	-	-	3.24
Service Tax	0.06	-	0.06	-	-
VAT/ Sales Tax/ Entry Tax	383.50	22.87	0.10	6.98	399.29
Property Tax	38.68	12.08	13.24	0.23	37.29
Total	**426.61**	**35.70**	**13.40**	**7.21**	**441.70**
Previous year	644.62	23.25	8.91	232.35	426.61

The above provisions are made based on estimates and the expected timing of outflows is not ascertainable at this stage. Above includes provision of ₹ **123.66 Crores** (Previous year ₹ 123.66 Crores) for which deposits have been made.

NOTE 58 DISCLOSURE IN RESPECT OF EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

₹ in Crores

	Particulars	**2018-19**	**2017-18**
a)	Unspent CSR Expenditure carried forward from Previous year (Opening Provision)	**146.88**	128.11
b)	Amount required to be spent by the company during the year.	**203.32**	185.01
c)	Amount spent during the year (on purpose other than construction / acquisition of assets controlled by the company) #	**177.95***	166.24*
d)	Provision created for balance amount (Closing Provision)	**172.25**	146.88

The above expenditure includes contribution to funds, expenses through registered trusts / registered society or company established under section 8 of the Act and direct expenses by the company.

* including payables of ₹ **18.06 Crores** (Previous year ₹ 2.75 Crores)

NOTE 59 FINANCIAL INSTRUMENTS

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

₹ in Crores

As at 31/03/2019	Note Reference	Carrying amount				Fair value			
		Mandatorily at FVTPL	FVOCI - designated as such	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Investment in equity instruments	8		610.12		610.12	495.82		114.30	610.12
Investment in debt instruments	8 & 14	5,075.89		0.01	5,075.90	5,075.89			5,075.89
Derivative instruments - Commodity related	19	21.25			21.25		21.25		21.25
Derivative instruments - Interest rate swap	19	1.96			1.96		1.96		1.96
Derivative instruments- Forward Contracts	19	0.51			0.51		0.51		0.51
Deposits	9			30.22	30.22		35.22		35.22
Loan to subsidiary- fixed rate	9			238.49	238.49		280.66		280.66
Loan to subsidiary- variable rate	9			450.00	450.00				
Loan to Joint Venture	9			1,254.10	1,254.10		1,378.00		1,378.00
Loans									
Non-current-Loans to employee	9			391.32	391.32		391.32		391.32
Non-current- Others	9			54.32	54.32				
Current	18			1,628.88	1,628.88				
Other Deposits	9			97.21	97.21				
Cash and cash equivalents	16			78.49	78.49				
Bank Balances other than Cash and cash equivalents	17			16.92	16.92				
Trade receivables	15			6,670.72	6,670.72				
Others									
-Non-current	10			45.27	45.27				
-Current	19			9,388.20	9,388.20				
Total		5,099.61	610.12	20,344.15	26,053.88				
Financial liabilities									
Derivative Liability on forwards	32	1.11			1.11		1.11		1.11
Derivative Liability on Currency Swaps	32	179.36			179.36		179.36		179.36
Bonds	25 & 32			11,722.91	11,722.91	11,991.09			11,991.09
OIDB Loans	25 & 32			1,358.50	1,358.50		1,371.19		1,371.19
Debentures	25			2,299.32	2,299.32	2,311.82			2,311.82
Term loans	25			2,000.00	2,000.00				
Term loans	25			29.27	29.27		29.27		29.27
Foreign Currency Loans - Syndicated	25			8,108.55	8,108.55				
Other Non-Current financial liabilities	26			56.48	56.48				
Short term borrowings	30			3,580.75	3,580.75				
Trade and Other Payables	31			17,235.18	17,235.18				
Other Current liabilities	32			17,508.03	17,508.03				
Total		180.47	-	63,898.99	64,079.46				

Note: There are no other categories of financial instruments other than those mentioned above.

NOTE 59 FINANCIAL INSTRUMENTS

₹ in Crores

As at 31/03/2018	Note Reference	Carrying amount				Fair value			
		Mandatorily at FVTPL	FVOCI - designated as such	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Investment in equity instruments	8 & 14	2.30	681.20		683.50	575.94	2.30	105.26	683.50
Investment in debt instruments	8 & 14	4,992.88		0.01	4,992.89	4,992.88			4,992.88
Derivative instruments - Interest rate swap	19	3.13			3.13		3.13		3.13
Derivative instruments - Forward contracts	19	8.51			8.51		8.51		8.51
Deposits	9			27.81	27.81		34.19		34.19
Loan to subsidiary- fixed rate	9			216.81	216.81		267.57		267.57
Loan to subsidiary- variable rate	9			625.00	625.00				
Loan to Joint Venture	9			1,254.10	1,254.10		1,429.67		1,429.67
Loans									
- Non-current- Loans to employee	9			389.22	389.22		389.22		389.22
- Non-current - Other Loans	9			463.87	463.87		463.87		463.87
- Non-current- Others	9			41.88	41.88				
- Current	18			71.02	71.02				
Other Deposits	9			71.22	71.22				
Cash and cash equivalents	16			153.34	153.34				
Bank Balances other than Cash and cash equivalents	17			29.19	29.19				
Trade receivables	15			5,151.73	5,151.73				
Others									
- Non-current	10			56.34	56.34				
- Current	19			4,631.48	4,631.48				
Total		**5,006.82**	**681.20**	**13,183.02**	**18,871.04**				
Financial liabilities									
Derivative Liability on Currency Swaps	32	85.83			85.83		85.83		85.83
Derivative Liability on commodity derivatives	32	4.33			4.33		4.33		4.33
Bonds	25			7,828.78	7,828.78	7,976.51			7,976.51
OIDB Loans	25 & 32			1,357.94	1,357.94		1,373.45		1,373.45
Debentures	25			1,299.52	1,299.52	1,290.49			1,290.49
Term loans	25			2,000.00	2,000.00				
Foreign Currency Loans - Syndicated	25			2,771.42	2,771.42				
Other Non-Current financial liabilities	26			58.35	58.35				
Short term borrowings	30			8,093.01	8,093.01				
Trade and Other Payables	31			14,989.52	14,989.52				
Other Current liabilities	32			15,398.96	15,398.96				
Total		**90.16**	**-**	**53,797.50**	**53,887.66**				

Note: There are no other categories of financial instruments other than those mentioned above.

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the Balance Sheet, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Unquoted equity shares (Cochin International Airport Limited)	The Valuation is based on market multiples derived from quoted prices of companies comparable to investee and the expected revenue and PAT of the investee.	Adjusted market multiple (P/E)	The estimated fair value would increase/ (decrease) if Adjusted market multiple were higher/(lower)
Unquoted equity shares- (Sai Wardha Power Generation Limited (SWPGL))	The Fair Valuation is based on the agreement with SWPGL.	Not applicable	Not applicable
Derivative instruments - forward exchange contracts	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date.	Not applicable	Not applicable
Derivative instruments - interest rate swap and currency swap	Discounted cash flows: The valuation model considers the present value of expected receipt/ payment discounted using appropriate discounting rates. This technique also involves using the interest rate curve for projecting the future cash flows.	Not applicable	Not applicable
Derivative instruments - commodity contracts	Fair valuation of Commodity Derivative instruments are based on forward assessment done by Platts which is an independent agency which assesses benchmark global crude oil and product prices. Globally counterparties also use Platts assessment for settlement of transactions.	Not applicable	Not applicable
Non current financial assets and liabilities measured at amortised cost	Discounted cash flows: The valuation model considers the present value of expected receipt/ payment discounted using appropriate discounting rates.	Not applicable	Not applicable

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

Level 3 fair values

Reconciliation of Level 3 fair values

The following table shows a reconciliation of the opening and closing balances for Level 3 fair values.

₹ in Crores

Paticulars	Equity securities
Opening Balance(1st April 2017)	97.80
Net change in fair value (unrealised)	7.46
Closing Balance (31st March 2018)	105.26
Opening Balance(1st April 2018)	**105.26**
Net change in fair value (unrealised)	**9.04**
Closing Balance (31st March 2019)	**114.30**

Sensitivity analysis

For the fair values of unquoted equity shares, reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects:

₹ in Crores

	As at 31/03/2019		As at 31/03/2018	
	Profit or loss		Profit or loss	
Significant unobservable inputs	Increase	Decrease	Increase	Decrease
P/E (5% movement)	**5.71**	**(5.71)**	5.29	(5.29)

C. Financial risk management

C.i. Risk management framework

The Corporation's Board of Directors has overall responsibility for the establishment and oversight of the Corporation's risk management framework. The Risk Management Committee of the Board has defined roles and responsibilities, which includes reviewing and recommending the risk management plan and the risk management report for approval of the Board with the recommendation of the Audit Committee. The Corporation has adopted a Risk Management Charter and Policy for self-regulatory processes and procedures for ensuring the conduct of the business in a risk conscious manner.

The Corporation has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

C.ii. Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Corporation's trade and other receivables, cash and cash equivalents and other bank balances, derivatives and debt securities. The maximum exposure to credit risk in case of all the financial instuments covered below is restricted to their respective carrying amount.

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

(a) Trade and other receivables from customers

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to which the Corporation grants credit terms in the normal course of business.

As at 31st March 2019 and 31st March 2018, the Corporation's retail dealers, industrial and aviation customers accounted for the majority of the trade receivables.

Expected credit loss assessment for Trade and other receivables from customers as at 31st March 2019 and 31st March 2018

The Corporation uses an allowance matrix to measure the expected credit losses of trade and other receivables.

The loss rates are computed using a 'roll rate' method based on the probability of receivable progressing through successive stages till full provision for the trade receivable is made. Roll rates are calculated separately for exposures based on common credit risk characteristics for a set of customers.

The following table provides information about the exposure to credit risk and Expected Credit Loss Allowance for trade and other receivables:

₹ in Crores

As at 31/03/2019	Gross carrying amount	Weighted average loss rate - range	Loss allowance
Debts not due	**4,197.20**	**0.19%**	**8.00**
Debts over due	**2,368.19**	**11.58%**	**274.18**
Total	**6,565.39**	**4.30%**	**282.18**

₹ in Crores

As at 31/03/2018	Gross carrying amount	Weighted average loss rate - range	Loss allowance
Debts not due	3,848.76	0.17%	6.46
Debts over due	1,694.78	15.21%	257.80
Total	5,543.54	4.77%	264.26

The Corporation does not provide for any loss allowance on trade receivables where risk of default is negligible such as receivables from other oil marketing companies, if any, hence the same is excluded from above.

Loss rates are based on actual credit loss experience over the past three years.

The movement in the loss allowance in respect of trade and other receivables during the year was as follows:-

₹ in Crores

Balance as at 1st April, 2017	581.67
Movement during the year	(317.41)
Balance as at 31st March, 2018	264.26
Movement during the year	17.92
Balance as at 31st March, 2019	**282.18**

(b) Cash and cash equivalents and Other Bank Balances

The Corporation held cash and cash equivalents and other bank balances of ₹ **95.41 Crores** at 31st March 2019 (31st March 2018: ₹ 182.53 Crores). The cash and cash equivalents are held with banks with good credit ratings and financial institution counterparties with good market standing. Also, Corporation invests its short term surplus funds in bank fixed deposits, Tri Party Repo and liquid schemes of mutual funds, which carry no / low mark to market risks for short duration and therefore does not expose the Corporation to credit risk.

(c) Derivatives

The derivatives are entered into with banks, financial institutions and other counterparties with good credit ratings. Further exposures to counter-parties are closely monitored and kept within the approved limits.

(d) Investment in debt securities

Investment in debt securities are mainly as loans to subsidiaries, joint venture companies and investment in government securites which do not carry any significant credit risk.

C.iii. Liquidity risk

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is managed by Corporation through effective fund management. The Corporation has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Corporation has access to funds from debt markets through commercial paper programs, foreign currency borrowings and other debt instruments.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments

Maturity Analysis of Significant Financial Liabilities

₹ in Crores

As at 31/03/2019	Contractual cash flows				
	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Non-derivative financial liabilities					
Bonds	13,793.62	1,874.54	4,357.79	3,895.21	3,666.08
OIDB Loans	1,560.15	583.69	697.80	278.66	-
Term loans	2,825.80	165.45	566.50	1,993.85	100.00
Non Convertible Debentures	3,052.98	178.39	906.51	1,968.08	-
Foreign Currency Loans - Syndicated	10,886.19	253.17	3,220.62	7,412.40	-
Short term borrowings	3,580.75	3,580.75	-	-	-
Trade and other payables	17,235.18	17,235.18	-	-	-
Other current liabilities	17,508.03	17,508.03	-	-	-
Financial guarantee contracts*	6,630.07	-	581.04	1,068.70	4,980.33
Derivative financial liabilities					
Currency Swaps	214.97	214.97	-	-	-

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

₹ in Crores

As at 31/03/2018	Contractual cash flows				
	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Non-derivative financial liabilities					
Bonds	9,826.50	326.36	1,995.87	3,871.84	3,632.43
OIDB Loans	1,511.08	586.14	836.71	88.23	-
Term loans	2,863.80	160.00	430.89	536.07	1,736.84
Non Convertible Debentures	1,750.08	98.10	196.20	1,455.78	-
Foreign Currency Loans - Syndicated	3,077.48	80.40	2,997.08	-	-
Short term borrowings	8,093.01	8,093.01	-	-	-
Trade and other payables	14,989.52	14,989.52	-	-	-
Other current liabilities	15,398.96	15,398.96	-	-	-
Financial guarantee contracts*	7,210.14	975.66	546.37	1,004.93	4,683.18
Derivative financial liabilities					
Currency Swaps	171.09	25.45	145.64	-	-
Commodity Contracts	4.33	4.33	-	-	-

* Guarantees issued by the Corporation on behalf of joint venture/subsidiary are with respect to borrowings raised by the respective entity. These amounts will be payable on default by the concerned entity. As of the reporting date, none of the subsidiary/joint venture have defaulted and hence, the Corporation does not have any present obligation to third parties in relation to such guarantees.

C.iv. Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises four types of risk: currency risk, interest rate risk, commodity risk and other price risk.

C.iv.a Currency risk

The Corporation is exposed to currency risk on account of its operating and financing activities. The functional currency of the Corporation is Indian Rupee. Our exposure is mainly denominated in U.S. dollars (USD). The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future

The Corporation has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks. The Corporation uses derivative instruments, (mainly foreign exchange forward contracts) to mitigate the risk of changes in foreign currency exchange rates in line with our policy

The Corporation does not use derivative financial instruments for trading or speculative purposes.

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

Exposure to currency risk

The currency profile in INR of financial assets and financial liabilities as at 31st March 2019 and 31st March 2018 are as below:

₹ in Crores

As at 31/03/2019	USD	EURO	JPY	CHF	Others
Financial assets					
Cash and cash equivalents	11.81	-	-	-	-
Trade receivables and other assets	244.04	0.18	-	-	0.01
Net exposure for assets	255.85	0.18	-	-	0.01
Financial liabilities					
Bonds	10,332.38	-	-	1,390.54	-
Foreign Currency Loans - Syndicated	8,108.55	-	-	-	-
Short term borrowings	1,632.44	-	-	-	-
Trade Payables and other liabilities	10,370.28	203.55	12.81	12.44	2.88
Add/(Less): Foreign curency forward exchange contracts	(1,743.12)	-	-	-	-
Add/(Less): Foreign currency swaps	1,579.11	-	-	(1,390.54)	-
Net exposure for liabilities	30,279.64	203.55	12.81	12.44	2.88
Net exposure (Assets - Liabilities)	(30,023.79)	(203.37)	(12.81)	(12.44)	(2.87)

₹ in Crores

As at 31/03/2018	USD	EURO	JPY	CHF	Others
Financial assets					
Cash and cash equivalents	14.26	-	-	-	-
Trade receivables and other assets	537.05	0.19	-	-	0.01
Net exposure for assets	551.31	0.19	-	-	0.01
Financial liabilities					
Bonds	6,465.77	-	-	1,363.01	-
Foreign Currency Loans - Syndicated	2,771.42	-	-	-	-
Short term borrowings	6,286.26	-	-	-	-
Trade Payables and other liabilities	7,631.08	167.28	0.41	19.15	2.81
Add/(Less): Foreign curency forward exchange contracts	(1,654.97)	-	-	-	-
Add/(Less): Foreign currency swaps	1,484.89	-	-	(1,363.01)	-
Net exposure for liabilities	22,984.45	167.28	0.41	19.15	2.81
Net exposure (Assets - Liabilities)	(22,433.14)	(167.09)	(0.41)	(19.15)	(2.80)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD against INR at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to Property, Plant and Equipment or recognised directly in reserves, the impact indicated below may affect the Corporation's income statement over the remaining life of the related Property, Plant and Equipment or the remaining tenure of the borrowing respectively.

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

₹ in Crores

Effect in INR (before tax)	Profit or loss	
	Strengthening	Weakening
For the year ended 31st March, 2019		
3% movement		
USD	(900.71)	900.71

₹ in Crores

Effect in INR (before tax)	Profit or loss	
	Strengthening	Weakening
For the year ended 31st March, 2018		
3% movement		
USD	(672.99)	672.99

C.iv.b Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Company's approach to managing interest rate risk is to have a judicious mix of borrowed funds with fixed and floating interest rate obligation.

Exposure to interest rate risk

Corporation's interest rate risk arises primarily from borrowings. The interest rate profile of the Corporation's interest-bearing financial instruments is as follows:

₹ in Crores

Particulars	Note Reference	As at 31/03/2019	As at 31/03/2018
Fixed-rate instruments			
Financial Assets - measured at amortised cost			
Investment in debt instruments	8	0.01	0.01
Loan to Subsidiary	9	238.49	216.81
Loan to Joint Venture	9	1,254.10	1,254.10
Financial Assets - measured at Fair Value through Profit & Loss			
Investment in debt instruments	14	5,075.89	4,992.88
Total of Fixed Rate Financial Assets		6,568.49	6,463.80
Financial liabilities - measured at amortised cost			
Bonds	25 & 32	11,722.91	7,828.78
OIDB Loans	25 & 32	1,358.50	1,357.94
Non- Convertible Debentures	25	2,299.32	1,299.52
Short term borrowings	30	1,737.19	1,500.00
Term Loan	25	29.27	-
Total of Fixed Rate Financial Liabilities		17,147.19	11,986.24

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

₹ in Crores

Particulars	Note Reference	As at 31/03/2019	As at 31/03/2018
Variable-rate instruments			
Financial Assets - measured at amortised cost			
Loan to Subsidiary	9	**450.00**	625.00
Total of Variable Rate Financial Assets		**450.00**	625.00
Financial liabilities - measured at amortised cost			
Foreign Currency Loans - Syndicated	25	**8,108.55**	2,771.42
Short term borrowings	30	**1,843.56**	6,593.01
Term loans	25	**2,000.00**	2,000.00
Total of Variable Rate Financial Liabilities		**11,952.11**	11,364.43

Fair value sensitivity analysis for fixed-rate instruments

The Corporation accounts for certain investments in fixed-rate financial assets such as investments in Oil bonds and Government Securities at fair value through profit or loss. Accordingly, a decrease in 25 basis point in interest rates is likely to increase the profit or loss (before tax) for the year ending 31st March 2019 by ₹ **60.87 Crores** (31st March 2018 - ₹ 67.15 Crores) and an increase in 25 basis point in interest rates is likely to decrease the profit or loss (before tax) for the year ending 31st March 2019 by ₹ **61.80 Crores** (31st March 2018 - ₹ 68.30 Crores).

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 25 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. In cases where the related interest rate risk is capitalised to Property, Plant and Equipment, the impact indicated below may affect the Corporation's income statement over the remaining life of the related Property, Plant and Equipment.

₹ in Crores

	Profit or (loss)	
Cash flow sensitivity (net)	**0.25 % increase**	**0.25% decrease**
As at 31/03/2019		
Variable-rate loan instruments	**(29.49)**	**29.49**
Interest on Loan given to Subsidiary	**1.12**	**(1.12)**
Cash flow sensitivity (net)	**(28.37)**	**28.37**
As at 31/03/2018	**0.25 % increase**	**0.25% decrease**
Variable-rate loan instruments	(24.58)	24.58
Interest on Loan given to Subsidiary	4.47	(4.47)
Cash flow sensitivity (net)	(20.11)	20.11

C.iv.c Commodity rate risk

BPCL's profitability gets affected by the price differential (also known as Margin or Crack spread) between prices of products (output) and the price of the crude oil and other feed-stocks used in production (input). Prices of both are set by markets. Hence BPCL uses derivatives instruments (swaps, futures, options, and forwards) to hedge exposures to commodity price risk to cover refinery operating cost using Basic Swaps on various products cracks like Naphtha, Gasoline (Petrol), Jet/Kerosene, Gasoil (Diesel) and Fuel Oil against Benchmark Dubai Crude. Further volatility in freight costs is hedged through Freight Forwards and bunker purchases. Settlement of all derivative transactions take place on the basis of monthly average of the daily prices of the settlement month quoted by Platts.

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

BPCL measures market risk exposure arising from its trading positions using value-at-risk techniques. These techniques make a statistical assessment of the market risk arising from possible future changes in market prices over a one-day holding period.

BPCL uses historical model of VAR techniques based on variance/covariance to make a statistical assessment of the market risk arising from possible future changes in market values over a 24-hour period and within a 95% confidence level. The calculation of the range of potential changes in fair value takes into account positions, the history of price movements for last two years and the correlation of these price movements. VAR calculation for open position as on 31st March 2019 is as given below:

Product	Gasoil - Dubai	FO 180 CST 3.5%S FOB Spore Cargo (ZCC)	Brent Dt - Dubai	Gasoil - Gasoline
Unit	**USD/Bbl**	**USD/Bbl**	**USD/Bbl**	**USD/Bbl**
Mean	14.60	385.18	1.27	5.59
Standard Deviation	1.75	60.37	1.58	4.73
Var95	2.89	99.29	2.60	7.78
Mean+Var95	17.49	285.89	(1.33)	13.37
Avg.Trade Price	18.48	413.10	0.92	18.15
Lots as on 31.03.2019	6.00	3.00	6.00	3.00
Standard Lot size	50000 BBL	3000 MT	50000 BBL	50000 BBL
VAR USD million ("-ve" VAR of Gasoil and Gasoil-Gasoline ignored)	(0.30)	3.82	0.67	(0.72)
Total Portfolio VAR in USD million	4.49			

C.iv.d Price risk

The Corporation's exposure to equity investments price risk arises from investments held by the Corporation and classified in the financial statements at fair value through OCI. The corporation intends to hold these investments for long-term for better returns and price risk will not be significant from a long term perspective.

Exposure to price risk

₹ in Crores

Effect in INR (before tax)	Profit or loss		Other components of Equity	
	Strengthening	Weakening	Strengthening	Weakening
As at 31/03/2019				
1% movement				
Investment in Oil India - FVOCI	-	-	**4.96**	**(4.96)**
Investment in CIAL - FVOCI	-	-	**1.14**	**(1.14)**
Total	-	-	**6.10**	**(6.10)**

₹ in Crores

Effect in INR (before tax)	Profit or loss		Other components of Equity	
	Strengthening	Weakening	Strengthening	Weakening
As at 31/03/2018				
1% movement				
Investment in Oil India - FVOCI	-	-	5.76	(5.76)
Investment in CIAL - FVOCI	-	-	1.05	(1.05)
Total	-	-	6.81	(6.81)

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

D. Offsetting

The following table presents the recognised financial instruments that are offset and other similar agreements that are not offset, as at 31st March 2019 and 31st March 2018.

The column ‘net amount’ shows the impact on the Corporation’s balance sheet if all set-off rights are exercised.

₹ in Crores

Particulars	Note reference	Effect of offsetting on the balance sheet			Related amounts not offset		
		Gross amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Financial Instrument	Amounts which can be offset	Net Amount
As at 31/03/2019							
Financial assets							
Investment in GOI Bonds	A	-	-	-	5,075.89	1,000.00	4,075.89
Trade and other receivables	B & C	3,590.56	3,530.69	59.87	-	-	-
Derivative Assets	D	-	-	-	0.98	0.98	-
Financial liabilities							
Short term borrowings	A	-	-	-	3,580.75	1,000.00	2,580.75
Trade and other payables	B & C	7,343.98	3,530.69	3,813.29	-	-	-
Derivative Liabilities	D	-	-	-	17.97	0.98	16.99

As at 31/03/2018							
Financial assets							
Investment in GOI Bonds	A	-	-	-	4,992.88	1,500.00	3,492.88
Trade and other receivables	B & C	2,385.90	2,380.99	4.91	-	-	-
Derivative Assets	D	-	-	-	1.75	1.75	-
Financial liabilities							
Short term borrowings	A	-	-	-	8,093.01	1,500.00	6,593.01
Trade and other payables	B & C	7,024.98	2,380.99	4,643.99	-	-	-
Derivative Liabilities	D	-	-	-	8.56	1.75	6.81

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

Notes

A. The Corporation has Tri Party Repo limits from Clearing Corporation of India Limited, which are secured by Oil Marketing Companies GOI Special Bonds 2026 and Government Securities. As the Counterparty currently does not have a legally enforceable right to off set these amounts, these amounts have not been offset in the balance sheet, but have been presented separately in the table above.

B. The Corporation purchases and sells petroleum products from different Oil Marketing Companies. Under the terms of the agreement, the amounts payable by the Corporation are offset against receivables and only the net amounts are settled. The relevant amounts have therefore been presented net in the balance sheet.

C. The Corporation enters into derivative transactions under the International Swaps and Derivatives Association (ISDA) master netting agreements. In general, under such agreements the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other.

D. The Corporation enters into derivative transactions under the International Swaps and Derivatives Association (ISDA) master netting agreements. In general, under such agreements the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other. The ISDA master netting agreements do not meet the criteria for offsetting in the balance sheet. This is because the Counterparty does not currently have legally enforceable right to offset recognised amounts, because the right to offset is enforceable only on the occurrence of future events.

NOTE 60 CAPITAL MANAGEMENT

The Corporation's objective is to maximize the shareholders' value by maintaining an optimum capital structure. Management monitors the return on capital as well as the debt equity ratio and makes necessary adjustments in the capital structure for the development of the business.

The Corporation's debt to equity ratio as at 31st March, 2019 was **0.79** (31st March 2018: 0.68)

Note: For the purpose of computing debt to equity ratio, equity includes Equity Share Capital and Other Equity and Debt includes Long term borrowings, short term borrowings and current maturities of long term borrowings.

NOTE 61 SEGMENT REPORTING

As per the requirements of Ind AS 108 on "Operating Segments", segment information has been provided under the Notes to Consolidated Financial Statements.

NOTE 62 MICRO, SMALL AND MEDIUM ENTERPRISES

To the extent, the Corporation has received intimation from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the details regarding Micro and Small enterprises are provided as under:

₹ in Crores

Particulars	As at 31st March 2019	As at 31st March 2018
Principal amount overdue (remaining unpaid) as on 31st March	**0.57**	0.50
Interest due thereon remaining unpaid as on 31st March#	**0.01**	
Payment made during the year after the due date*		
Principal		
Interest		
Interest accrued and remaining unpaid as at 31st March#	**0.01**	

Amount ₹ 1,08,621

*All undisputed payments to Micro and Small enterprises during the year are made as per the MSMED Act, 2006.

NOTE 63 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

₹ in Crores

Particulars			As at 31/03/2019	As at 31/03/2018
(a)	**Contingent Liabilities :**			
	In respect of Income Tax matters		**55.25**	25.78
	Other Matters :			
	i)	Claims against the Corporation not acknowledged as debts * :		
		Excise and customs matters	**1,080.83**	1,699.21
		Service Tax matters	**41.92**	126.70
		Sales tax/VAT matters	**10,394.76**	9,639.33
		Land Acquisition cases for higher compensation @	**126.93**	113.43
		Others @	**261.52**	314.14
	* These include ₹ **7,656.66 Crores** (31st March 2018: ₹ 7,055.30 Crores) against which the Corporation has a recourse for recovery and ₹ **96.99 Crores** (31st March 2018: ₹ 90.23 Crores) which are on capital account. @The addition in Land Acquisition cases for higher compensation and Others on account of new claims raised during the current year amounts to ₹ 6.58 Crores and ₹ 30.13 Crores respectively.			
	ii)	Claims on account of wages, bonus / ex-gratia payments in respect of pending court cases	**25.81**	22.35
	iii)	Guarantees (Refer Note Below)	**1,156.99**	758.00
(b)	**Capital Commitments :**			
	i)	Estimated amount of contracts remaining to be executed on capital account and not provided for	**5,820.83**	4,673.13
	ii)	Other Commitments #	**137.65**	-

Note:

1. BPCL's subsidiary, BGRL has been authorized by Petroleum and Natural Gas Regulatory Board (PNGRB) for development of 11 Geographical Areas (GAs) in Bid Round 9 and 2 GAs in Bid Round 10. As a promoter, BPCL has issued Parent Company Guarantees (PCGs) to PNGRB guaranteeing all performance obligations of BGRL under these 13 GAs. The outflow that may arise under these PCGs is not quantifiable.

2. BPCL's subsidiary, BPRL, is engaged in the business of Exploration and Production (E&P) of oil & gas and has participating interest in several blocks held directly or through group companies. BPCL has issued performance guarantees/counter-indemnities/letter of undertakings in favour of Government/Government Agencies/ Operators/other partners towards performance of obligations of BPRL (including its group companies) under the Concession Agreement/Joint Operating Agreements/Production Sharing Contracts/Licenses/ Farmout Agreements relating to various such E&P oil & gas blocks acquired by them. The outflow that may arise under these performance guarantees, is not quantifiable.

3 The Corporation has issued Performance Guarantee on behalf of Petronet LNG Limited against the performance obligations of LNG SPA, the outflow that may arise under the same is not quantifiable.

#Calls received for Rights issue/Private placement during the year from JVs and associates for which subscription of shares was pending as on 31.03.2019.

NOTE 64 RESEARCH AND DEVELOPMENT EXPENDITURE

₹ in Crores

Particulars		2018-19	2017-18
a)	Revenue Expenditure	**53.41**	47.38
b)	Capital Expenditure	**47.31**	35.81

NOTE 65 REVENUE FROM CONTRACTS WITH CUSTOMERS

A. Contract balances

	₹ in Crores
	31-Mar-19
Contract liabilities	**201.68**

The contract liabilities primarily relates to the liability towards customer loyalty program for unutilized points and the upfront bidding fees/fixed fees pertaining to Retail Outlets

	₹ in Crores
Movement in contract liabilities is as follows	**2018-19**
At beginning of the year	**165.02**
Increases due to cash received, excluding amounts recognised as revenue during the year	**84.53**
Revenue recognised that was included in the contract liability balance at the beginning of the year	**47.87**
At end of the year	**201.68**

B. The Corporation has adopted Ind AS 115 Revenue from Contracts with Customers with a date of initial application of 1st April 2018. The Corporation has applied Ind AS 115 following the retrospective cumulative effect method.

a. Bidding Income

All successful dealer in Retail Outlets tender is required to pay non refundable bidding/fixed fees upfront. The fees collected upfront are not refundable and is in the nature of a material right which entitles the dealer to operate the retail outlet in the Company's name for the specified period. Given that the Company does not have any significant performance obligation against the receipt of the upfront fees, the revenue is recognised on a systematic basis over the period of the contract.

The details of adjustments to opening Other Equity and other account balances as at 1st April 2018 is detailed below:

₹ in Crores

Extract of Balance Sheet	As at 31/03/2018	As at 01/04/2018 before adjustment	Adjustments on account of Ind AS 115	As at 01/04/2018 after adjustments
II EQUITY AND LIABILITIES				
Equity				
Other Equity	32,164.61	32,164.61	(39.79)	32,124.82
Non- Current Liabilities				
Deferred Tax Liabilities	4,955.52	4,955.52	(21.37)	4,934.15
Other non-current liabilities	143.19	143.19	61.16	204.35

The below table represents impact of revenue and profit before tax for the period, had the earlier policy for revenue recognition been continued during FY 2018-19.

Extract of Statement of Profit and Loss for the year ended 31st March 2019

Particulars	As per Ind AS 115	As per Old Ind AS 11 and 18	Impact due to the change
Other income	**2,983.60**	**2,995.10**	**11.50**
Profit before tax	**10,439.62**	**10,451.12**	**11.50**

NOTE 66

Ministry of Corporate Affairs order approving the merger of wholly owned subsidiary Petronet CCK Limited (PCCKL) with the Corporation was received on 31st May 2018. Both PCCKL and the Corporation have filed the MCA order with Registrar of Companies on 1st June 2018 and PCCKL stands merged with the Corporation w.e.f. 1st June 2018. The appointed date of merger is 1st April 2017. Accordingly, the financial statements for the period 2017-18 has been restated including the PCCKL operations.

The merger of PCCKL was done as per Pooling of Interest Method at book value and the difference between book value of the net assets and investment value was (₹ 77.50 Crores) which was taken to Capital Reserve (₹ 33.09 Crores) and Retained Earnings (₹ 44.41 Crores). The Profit after tax for FY 2017-18 was increased by ₹ 56.96 Crores on account of merger.

NOTE 67

The Corporation has decided to transfer its Gas business into a separate wholly owned subsidiary named Bharat Gas Resources Limited. Accordingly, the carrying amount of the assets and liabilities as at 31st March 2019 pertaining to the Gas business are presented separately from other Assets and Liabilities in the financial statements as a part of Disposal Group in line with Ind AS 105.

NOTE 68

In March 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 notifying Ind AS 116 "Leases", which replaces Ind AS 17 "Leases" and is effective from 1st April 2019. The core principle of this standard is that in case of a lessee most of the leases are to be recognised in the balance sheet as Right of use asset on the asset side and lease liability on liability side of balance sheet. The new standard provides two broad alternative transition options- Retrospective method and cumulative effect method. The Corporation is in the process of evaluating the impact of new leases standard.

NOTE 69

Figures of the Previous year have been regrouped wherever necessary, to conform to current period presentation.

Signature to Notes '1' to '69'

For and on behalf of the Board of Directors

Sd/-
D. Rajkumar
Chairman and Managing Director
DIN: 00872597

Sd/-
N. Vijayagopal
Director (Finance)
DIN: 03621835

Sd/-
M. Venugopal
Company Secretary

Place: MUMBAI
Date: 20th May 2019

As per our attached report of even date
For and on behalf of

CVK & Associates
Chartered Accountants
ICAI FR No.101745W

Sd/-
A.K. Pradhan
Partner
Membership No. 032156

Borkar & Muzumdar
Chartered Accountants
ICAI FR No.101569W

Sd/-
Devang Vaghani
Partner
Membership No. 109386

Consolidated Financial Statements

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BHARAT PETROLEUM CORPORATION LIMITED

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

1. We have audited the accompanying consolidated Ind AS Financial Statements of Bharat Petroleum Corporation Limited ("hereinafter referred to as the Holding Company/Corporation") and its Subsidiaries (the Holding Company/Corporation and its Subsidiaries together referred to as "the Group"), its Joint Ventures and Associates (refer Note 7 to the attached Consolidated Ind AS Financial Statements); comprising the Consolidated Balance Sheet as at 31st March 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the auditors on financial statements and on the other financial information of the Subsidiaries, Joint Ventures and Associates, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2019, the consolidated profit, consolidated total comprehensive income, consolidated cash flows and consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit of the Consolidated Ind AS Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Emphasis of Matter

4. We draw attention to the following matters in the notes to the Consolidated Ind AS Financial Statements:

   I. The auditors of Bharat Petro Resources Limited (Subsidiary Company) have stated in their report about the incorporation of details of its share in assets, liabilities, income and expense in the operations of Joint Ventures based on the audited/unaudited statements received from the respective Operators. They have observed that:

      a) In case of Three blocks, no audited statements have been received by the Subsidiary Company. Total assets, liabilities, income and expenses in respect of these blocks, amount to ₹ 290.72 Crores, ₹ 6.17 Crores, ₹ 130.55 Crores and ₹ 26.24 Crores respectively.

      b) In case of One foreign block (EP413), the information relating to the same is provided on the basis of unaudited statements for the year ended 31st March 2019. Total assets, liabilities, income and expenses related to the said block amounts to ₹ 91.99 Crores, ₹ 1.09 Crores, ₹ Nil and ₹ Nil respectively;

      c) The audited/unaudited statements referred above are prepared, as stated there in, to meet requirements of production sharing contracts and are special purpose statements;

      d) None of the statements, audited as well as unaudited, are drawn up in the format prescribed under Schedule III to the Act; as provisions of Companies Act 2013 are not applicable to unincorporated Joint Operation.

e) Some of the Operators use accounting policies other than those adopted by the Subsidiary Company for like transactions. The Subsidiary Company has made appropriate adjustments while incorporating relevant data.

f) The Subsidiary Company's proportionate share in jointly controlled assets, liabilities for which the Subsidiary Company is jointly responsible, Subsidiary Company's proportionate share of income and expenses for the year, the elements making the Cash flow Statement and related disclosures containing the enclosed financial statements and their observations thereon are based on such audit reports and statements from the Operators to the extent available with the Subsidiary Company.

II. The auditors of Bharat Petro Resources Limited (Subsidiary Company) has drawn attention to the disclosure made by one of its Subsidiaries, BPRL International Singapore PTE Limited, which has changed its financial year end from 31st March to 31st December. The said Subsidiary's figures consolidated in the current year are, thus, for a 9 month period. However, the comparative figures are for the 12 month period from 1st April 2017 to 31st March 2018.

III. The audited financials of BPRL International BV, Subsidiary of Bharat Petro Resources Limited, have not been receive d and its provisional figures have been considered for consolidation.

Our opinion is not modified in respect of these matters.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditors' Response
1.	**Computation of Expected Credit Loss (ECL):** Trade receivables and loans to LPG consumers granted under the Pradhan Mantri Ujwala Yojana (PMUY) scheme constitute a significant component of the total current assets of the Group. The Group recognizes Lifetime ECL at each reporting date on these current assets using a 'simplified approach', which relies on Management's estimates regarding probability of default rates linked to age-wise bucketing of the corresponding asset	Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: • We have evaluated the methodology for age-wise bucketing of trade receivables and key assumptions underlying the probability of default estimates on the same. • We selected a few sample outstanding receivable cases for the holding company having different overdue period and checked if the computation of ECL is appropriate in line with the Corporation's policy. • In respect of loans to LPG consumers under the PMUY scheme, we reviewed the methodology used for segregating the total outstanding loans into buckets and the assumptions underlying probability of default estimates in respect of the same. Based on discussions with the Management, we understand that this methodology was arrived at after discussion with few industry peers.

<table>
<tr><th>Sr. No.</th><th>Key Audit Matter</th><th>Auditors’ Response</th></tr>
<tr><td>2.</td><td>Investments in E&P:

The Group alongwith its step down Subsidiaries, JVs & Associates holds participating interest in various oil/ gas blocks for exploration & evaluation, development and production activities (E&P).

The Group’s realisation from these E&P investments is dependent on the continued successful operations/ development of reserves resulting in expected earnings and revenue growth of the respective companies.</td><td>The following procedures were carried out in this regard:

• We evaluated the design and implementation of key controls in relation to the impairment testing carried out by the management for E&P assets of the Group.

• We reviewed the audited financial statements of BPRL and the independent auditor’s report thereon to ascertain if there are any signs of permanent diminution in its E&P’s investments.</td></tr>
<tr><td>3.</td><td>Evaluation of Contingent Liabilities:

The Group has material uncertain positions including matters under dispute which involves significant judgment to estimate the possible outcome of these disputes. Contingent liabilities are not recognized in the Consolidated Ind AS Financial Statements but are disclosed unless the possibility of an outflow of economic resources is considered remote. Contingent liabilities disclosed are in respect of items in each case which are above the threshold limit.</td><td>• We examined sample items above the threshold limit for recognition of contingent liabilities and obtained details of completed Excise, VAT/ Sales Tax/ Entry Tax assessments of and demands as on 31st March 2019.

• We have assessed the Management’s underlying assumptions in estimating the possible outcome of the disputes. We also considered legal precedence and other rulings in evaluating Management’s position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions at beginning of the financial year to evaluate whether any change was required to Management’s position on these uncertainties.</td></tr>
<tr><td>4.</td><td>Inventories:

Valuation of Inventories is a significant area requiring Management’s judgment of estimates and application of accounting policies that have significant effect on the amounts recognized in the financial statements.</td><td>• We evaluated the system of inventory monitoring and control. It was observed that inventory has been physically verified by the Management during the year at reasonable intervals.

• In respect of the holding company’s inventory lying with third parties, we have ascertained that these have substantially been confirmed by them.

• Our audit teams have also physically verified on sample basis the holding company’s Inventories at various locations and compliance with cut off procedures. We examined the system for records maintenance for stocks lying at third party locations.

• We have also tested the values considered in respect of Net realizable value, cost of products and verified with the inventory valuation.</td></tr>
</table>

Sr. No.	Key Audit Matter	Auditors' Response
5.	**Property, Plant & Equipment:** Estimates of useful lives and residual value of Property, Plant and Equipment is a significant area requiring Management judgment of estimates and application of accounting policies that have significant effect on the amounts recognized in the Consolidated Ind AS Financial Statements.	• We examined whether the Corporation has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. • The physical verification of fixed assets (except LPG Cylinders and pressure regulators with customers) has been carried out by the Management in accordance with the phased program of verification of all assets which was reviewed by us. • The useful life of the major assets was adopted based on internal estimate and was also comparable with other entities in the same industry. We have tested the computation of depreciation on sample basis.

Information Other than the Consolidated Ind AS Financial Statements and Auditors' Report Thereon

6. The Corporation's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information but does not include the Consolidated Ind AS Financial Statements and our audit report thereon.

7. Our opinion on the Consolidated Ind AS Financial Statements does not cover the other information and we do not express any form of assurance thereon.

8. In connection with our audit of the Consolidated Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

9. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Ind AS Financial Statements

10. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these Consolidated Ind AS Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

11. In preparing the Consolidated Ind AS Financial Statements, the respective Board of Directors of the companies included in the Group, Joint Ventures and its Associates are responsible for assessing the ability of the Group and of its Joint Ventures and Associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

12. The respective Board of Directors of the companies included in the Group, Joint Ventures and its Associates are also responsible for overseeing the financial reporting process of the said companies.

Other Matters

13. We did not audit the financial statements of three Subsidiaries, whose financial statements /financial information reflect total assets of ₹ 27,406.60 Crores and net assets of ₹ 8,542.24 Crores as at 31st March 2019, total revenues of ₹ 18,641.70 Crores, net profit of ₹ 1,874.21 Crores and net cash outflows amounting to ₹ 104.49 Crores for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. The Consolidated Ind AS Financial Statements also include the Group's share of net profit of ₹ 420.02 Crores for the year ended 31st March 2019, as considered in the Consolidated Ind AS Financial Statements, in respect of eleven Joint Ventures and four Associates, whose financial statements/financial information have not been audited by us. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Ind AS Financial Statements in so far as it relates to the amounts and disclosures included in respect of these Subsidiaries, Joint Ventures and Associates, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid Subsidiaries, Joint Ventures and Associates, is based solely on such reports of the other auditors.

14. The Consolidated Ind AS Financial Statements include the Group share of net profit of ₹ 205.45 Crores for the year ended 31st March 2019 in respect of two Joint Ventures and three Associates, whose financial statements/financial information have not been audited by us. These financial statements/financial information are unaudited and have been furnished to us by the Management, and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these Joint Ventures and Associates, and our report in terms of sub-section (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid Joint Ventures and Associates, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given by the Management, the variation, if any, in these financial statements is not expected to be material.

    Our opinion above on the Consolidated Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

Auditors' Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

15. Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Consolidated Ind AS Financial Statements.

16. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

    - Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its Subsidiary companies which are companies incorporated in India, have adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Consolidated Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group, Joint Ventures and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Ind AS Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Ind AS Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

17. Materiality is the magnitude of misstatements in the Consolidated Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Ind AS Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Ind AS Financial Statements.

18. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

19. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

20. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

21. As required by Section 143(3) of the Act, based on our audit, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements.

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books.

    c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other

Comprehensive Income), Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.

d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Act.

e) In view of exemption given vide notification no. G.S.R. 463(E) dated June 5, 2015, issued by Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualification of directors, are not applicable to the Holding company and in case of other companies, on the basis of report of the statutory auditors of the respective Companies of the Group, Joint Ventures and its Associates incorporated in India, none of the directors is disqualified as on 31st March 2019 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the report of the statutory auditors of the respective Companies of the Group, Joint Ventures and its Associates incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

g) In view of exemption given vide notification no. G.S.R. 463(E) dated June 5, 2015, issued by Ministry of Corporate Affairs, provisions of Section 197 read with Schedule V of the Act regarding managerial remuneration are not applicable to the holding company.

h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The Consolidated Ind AS Financial Statements disclose the impact of pending litigations as at 31st March 2019 on consolidated financial position of the Group, Joint Ventures and Associates (Refer Note 62 of the Consolidated Ind AS Financial Statements).

   ii. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts as at 31st March 2019.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its Subsidiaries, Joint Ventures and Associates incorporated in India.

For CVK & Associates
Chartered Accountants
ICAI FRN. 101745W

Sd/-
A K Pradhan
Partner
Membership No. 032156

For Borkar & Muzumdar
Chartered Accountants
ICAI FRN. 101569W

Sd/-
Devang Vaghani
Partner
Membership No.109386

Place: Mumbai
Date: 20th May 2019

ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

[Referred to in paragraph 21(f) under ‘Report on Other Legal and Regulatory Requirements’ in the Independent Auditors’ Report of even date to the members of Bharat Petroleum Corporation Limited on the Consolidated Ind AS Financial Statements for the year ended 31st March 2019]

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section (3) of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the Consolidated Ind AS Financial Statements of the Group, its Joint Ventures and Associates as of and for the year ended 31st March 2019, we have audited the internal financial controls over financial reporting of Bharat Petroleum Corporation Limited (“the Holding Company/Corporation”) and its Subsidiaries, Joint Ventures and Associates, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company, its Subsidiaries, Joint Ventures and Associates, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“the ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the respective company’s business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company, its Subsidiaries, Joint Ventures and Associates, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company, its Subsidiaries, Joint Ventures and Associates, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Consolidated Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts

and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Ind AS Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company, its Subsidiaries, Joint Ventures and Associates, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to three Subsidiaries, ten Joint Ventures and three Associates which are companies incorporated in India, is based on the corresponding reports issued by auditors of such companies, which do not disclose any material inadequacy in the internal financial controls over financial reporting.

Our opinion is not qualified in respect of this matter.

For CVK & Associates
Chartered Accountants
ICAI FRN. 101745W

Sd/-
A K Pradhan
Partner
Membership No. 032156

For Borkar & Muzumdar
Chartered Accountants
ICAI FRN. 101569W

Sd/-
Devang Vaghani
Partner
Membership No.109386

Place: Mumbai
Date: 20th May 2019

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2019

	Note No.	As at 31/03/19	As at 31/03/18
			₹ in Crores
I. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	2	48,971.04	45,260.68
(b) Capital work-in-progress	3	7,292.90	4,486.47
(c) Investment Property	4	0.24	0.26
(d) Other Intangible assets	5	343.56	278.36
(e) Intangible assets under development	6	6,361.59	5,388.27
(f) Investment accounted for using equity method	7	18,088.74	17,594.08
(g) Financial Assets			
(i) Investments	8	1,019.08	681.21
(ii) Loans	9	3,829.26	4,074.42
(iii) Other financial assets	10	109.83	53.47
(h) Income Tax Assets (Net)	11	449.40	406.58
(i) Deferred tax assets (Net)	28	4.27	-
(j) Other non-current assets	12	1,678.88	1,530.75
		88,148.79	79,754.55
(2) Current Assets			
(a) Inventories	13	22,934.87	22,530.94
(b) Financial Assets			
(i) Investments	14	5,799.09	5,449.28
(ii) Trade receivables	15	6,906.25	5,209.28
(iii) Cash and cash equivalents	16	414.25	593.60
(iv) Bank Balances other than Cash and cash equivalents	17	248.27	760.26
(v) Loans	18	1,684.67	270.42
(vi) Other financial assets	19	9,416.19	4,583.23
(c) Current Tax Assets (Net)	20	33.17	55.08
(d) Other current assets	21	1,331.05	1,131.32
		48,767.81	40,583.41
(3) Assets held for sale	22	13.78	18.10
TOTAL ASSETS		136,930.38	120,356.06
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	23	1,966.88	1,966.88
(b) Other Equity	24	36,797.84	34,651.69
Equity attributable to owners		38,764.72	36,618.57
Non Controlling interests		2,070.04	1,905.09
Total Equity		40,834.76	38,523.66
(2) Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	25	34,315.58	28,904.28
(ii) Other financial liabilities	26	56.67	59.01
(b) Provisions	27	1,537.63	1,393.36
(c) Deferred tax liabilities (net)	28	6,792.01	5,522.40
(d) Other non-current liabilities	29	284.01	143.19
		42,985.90	36,022.24
(2) Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	30	8,598.95	8,093.03
(ii) Trade payables	31		
a. Total Outstanding dues of Micro Enterprises and Small Enterprises		57.04	46.05
b. Total Outstanding dues of creditors other than Micro and Small Enterprises		17,327.69	15,152.16
(iii) Other financial liabilities	32	20,059.03	16,361.19
(b) Other current liabilities	33	4,707.20	4,209.03
(c) Provisions	34	2,028.58	1,809.52
(d) Current Tax Liabilities (Net)	35	331.23	139.18
		53,109.72	45,810.16
Total Liabilities		96,095.62	81,832.40
TOTAL EQUITY AND LIABILITIES		136,930.38	120,356.06
Significant Accounting Policies	1		
Notes forming part of Financial Statements	44 to 68		

For and on behalf of the Board of Directors

Sd/-
D. Rajkumar
Chairman and Managing Director
DIN: 00872597

Sd/-
N. Vijayagopal
Director (Finance)
DIN: 03621835

Sd/-
M. Venugopal
Company Secretary

As per our attached report of even date
For and on behalf of

CVK & Associates
Chartered Accountants
ICAI FR No.101745W

Sd/-
A.K. Pradhan
Partner
Membership No. 032156

Borkar & Muzumdar
Chartered Accountants
ICAI FR No. 101569W

Sd/-
Devang Vaghani
Partner
Membership No. 109386

Place : MUMBAI
Date : 20th May 2019

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019

₹ in Crores

		Note No.	2018-19	2017-18
I)	Revenue from operations	36	340,879.15	279,437.99
II)	Other income	37	2,037.54	1,674.40
III)	**Total Income (I + II)**		342,916.69	281,112.39
IV)	**Expenses**			
	Cost of raw materials consumed	38	130,693.29	90,110.77
	Purchases of stock-in-trade	39	132,055.42	111,797.58
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	40	(1,606.26)	203.35
	Excise Duty		42,653.56	43,542.88
	Employee benefits expense	41	3,984.81	3,748.53
	Finance costs	42	1,763.95	1,185.74
	Depreciation and amortization expense	2,4,5	3,417.77	2,885.00
	Other expenses	43	17,986.10	14,753.90
	Total Expenses (IV)		330,948.64	268,227.75
V)	**Profit from continuing operations before share of profit of equity accounted investees and income tax (III - IV)**		11,968.05	12,884.64
VI)	Share of profit of equity accounted investee (net of income tax)		937.32	1,288.88
VII)	Profit from continuing operations before income tax		12,905.37	14,173.52
VIII)	**Tax Expense**	28		
	1) Current tax		3,109.18	3,234.82
	2) Deferred tax		1,367.53	1,452.24
	3) Short / (Excess) provision of earlier years		(99.19)	(305.45)
	Total Tax Expense		4,377.52	4,381.61
IX)	**Profit for the year (VII-VIII)**		8,527.85	9,791.91
X)	**Other Comprehensive Income (OCI)**		(1,172.47)	454.25
	(i) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of defined benefit plans		(209.79)	33.07
	(b) Equity instruments through Other Comprehensive Income- net change in fair value		(71.08)	(11.44)
	(c) Equity accounted investees - share of OCI		0.03	0.16
	(ii) Income tax related to items that will not be reclassified to profit or loss		80.82	(15.36)
	(iii) Items that will be reclassified to profit or loss			
	(a) Exchange differences in translating financial statements of foreign operations		305.44	(61.03)
	(b) Equity accounted investees - share of OCI		(1,277.89)	508.85
XI)	**Total Comprehensive Income for the period (IX+X)**		7,355.38	10,246.16
	Profit attributable to:			
	Owners of the company		7,802.30	9,008.63
	Non-Controlling Interests		725.55	783.28
	Profit for the year		8,527.85	9,791.91
	Other Comprehensive Income attributable to :			
	Owners of the company		(1,173.05)	455.35
	Non-Controlling Interests		0.58	(1.10)
	Other Comprehensive Income for the year		(1,172.47)	454.25
	Total Comprehensive Income attributable to :			
	Owners of the company		6,629.25	9,463.98
	Non-Controling Interests		726.13	782.18
	Total Comprehensive Income for the year		7,355.38	10,246.16
XII)	**Basic and Diluted Earnings Per Equity Share (Face value ₹10)**	54	39.67	45.80
	Significant Accounting Policies	1		
	Notes forming part of Financial Statements	44 to 68		

For and on behalf of the Board of Directors

As per our attached report of even date
For and on behalf of

Sd/-
D. Rajkumar
Chairman and Managing Director
DIN: 00872597

CVK & Associates
Chartered Accountants
ICAI FR No.101745W

Borkar & Muzumdar
Chartered Accountants
ICAI FR No. 101569W

Sd/-
N. Vijayagopal
Director (Finance)
DIN: 03621835

Sd/-
M. Venugopal
Company Secretary

Sd/-
A.K. Pradhan
Partner
Membership No. 032156

Sd/-
Devang Vaghani
Partner
Membership No. 109386

Place : MUMBAI
Date : 20th May 2019

CONSOLIDATED STATEMENT OF CASH FLOWS

₹ in Crores

	For the Year ended	31/03/2019	31/03/2018
A.	**Net Cash Flow from Operating Activities**		
	Net Profit Before Tax	12,905.37	14,173.52
	Adjustments for :		
	Share of (Profit) / Loss from Equity Accounted Investees	(937.32)	(1,288.88)
	Depreciation	3,417.77	2,885.00
	Finance Cost	1,763.95	1,185.74
	Foreign Exchange Fluctuations (Refer explanatory note 3)	188.38	69.90
	(Profit) / Loss on Sale of Property Plant and Equipments	(3.89)	36.47
	(Profit) / Loss on Sale of Investments	(27.79)	(10.65)
	Income from Investments	(1,071.97)	(859.42)
	Dividend Received	(46.95)	(63.92)
	Expenditure towards Corporate Social Responsibility	258.17	231.26
	Other Non-Cash items (Refer explanatory note 4)*	248.74	(571.32)
	Operating Profit before Working Capital Changes	16,694.46	15,787.70
	(Invested in)/Generated from :		
	Inventories	(403.93)	(1,332.74)
	Trade Receivables	(1,747.76)	(267.89)
	Other Receivables	(6,277.01)	(2,101.52)
	Current Liabilities & Payables	4,897.21	2,427.99
	Cash generated from Operations	13,162.97	14,513.54
	Direct Taxes Paid	(2,773.02)	(3,232.68)
	Paid for Corporate Social Responsibility	(232.80)	(212.49)
	Net Cash from / (used in) Operating Activities	10,157.15	11,068.37
B.	**Net Cash Flow from Investing Activities**		
	Purchase of Property Plant and Equipments / Intangible Assets	(10,541.30)	(7,752.50)
	Sale of Property Plant and Equipments	40.20	16.56
	Capital Advances	(56.33)	51.18
	Investment in Equity Accounted Investees	(1,169.07)	(1,424.18)
	Investment - Sai Wardha Power Generation Limited (Equity)	2.30	(2.30)
	Purchase of Investments	(49,830.05)	(26,095.71)
	Sale of Investments	49,638.96	26,786.31
	Income from Investment	1,124.22	1,023.18
	Dividend Received	339.90	331.95
	Net Cash from / (used in) Investing Activities	(10,451.17)	(7,065.51)
C.	**Net Cash Flow from Financing Activities**		
	Short Term Borrowings (Net)	288.88	(434.35)
	Long Term Borrowings	7,114.28	6,235.02
	Repayment of Loans	(816.03)	(4,335.69)
	Interest Paid	(1,476.81)	(1,315.14)
	Dividend Paid	(4,005.83)	(3,578.68)
	Dividend Distribution Tax	(897.45)	(788.89)
	Net Cash from / (used in) Financing Activities	207.04	(4,217.73)
D.	**Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)**	(86.98)	(214.87)

₹ in Crores

Cash and Cash Equivalents as at	**31/03/2018**	**31/03/2017**
Cash on hand	**17.70**	0.71
Cheques and drafts on hand	**16.19**	38.69
Cash at Bank	**559.71**	568.54
Less : Working capital loans / Cash Credit	**(306.77)**	(106.24)
	286.83	501.70
Cash and Cash Equivalents as at	**31/03/2019**	**31/03/2018**
Cash on hand	**33.27**	17.70
Cheques and drafts on hand	**24.70**	16.19
Cash at Bank	**356.28**	559.71
Less : Working capital loans / Cash Credit	**(214.40)**	(306.77)
	199.85	286.83
Net change in Cash and Cash Equivalents	**(86.98)**	(214.87)

* Includes FCMITDA Amortisation loss of ₹ **66.72 Crores** (Previous year: gain ₹ 65.26 Crores).

Disclosure to Changes in liabilities arising from financing activities

₹ in Crores

Particulars	**Short Term Borrowings (excluding working capital loans/cash credit)**	**Long Term Borrowings (including current maturities)**	**Total Liabilities from Financing Activities**
As on 31/03/2018	7,786.26	29,566.33	37,352.59
Cash Flows	288.88	6,298.25	6,587.13
Non cash changes			
a) Foreign Exchange Movement	309.41	281.64	591.05
b) Recognition of deferred income and its amortisation	-	70.73	70.73
c) Fair value Changes	-	32.26	32.26
d) Other Changes	-	(9.07)	(9.07)
As on 31/03/2019	**8,348.55**	**36,240.14**	**44,624.69**

₹ in Crores

Particulars	Short Term Borrowings (excluding Working capital loans/Cash Credit)	Long Term Borrowings (including current maturities)	Total Liabilities from Financing Activities
As on 31/03/2017	8,111.47	27,507.72	35,619.19
Cash Flows	(434.35)	1,899.33	1,464.98
Non cash changes			
a) Foreign Exchange Movement	109.14	141.87	251.01
b) Fair value Changes	-	17.41	17.41
As on 31/03/2018	7,786.26	29,566.33	37,352.59

Explanatory notes to Statement of Cash Flows

1. The Statement of Cash Flows is prepared in accordance with the format prescribed by Securities and Exchange Board of India and as per Ind AS 7 as notified by Ministry of Corporate Affairs.
2. In Part-A of the Statement of Cash Flows, figures in brackets indicate deductions made from the Net Profit for deriving the net cash flow from operating activities. In Part-B and Part-C, figures in brackets indicate cash outflows.
3. The net profit / loss arising due to conversion of current assets / current liabilities, receivable / payable in foreign currency is furnished under the head "Foreign Exchange Fluctuations".
4. "Other Non-Cash items" include excess provisions written back, diminution in value of investment, Reversal of excess capitalisation, amortisation of Capital grant, Bad debts and materials written off and miscellaneous adjustments not affecting Cash Flow.

5 "Current Liabilities and Payables" may include Payables in respect of Purchase of Property, Plant and Equipments, if any.

For and on behalf of the Board of Directors

Sd/-
D. Rajkumar
Chairman and Managing Director
DIN: 00872597

Sd/-
N. Vijayagopal
Director (Finance)
DIN: 03621835

Sd/-
M. Venugopal
Company Secretary

As per our attached report of even date
For and on behalf of

CVK & Associates
Chartered Accountants
ICAI FR No.101745W

Sd/-
A.K. Pradhan
Partner
Membership No. 032156

Borkar & Muzumdar
Chartered Accountants
ICAI FR No. 101569W

Sd/-
Devang Vaghani
Partner
Membership No. 109386

Place : MUMBAI
Date : 20th May 2019

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2019

₹ in Crores

(a) Equity share capital	As at 31/03/2019		As at 31/03/2018	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting period	2,16,92,52,744	2,169.25	1,44,61,68,496	1,446.17
Add: Issue of Bonus Shares [Refer Note No. 23]	-	-	72,30,84,248	723.08
Balance at the end of the reporting period	2,16,92,52,744	2,169.25	2,16,92,52,744	2,169.25
Less: Adjustment for Shares held by BPCL Trust for Investment in Shares [Refer Note No. 46]	(20,23,72,422)	(202.37)	(20,23,72,422)	(202.37)
Balance at the end of the reporting period after Adjustment	1,96,68,80,322	1,966.88	1,96,68,80,322	1,966.88

₹ in Crores

(b) Other equity	Reserves & Surplus								Equity Instruments through Other Comprehensive Income [Note 24]	BPCL Trust for Investment in Shares [Note 24]	Total attributable to Owners of the Corporation	Attributable to NCI ^	Total other equity
	Capital Reserve [Note 24]	Capital Reserve on Acquisition of Subsidiaries, JVCs and Associates [Note 24]	Securities Premium Reserve [Note 24]	Debenture Redemption Reserve [Note 24]	General Reserve [Note 24]	Retained Earnings [Note 24]*	Foreign Currency Monetary Item Translation Difference Account (FCMITDA) [Note 24]	Foreign Currency Translation Reserve [Note 24]					
Balance at 31st March 2017	**(20.76)**	**(31.00)**	**249.26**	**832.28**	**26,653.82**	**1,155.07**	**206.34**	**893.44**	**94.24**	**(524.19)**	**29,508.50**	**1,958.19**	**31,466.69**
Profit for the year	-	-	-	-	-	9,008.63	-	-	-	-	9,008.63	783.28	9,791.91
Other Comprehensive Income for the year	-	-	-	-	-	22.78	-	447.82	(15.25)	-	455.35	(1.10)	454.25
Issue of Bonus Shares [Refer Note No. 23]	-	-	-	-	(723.08)	-	-	-	-	67.45	(655.63)	-	(655.63)
Dividends	-	-	-	-	-	(3,181.57)	-	-	-	-	(3,181.57)	(694.00)	(3,875.57)
Dividend to BPCL Trust for Investment in Shares [Refer Note No. 46]	-	-	-	-	-	296.81	-	-	-	-	296.81	-	296.81
Dividend Distribution Tax on Dividends	-	-	-	-	-	(647.61)	-	-	-	-	(647.61)	(141.28)	(788.89)
Transfer to Debenture Redemption Reserve	-	-	-	307.53	-	(307.53)	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	2,720.89	(2,720.89)	-	-	-	-	-	-	-
Transfer from Debenture Redemption Reserve	-	-	-	(6.87)	-	6.87	-	-	-	-	-	-	-
Additions/(deletions) during the year - FCMITDA	-	-	-	-	-	-	(74.32)	-	-	-	(74.32)	-	(74.32)
Amortisation during the year - FCMITDA	-	-	-	-	-	-	(65.26)	-	-	-	(65.26)	-	(65.26)
Transfer to Capital Reserve**	93.75	-	-	-	-	(93.75)	-	-	-	-	-	-	-
Other Movements	-	-	-	-	-	6.26	-	-	-	-	6.26	-	6.26
Addition to Securities Premium	-	-	0.53	-	-	-	-	-	-	-	0.53	-	0.53
Balance at 31st March 2018	**72.99**	**(31.00)**	**249.79**	**1,132.94**	**28,651.63**	**3,545.07**	**66.76**	**1,341.26**	**78.99**	**(456.74)**	**34,651.69**	**1,905.09**	**36,556.78**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2019 (CONTD.)

₹ in Crores

(b) Other equity	Reserves & Surplus								Equity Instruments through Other Comprehensive Income [Note 24]	BPCL Trust for Investment in Shares [Note 24]	Total attributable to Owners of the Corporation	Attributable to NCI ^	Total other equity
	Capital Reserve [Note 24]	Capital Reserve on Acquisition of Subsidiaries, JVCs and Associates [Note 24]	Securities Premium Reserve [Note 24]	Debenture Redemption Reserve [Note 24]	General Reserve [Note 24]	Retained Earnings [Note 24]*	Foreign Currency Monetary Item Translation Difference Account (FCMITDA) [Note 24]	Foreign Currency Translation Reserve [Note 24]					
Balance at 31st March 2018	**72.99**	**(31.00)**	**249.79**	**1,132.94**	**28,651.63**	**3,545.07**	**66.76**	**1,341.26**	**78.99**	**(456.74)**	**34,651.69**	**1,905.09**	**36,556.78**
Transfer to Deffered Income on account of implementation of Ind AS 115 (net of tax) [Refer Note No. 65]	-	-	-	-	-	(44.85)	-	-	-	-	(44.85)	-	(44.85)
Balance after the above effect	**72.99**	**(31.00)**	**249.79**	**1,132.94**	**28,651.63**	**3,500.22**	**66.76**	**1,341.26**	**78.99**	**(456.74)**	**34,606.84**	**1,905.09**	**36,511.93**
Profit for the year	-	-	-	-	-	7,802.30	-	-	-	-	7,802.30	725.55	8,527.85
Other Comprehensive Income for the year	-	-	-	-	-	(137.02)	-	(972.45)	(63.58)	-	(1,173.05)	0.58	(1,172.47)
Dividends	-	-	-	-	-	(3,904.66)	-	-	-	-	(3,904.66)	(465.49)	(4,370.15)
Dividend to BPCL Trust for Investment in Shares [Refer Note No. 46]	-	-	-	-	-	364.27	-	-	-	-	364.27	-	364.27
Dividend Distribution Tax on Dividends	-	-	-	-	-	(801.76)	-	-	-	-	(801.76)	(95.69)	(897.45)
Transfer to Debenture Redemption Reserve	-	-	-	295.91	-	(295.91)	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	2,500.00	(2,500.00)	-	-	-	-	-	-	-
Transfer from Debenture Redemption Reserve	-	-	-	(249.54)	243.92	5.62	-	-	-	-	-	-	-
Additions/(deletions) during the year - FCMITDA	-	-	-	-	-	-	(162.82)	-	-	-	(162.82)	-	(162.82)
Amortisation during the year - FCMITDA	-	-	-	-	-	-	66.72	-	-	-	66.72	-	66.72
Balance at 31st March 2019	**72.99**	**(31.00)**	**249.79**	**1,179.31**	**1,395.55**	**4,033.06**	**(29.34)**	**368.81**	**15.41**	**(456.74)**	**36,797.84**	**2,070.04**	**38,867.88**

*The balance includes accumulated loss of Remeasurements of defined benefit plans (Net of tax) of corporation as on 31st March 2019 of ₹ **257.56 Crores** (As on 31st March 2018 ₹ 119.54 Crores)

** It represents transfer to capital reserve on account of issue of bonus shares by associate.

^ Includes share capital attributable to Non-Controlling Interest as on 31st March 2019 ₹ **282.08 Crores** (Previous year: ₹ 282.08 Crores)

For and on behalf of the Board of Directors

Sd/-
D. Rajkumar
Chairman and Managing Director
DIN: 00872597

Sd/-
N. Vijayagopal
Director (Finance)
DIN: 03621835

Sd/-
M. Venugopal
Company Secretary

Place : MUMBAI
Date : 20th May 2019

As per our attached report of even date
For and on behalf of

CVK & Associates
Chartered Accountants
ICAI FR No.101745W

Sd/-
A.K. Pradhan
Partner
Membership No. 032156

Borkar & Muzumdar
Chartered Accountants
ICAI FR No. 101569W

Sd/-
Devang Vaghani
Partner
Membership No. 109386

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

1. Statement of Significant Accounting Policies

The Consolidated Financial Statements relate to Bharat Petroleum Corporation Limited (BPCL or Parent Company or Corporation), its Subsidiary Companies and interest in Joint Venture and Associates. The Corporation and its Subsidiaries are together referred to as "Group".

1.1. Basis for preparation: The Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder.

The Financial Statements of the Subsidiary Companies, Joint Venture Companies (JVCs) and the Associates used in the preparation of the Consolidated Financial Statements are drawn upto the same reporting date as that of BPCL i.e. 31st March 2019, except for Matrix Bharat Pte. Ltd. whose accounts are drawn for the year ended 31st December 2018, where there are no significant transactions or other events that have occurred between 1st January 2019 to 31st March 2019.

The Consolidated Financial Statements have been prepared under historical cost convention basis, except for certain assets and liabilities measured at fair value.

The Group has adopted all the Ind AS and the adoption was carried out during Financial Year 2016-17 in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Generally Accepted Accounting Principles in India (Indian GAAP) as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, which was the "Previous GAAP".

The functional currency of the Corporation and its Indian Subsidiaries is Indian Rupees (₹), whereas the functional currency of foreign Subsidiaries is USD ($). The presentation currency of the Group is Indian Rupees (₹). All figures appearing in the Consolidated Financial Statements are rounded to the nearest Crores (₹ Crores), except where otherwise indicated.

In case of some Joint Venture Companies and Associates, certain accounting policies are different from that of the parent company, the impact of which is not expected to be material. The thresholds limit for the Group has been applied as per their respective financial statements and the same has been specified in Note no. 1.34.

Authorization of Consolidated Financial Statements: The Consolidated Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on 20th May 2019.

The percentage of ownership interest of the Corporation in the Subsidiary Companies, JVCs and Associates as on 31st March 2019 are as under:

S.No.	Particulars	Country of Incorporation	Percentage (%) of actual ownership interest as on	
			31/03/2019	**31/03/2018**
A.	**Subsidiaries**			
1.	Numaligarh Refinery Limited (NRL)	India	**61.65**	61.65
2.	Bharat Gas Resources Limited (BGRL)	India	**100.00**	
3.	Bharat PetroResources Limited (BPRL)	India	**100.00**	100.00
4.	Bharat PetroResources JPDA Limited (Note i)	India	**100.00**	100.00
5.	BPRL International BV (Note i)	Netherlands	**100.00**	100.00
6.	BPRL International Singapore Pte Ltd. (Note i)	Singapore	**100.00**	100.00
7.	BPRL Ventures BV (Note ii)	Netherlands	**100.00**	100.00
8.	BPRL Ventures Mozambique BV (Note ii)	Netherlands	**100.00**	100.00
9.	BPRL Ventures Indonesia BV (Note ii)	Netherlands	**100.00**	100.00
10.	BPRL International Ventures BV (Note ii)	Netherlands	**100.00**	100.00

S.No.	Particulars	Country of Incorporation	Percentage (%) of actual ownership interest as on	
			31/03/2019	31/03/2018
B.	**Joint Venture Companies**			
1.	Bharat Oman Refineries Limited	India	**50.00**	50.00
2.	Central UP Gas Limited	India	**25.00**	25.00
3.	Maharashtra Natural Gas Limited	India	**22.50**	22.50
4.	Sabarmati Gas Limited	India	**49.94**	49.94
5.	Bharat Stars Services Private Limited	India	**50.00**	50.00
6.	Bharat Renewable Energy Limited (Note iv)	India	**33.33**	33.33
7.	Matrix Bharat Pte. Ltd.	Singapore	**50.00**	50.00
8.	Delhi Aviation Fuel Facility Pvt. Limited	India	**37.00**	37.00
9.	IBV (Brasil) Petroleo Ltda. (Note iii)	Brazil	**50.00**	50.00
10.	Mumbai Aviation Fuel Farm Facility Private Limited	India	**25.00**	25.00
11.	Kochi Salem Pipeline Private Limited	India	**50.00**	50.00
12.	BPCL-KIAL Fuel Farm Private Limited	India	**74.00**	74.00
13.	Haridwar Natural Gas Pvt Ltd.	India	**50.00**	50.00
14.	Goa Natural Gas Private Limited	India	**50.00**	50.00
15.	DNP Limited (Note vi)	India	**26.00**	26.00
16.	Taas India Pte Ltd. (Note vii)	Singapore	**33.00**	33.00
17.	Vankor India Pte Ltd. (Note vii)	Singapore	**33.00**	33.00
18.	Falcon Oil & Gas BV (Note xi)	Netherlands	**30.00**	30.00
19.	Ratnagiri Refinery & Petrochemicals Ltd.	India	**25.00**	25.00
20.	LLC TYNGD (Note viii)	Russia	**9.87**	9.87
21.	Urja Bharat Pte. Ltd. (Note xii)	Singapore	**50.00**	-
22.	Assam Bio Refinery (P) Ltd. (Note vi)	India	**50.00**	-
23.	Indradhanush Gas Grid Ltd. (Note vi)	India	**20.00**	-
C.	**Associates**			
1.	Indraprastha Gas Limited	India	**22.50**	22.50
2.	Petronet LNG Limited	India	**12.50**	12.50
3.	GSPL India Gasnet Limited	India	**11.00**	11.00
4.	GSPL India Transco Limited	India	**11.00**	11.00
5.	Kannur International Airport Limited (Note v)	India	**21.68**	21.68
6.	Petroleum India International	India	**18.18**	18.18
7.	Petronet India Limited (Note xiii)	India	**16.00**	16.00
8.	Petronet CI Limited (Note iv)	India	**11.00**	11.00
9.	FINO Paytech Limited	India	**20.73**	20.75
10.	Brahmaputra Cracker and Polymer Limited (Note vi)	India	**10.00**	10.11
11.	Mozambique LNG 1 Pte Ltd (Note ix)	Singapore	**10.00**	10.00
12.	JSC Vankorneft (Note x)	Russia	**7.89**	7.89

➢ Ujjwala Plus Foundation is a Joint Venture of IOCL, BPCL and HPCL with fund contribution in the ratio of 50:25:25 which was incorporated as a limited by guarantee company (without share capital) under section 8 of Companies Act, 2013.

Notes:

i. Bharat PetroResources JPDA Limited, BPRL International BV and BPRL International Singapore Pte. Ltd. are 100% Subsidiaries of BPRL.

ii. BPRL Ventures BV, BPRL Ventures Mozambique BV, BPRL Ventures Indonesia BV and BPRL International Ventures BV are wholly owned Subsidiaries of BPRL International BV which have been incorporated outside India.

iii. BPRL Ventures BV holds 50% equity in Joint Venture Company IBV (Brasil) Petroleo Ltda. incorporated in Brazil.

iv. Consolidation in respect of Investment in Petronet CI Limited and Bharat Renewable Energy Limited have not been considered in the preparation of Consolidated Financial Statements as the parent company has decided to exit from these Companies and provision for full diminution in the value of investment has been done in the standalone financial statements of the parent company.

v. Kannur International Airport Limited has not prepared its financial statements and the same has not been considered for consolidation as the same is not expected to be material.

vi. Brahmaputra Cracker and Polymer Limited is an Associate of NRL and DNP Limited, Assam Bio Refinery (P) Ltd. and Indradhanush Gas Grid Ltd. are Joint Ventures of NRL.

vii. Taas India Pte Ltd. and Vankor India Pte Ltd. are Joint Venture companies of BPRL International Singapore Pte Ltd.

viii. LLC TYNGD is a Joint Venture of Taas India Pte Ltd.

ix. Mozambique LNG 1 Pte Ltd is an associate of BPRL Ventures Mozambique BV.

x. JSC Vankorneft is an associate of Vankor India Pte Ltd.

xi. Falcon Oil & Gas BV is a Joint Venture of BPRL International Ventures BV.

xii. Urja Bharat Pte Ltd. is a Joint Venture of BPRL International Singapore Pte. Ltd.

xiii. Petronet India Limited has gone under winding up. Consolidation has been done based on the declaration of solvency by the management of company.

xiv. The financial statements of Indraprastha Gas Limited, Maharashtra Natural Gas Limited, BPCL-KIAL Fuel Farm Private Limited and FINO Paytech Limited are yet to be audited and hence provisional Financial Statements provided by management of the respective companies have been considered for the purpose of preparation of Consolidated Financial Statements.

1.2. Basis of Consolidation

1.2.1. Subsidiaries

Subsidiaries are entities controlled by the Corporation. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The financial statements of the Subsidiaries are included in the Consolidated Financial Statements from the date on which control commences until the date on which the control ceases.

Subsidiaries are consolidated by combining like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its Subsidiaries. The intra-company balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These Consolidated Financial Statements are prepared by applying uniform accounting policies in use at the Corporation. Non-controlling interests ("NCI") which represent part of the net profit or loss and net assets of Subsidiaries that are not, directly or indirectly, owned or controlled by the company, are excluded.

Changes in the Corporation's equity interest in a Subsidiary that do not result in a loss of control are accounted for as equity transactions.

1.2.2. Joint Venture and Associates

A Joint Venture is an arrangement in which the Corporation has joint control and has rights to the net assets of the arrangement, rather than the rights to its assets and obligation for its liabilities. An associate is an entity in which the Corporation has significant influence, but no control or joint control over the financial and operating policies.

Interest in Joint Ventures and Associates are accounted for using the equity method. They are initially recognized at cost which includes transaction cost. Subsequent to initial recognition the Consolidated Financial Statements include the JVCs and Associates share of profit or loss and Other Comprehensive Income ("OCI") of such entities until the date on which significant influence or joint control ceases.

Unrealised gains / losses arising from transactions with such entities are eliminated against the investment to the extent of the Corporation's interest in the investee.

1.2.3. Business Combinations

In accordance with Ind AS 101 First time adoption of Indian Accounting Standards, the Group has elected to apply the requirements of Ind AS 103, "Business Combinations" prospectively to business combinations on or after the date of transition (1^{st} April 2015). Pursuant to this exemption, goodwill / capital reserve arising from business combination has been stated at the carrying amount under Previous GAAP. In accordance with Ind AS 103, the Group accounts for these business combinations using the acquisition method when the control is transferred to the Group. The consideration transferred for the business combinations is generally measured at fair value as at the date the control is acquired (acquisition date), of the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss or OCI as appropriate.

Common Control

Business combinations involving entities that are ultimately controlled by the same part(ies) before and after the business combination are considered as Common control entities and are accounted using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect the fair values, or recognise new assets or liabilities. Adjustments are made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.

The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.

The difference if any, between the amounts recorded as share capital plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

1.3. Use of Judgements and Estimates

The preparation of the Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Group continually evaluates these estimates and assumptions based on the most recently available information.

In particular, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Consolidated Financial Statements are as below:

- Assessment of functional currency;
- Financial instruments;
- Estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets;
- Valuation of inventories;
- Measurement of recoverable amounts of cash-generating units;
- Measurement of Defined Benefit Obligations and actuarial assumptions;
- Provisions including loss allowances;
- Evaluation of recoverability of deferred tax assets;
- Contingencies;
- Interest in Joint arrangements;
- In case of BPRL, impairment of exploration and evaluation assets; key assumptions for underlying recoverable amounts and
- Estimation of Oil and Natural Gas reserves:
    - The determination of the Group's estimated oil and natural gas reserves requires significant judgements and estimates to be applied and these are regularly reviewed and updated. Factors such as the availability of geological and engineering data, reservoir performance data, acquisition and divestment activity, drilling of new wells, and commodity prices all impact the determination of the Group's estimates of its oil and natural gas reserves. The Group estimates its proved reserves with a reasonable certainty on the basis of rigorous technical and commercial assessments based on conventional industry practice and regulatory requirements.
    - Estimates of oil and natural gas reserves are used to calculate depreciation, depletion and amortization charges for the Group's oil and gas properties. The impact of changes in estimated proved reserves is dealt with prospectively by amortizing the remaining carrying value of the asset over the expected future production. Oil and natural gas reserves also have a direct impact on the assessment of the recoverability of asset carrying values reported in the Consolidated Financial Statements. If proved reserves estimates are revised downwards, retained earnings could be affected by changes in depreciation expense or an immediate write-down of the property's carrying value.

Revisions to accounting estimates are recognized prospectively in the Consolidated Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

1.4. Property, Plant and Equipment

1.4.1. Property, Plant and Equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

1.4.2. The initial cost of an asset comprises its purchase price or construction cost (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use).

1.4.3. Direct expenses incurred during construction period on capital projects are capitalized. Other expenses of the project Group which are allocated to projects costing above a threshold limits are also capitalized. Expenditure incurred on enabling assets are capitalised.

1.4.4. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

1.4.5. Expenditure on assets, other than plant and machinery, LPG cylinders and pressure regulators, not exceeding threshold limits are charged to revenue.

1.4.6. Spare parts which meet the definition of Property, Plant and Equipment are capitalized as Property, Plant and Equipment in case the unit value of the spare part is above the threshold limits. In other cases, the spare part is inventorized on procurement and charged to Consolidated Statement of Profit and Loss on consumption.

1.4.7. An item of Property, Plant and Equipment and any significant part initially recognized separately as part of Property, Plant and Equipment is derecognized upon disposal; or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Consolidated Statement of Profit and Loss when the asset is derecognized.

1.4.8. The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial year end and changes, if any, are accounted in the line with revisions to accounting estimates.

1.4.9. In respect of the capital goods common for both GST and non-GST products, the GST input tax credit is taken on the eligible portion based on GST and non-GST product ratio in the month of procurement and the ineligible portion is capitalised. Subsequently, this ratio is reviewed every month as per the GST provisions and the differential GST amount arising due to changes in the ratio is capitalised when beyond the materiality threshold.

1.4.10. The Group has elected to use the exemption available under Ind AS 101 to continue the carrying value for all of its Property, Plant and Equipment as recognized in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (1st April 2015).

1.5. Depreciation

Depreciation on Property, Plant and Equipment are provided on the straight line basis, over the estimated useful lives of assets (after retaining the estimated residual value of upto 5%). These useful lives determined are in line with the useful lives as prescribed in the Schedule II of the Act, except in following cases:

1.5.1. Plant & Machinery at Retail Outlets (other than Storage tanks and related equipments) are depreciated over a useful life of 15 years based on the technical assessment.

1.5.2. Computer equipments are depreciated over a period of 3 years and Mobile phones are depreciated over a period of 2 years based on internal assessment. Electronic and electrical equipments provided to management staff under Furniture on Hire scheme are depreciated over a period of 4 years (previously 6 years) as per internal assessment. Other furniture items provided to management staff are depreciated over a period of 6 years as per internal assessment.

1.5.3. Solar Panels are depreciated over a period of 25 years based on the technical assessment of useful life and applicable warranty conditions.

1.5.4. Moulds, used for the manufacturing of the packaging material for Lubricants, are depreciated over a period of 5 years based on technical assessment of useful life.

1.5.5. Items of Property, Plant and Equipment costing not more than the threshold limits are depreciated at 100 percent in the year of acquisition except LPG Cylinders and Pressure Regulators which are depreciated over a useful life of 15 years based on the technical assessment.

1.5.6. In case of BPRL, workstations are depreciated over a period of 5 years. The useful lives are estimated based on the internal assessment. Depreciation is charged on additions/deletions on pro-rata monthly basis including the month of addition/deletion.

1.5.7. Components of the main asset that are significant in value and have different useful lives as compared to the main asset are depreciated over their estimated useful life. Useful life of such components has been assessed based on historical experience and internal technical assessment.

1.5.8. Depreciation on spare parts specific to an item of Property, Plant and Equipment is based on life of the related Property, Plant and Equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment.

1.5.9. Depreciation is charged on additions / deletions on pro-rata monthly basis including the month of addition / deletion.

1.6. Intangible Assets

1.6.1. Goodwill: Goodwill that arises on a business combination is subsequently measured at cost less any accumulated impairment losses.

In respect of business combinations that occurred prior to 1st April 2015, goodwill is included on the basis of its deemed cost, which represents the amount recorded under Previous GAAP, adjusted for the reclassification of certain intangibles.

Goodwill is not amortized but is tested for impairment annually.

1.6.2. Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any. Expenditure on internally generated intangibles, excluding development costs, is not capitalized and is reflected in Consolidated Statement of Profit and Loss in the period in which such expenditure is incurred. Development costs are capitalized if, and only if, technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Group has an intention and ability to complete and use or sell the asset and the costs can be measured reliably.

1.6.3. Assets where entire output generated is committed to be sold to entities providing public services for almost entire useful life of the asset are classified as intangible assets as per the requirements of Appendix A to Ind AS 11 and are amortized (after retaining the residual value, if applicable) over their useful life or the period of the agreement, whichever is lower.

1.6.4. In cases where, the Corporation or its Subsidiaries has constructed assets on behalf of public infrastructure entities and it has only a preferential right to use, these assets are classified as intangible assets and are amortized (after retaining the residual value, if applicable) over their useful life or the period of the agreement, whichever is lower.

1.6.5. Intangible assets with indefinite useful lives, such as right of way which is perpetual and absolute in nature, are not amortized, but are tested for impairment annually. The useful lives are reviewed at each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If not, the change in useful life from indefinite to finite is made on a prospective basis. The impairment losses on intangible assets with indefinite life are recognized in the Consolidated Statement of Profit and Loss.

1.6.6. Expenditure incurred for creating / acquiring other intangible assets above threshold limits from which future economic benefits will flow over a period of time, is amortized over the estimated useful life of the asset or five years, whichever is lower, on a straight line basis, from the time the intangible asset starts providing the economic benefit. In other cases, the expenditure is reflected in the Consolidated

Statement of Profit and Loss in the year in which the expenditure is incurred. The amortization period and the amortization method for an intangible asset with a finite life are reviewed at each year end. The amortization expense on intangible asset with finite useful lives and impairment losses in case there is an indication that the intangible asset may be impaired, are recognized in the Consolidated Statement of Profit and Loss.

1.6.7. The Group has elected to use the exemption available under Ind AS 101 to continue the carrying value for all of its intangible assets as recognized in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (1st April 2015).

1.7. Investment Property

1.7.1. Investment property is property (land or a building — or part of a building — or both) held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes. Investment properties are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

1.7.2. Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the Investment Property is recognized in Consolidated Statement of Profit and Loss.

1.7.3. On transition to Ind AS i.e. 1st April 2015, the Group has re-classified certain items from Property, Plant and Equipment to investment property. For the same, Group has elected to use the exemption available under Ind AS 101 to continue the carrying value for such assets as recognized in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (1st April 2015).

1.8. Borrowing costs

1.8.1. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.8.2. Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Consolidated Statement of Profit and Loss.

1.8.3. Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

1.9. Non-currents assets/Disposal Group held for sale

1.9.1. Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.

1.9.2. Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

1.9.3. The disposal Group classified as held for sale, are measured at the lower of carrying amount and fair value less costs to sell.

1.9.4. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortized.

1.10. Leases

1.10.1. Finance Lease

Lease Agreements are classified as finance leases, if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the lessee.

Lease Agreements in respect of land for lease period above threshold limits are classified as a finance lease.

1.10.2. Operating Lease

Lease Agreements which are not classified as finance leases are considered as operating lease.

Payments made under operating leases are recognized in Consolidated Statement of Profit and Loss with reference to lease terms and other relevant considerations. Lease incentives received / lease premium paid (if any) are recognized as an integral part of the total lease expense, over the term of the lease. Payments made under Operating Leases are generally recognized in Consolidated Statement of Profit and Loss on a straight-line basis over the term of the lease, unless such payments are structured to increase in line with expected general inflation.

1.10.3. At the inception of an arrangement, the Group determines whether the arrangement is or contains a lease. At inception or on reassessment of an arrangement that contains a lease, they separate payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. In case of a finance lease, if it is concluded that it is impracticable to separate the payments reliably, then an asset and a liability are recognized at an amount equal to the fair value of the underlying assets; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the entity's incremental borrowing rate.

1.11. Impairment of Non-financial Assets

1.11.1. Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. The recoverable amount is the higher of the asset's or Cash-Generating Units' (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets.

1.11.2. Goodwill arising from business combination is allocated to CGUs or Groups of CGUs that are expected to benefit from the synergies of the combination.

1.11.3. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.12. Inventories

1.12.1. Inventories are stated at cost or net realisable value, whichever is lower. Cost of inventories comprises of expenditure incurred in the normal course of business in bringing inventories to their present location including appropriate overheads apportioned on a reasonable and consistent basis and are determined on the following basis:

- Crude oil, traded goods and finished products other than lubricants are determined on First in First out basis.
- Other raw materials, packages, lubricants and stores and spares are determined on weighted average basis.
- The cost of Stock-in-Process is determined at raw material cost plus cost of conversion.

1.12.2. Customs duty on Raw materials/Finished goods lying in bonded warehouse are provided for at the applicable rates except where liability to pay duty is transferred to consignee.

1.12.3. Excise duty on finished stocks lying at manufacturing locations is provided for at the assessable value applicable at each of the locations based on end use.

1.12.4. The net realisable value of finished goods and stock in trade are based on the inter-company transfer prices and final selling prices (applicable at the location of stock) for sale to oil marketing companies and retail consumers respectively. For the purpose of stock valuation, the proportion of sales to oil marketing companies and retail consumers are determined on all India basis and considered for stock valuation at all locations.

1.12.5. Raw Materials held for use in the production of finished goods are not written down below cost except in cases where raw material prices have declined and it is estimated that the cost of the finished goods will exceed their net realisable value.

1.12.6. Obsolete, slow moving, surplus and defective stocks are identified at the time of physical verification of stocks and where necessary, provision is made for such stocks. In case of NRL, threshold of 3 years is being used.

1.12.7. In case of BPRL, finished goods of Crude Oil are valued at Cost or Net realisable value, whichever is lower. Cost of finished goods is determined based on direct cost and directly attributable services cost including depreciation and depletion. The value of such inventories includes royalty (wherever applicable). Cost of inventories other than finished goods, includes expenditure incurred in the normal course of business in bringing inventories to their present location.

1.13. Revenue Recognition

1.13.1. Sale of goods

Revenue from the sale of goods is recognised when the performance obligation is satisfied by transferring the related goods to the customer. The performance obligation is considered to be satisfied when the customer obtains control of the goods.

Revenue from the sale of goods includes excise duty and is measured at the fair value of the consideration received or receivable (after including fair value allocations related to arrangements involving more than one performance obligation), net of returns, taxes or duties collected on behalf of the Government and applicable trade discounts or rebates.

Revenue is allocated between loyalty programmes and other components of the sale. The amount allocated to the loyalty programme is deferred, and is recognised as revenue when the Corporation has fulfilled its obligation to supply the products under the terms of the programme.

Any upfront fees earned by the Corporation with no identifiable performance obligation are recognized as revenue on a systematic basis over the period of the Contract.

Where the Corporation acts as an agent on behalf of a third party, the associated income is recognised on a net basis.

Claims in respect of subsidy on LPG and SKO, from Government of India are booked on in principle acceptance thereof on the basis of available instructions / clarifications, subject to final adjustments as stipulated.

In case of BPRL, income from the sale of crude oil and gas produced from the block until the start of commercial production is adjusted against the cost of such block.

In case of BPRL, any retrospective revision in prices of crude oil and gas is accounted for in the year of such revision.

1.13.2. Construction contracts

Revenue from Construction contracts arise from the service concession arrangements entered into by the Group and certain arrangements involving construction of specific assets as part of arrangements involving more than one performance obligation.

Contract revenue includes the amount agreed in the contract to the extent that it is probable that they will result in revenue and can be measured reliably.

Based on an assessment of the terms of such contracts, the contract revenue is recognised in the Consolidated Statement of Profit and Loss based on the percentage of completion method.

The stage of completion is assessed with reference to the proportion of actual cost incurred as compared to the total estimated cost of the related contract.

Contract expenses are recognised as incurred unless they create an asset relating to future contract activity. An expected loss on a contract is recognised immediately in the Consolidated Statement of Profit and Loss.

1.13.3. Interest income is recognized using effective interest rate (EIR) method.

1.13.4. Dividend is recognized when right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably.

1.13.5. Income from sale of scrap is accounted for on realization.

1.13.6. In case of the Corporation, claims other than subsidy claims on LPG and SKO, from Government of India are booked when there is a reasonable certainty of recovery.

1.14. Classification of Income / Expenses

1.14.1. Income / Expenditure (net) in aggregate pertaining to prior year(s) above the threshold limits are corrected retrospectively in the first set of financial statements approved for issue after their discovery by restating the comparative amounts and / or restating the opening Balance Sheet for the earliest prior period presented.

1.14.2. Prepaid expenses upto threshold limits in each case, are charged to revenue as and when incurred.

1.14.3. Deposits placed with Government agencies / local authorities which are perpetual in nature are charged to revenue in the year of payment.

1.15. Employee Benefits

1.15.1. Short-term employee benefits

Short-term employee benefits are recognized as an expense at an undiscounted amount in the Consolidated Statement of Profit and Loss of the year in which the related services are rendered.

1.15.2. Post-employment benefits

Defined Contribution Plans

Obligations for contributions to defined contribution plans such as pension, provident fund in case of BPRL are recognized as an expense in the Consolidated Statement of Profit and Loss as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a set-off in future payments is available.

Defined Benefit Plans

The net obligation in respect of defined benefit plans such as gratuity, other post-employment benefits etc. is calculated separately for each plan by estimating the amount of future benefit that the employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed at each reporting period end by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the entity, the recognized asset is limited to the present value of the economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

The current service cost of the defined benefit plan, recognized in the Consolidated Statement of Profit and Loss as part of employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Consolidated Statement of Profit and Loss. The net interest is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This net interest is included in employee benefit expense in the Consolidated Statement of Profit and Loss.

Re-measurements which comprise of actuarial gains and losses, the return on plan assets (excluding amounts included in the net interest on the net defined benefit liability (asset)) and the effect of the asset ceiling (if any, excluding amounts included in the net interest on the net defined benefit liability (asset)), are recognized in Other Comprehensive Income.

1.15.3. Other long-term employee benefits

Liability towards other long term employee benefits - leave encashment and long service awards etc., are determined on actuarial valuation by qualified actuary by using Projected Unit Credit method.

The current service cost of other long terms employee benefits, recognized in the Consolidated Statement of Profit and Loss as part of employee benefit expense, reflects the increase in the obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Consolidated Statement of Profit and Loss. The interest cost is calculated by applying the discount rate to the balance of the obligation. This cost is included in employee benefit expense in the Consolidated Statement of Profit and Loss. Re-measurements are recognized in the Consolidated Statement of Profit and Loss.

1.15.4. Termination benefits

Expenditure on account of Voluntary Retirement Scheme are charged to Consolidated Statement of Profit and Loss as and when incurred.

1.16. Foreign Currency Transactions

1.16.1. Monetary items

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items (except for long term foreign currency monetary items outstanding as of 31st March 2016) are recognized in Consolidated Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs.

The Group has elected to continue the policy adopted under Previous GAAP for accounting the foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items outstanding as of 31st March 2016 i.e. foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the asset and in other cases, if any, accumulated in “Foreign Currency Monetary Item Translation Difference Account” and amortized over the balance period of the liability.

1.16.2. Non – Monetary items

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.16.3. In case of Group companies of BPRL, the results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

Assets and liabilities are translated at the closing rate at the date of that balance sheet.

Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions) and

All resulting exchange differences are recognised in other comprehensive income. On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

1.17. Government Grants

1.17.1. Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

1.17.2. When the grant relates to an expense item, it is recognized in Consolidated Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

1.17.3. Government grants relating to Property, Plant and Equipment are presented as deferred income and are credited to the Consolidated Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset.

1.18. Provisions, Contingent Liabilities and Capital Commitments

1.18.1. Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

1.18.2. The expenses relating to a provision is presented in the Consolidated Statement of Profit and Loss net of reimbursements, if any.

1.18.3. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

1.18.4. Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Group or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

1.18.5. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

1.18.6. Contingent liabilities and Capital Commitments disclosed are in respect of items which in each case are above the threshold limits.

1.19. Fair Value measurement

1.19.1. The Group measures certain financial instruments at fair value at each reporting date.

1.19.2. Certain accounting policies and disclosures require the measurement of fair values for both financial and non- financial assets and liabilities.

1.19.3. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability also reflects its non-performance risk.

1.19.4. The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determine that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognized in Consolidated Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

1.19.5. While measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

- **Level 1**: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2**: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3**: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

1.19.6. When quoted price in active market for an instrument is available, the Group measure the fair value of the instrument using that price. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

1.19.7. If there is no quoted price in an active market, then the Group uses a valuation technique that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

1.19.8. The Group regularly reviews significant unobservable inputs and valuation adjustments. If the third party information, such as broker quotes or pricing services, is used to measure fair values, then they assess the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

1.20. Financial Assets

1.20.1. Initial recognition and measurement

Trade Receivables and debt securities issued are initially recognized when they are originated. All other financial assets are initially recognized when the Group becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

1.20.2. Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Group classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit and loss.

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

The asset is held within a business model whose objective is

- To hold assets for collecting contractual cash flows and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Consolidated Statement of Profit and Loss. The losses arising from impairment are recognized in the Consolidated Statement of Profit and Loss.

Debt instruments at Fair value through Other Comprehensive Income (FVOCI)

A 'debt instrument' is measured at the fair value through Other Comprehensive Income if both the following conditions are met:

The asset is held within a business model whose objective is achieved by both

- Collecting contractual cash flows and selling financial assets and
- Contractual terms of the asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment losses are recognized in the Consolidated Statement of Profit and Loss. Other net gains and losses are recognized in other Comprehensive Income.

Debt instruments at Fair value through Profit or Loss (FVTPL)

Fair Value through Profit or Loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation at amortized cost or as FVOCI, is classified as FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognized in the Consolidated Statement of Profit and Loss separately.

Equity investments

All equity investments within the scope of Ind-AS 109 are measured at fair value. Such equity instruments which are held for trading are classified as FVTPL. For all other such equity instruments, the Group decides to classify the same either as FVOCI or FVTPL. They make such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in Other Comprehensive Income (OCI). Dividends on such equity instruments are recognized in the Consolidated Statement of Profit and Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Consolidated Statement of Profit and Loss.

1.20.3. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognized (i.e. removed from the entity's Balance Sheet) when

The rights to receive cash flows from the asset have expired, or

The rights to receive cash flows from the asset is transferred or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- The risks and rewards of the asset has been transferred substantially, or
- The risk and rewards of the asset are neither transferred nor retained, but the control of the asset is transferred.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognized in the Consolidated Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognized and accumulated in OCI are not reclassified to profit or loss on de-recognition.

1.20.4. Impairment of financial assets

In accordance with Ind-AS 109, the Group applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortized cost and debt instruments measured at FVOCI.

Loss allowances on receivables from customers and LPG consumers are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. In respect of other financial assets such as debt securities and bank balances, the loss allowance is measured at 12 month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date.

1.21. Financial Liabilities

1.21.1. Initial recognition and measurement

Financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

1.21.2. Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

A financial liability is classified as at Fair Value through Profit or Loss (FVTPL) if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognized in Consolidated Statement of Profit and Loss.

Financial Liabilities at amortized cost

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortized cost using the effective interest rate ("EIR") method.

Amortized cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The amortization done using the EIR method is included as finance costs in the Consolidated Statement of Profit and Loss.

1.21.3.De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Consolidated Statement of Profit and Loss.

1.22. Financial guarantees

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of the debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the fair value initially recognized less cumulative amortization.

1.23. Derivative financial instruments

The Group uses derivative financial instruments to manage the commodity price risk and exposure on account of fluctuation in interest rate and foreign exchange rates. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value with the changes being recognized in the Consolidated Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The fair valuation gains or losses on foreign currency derivatives measured at FVTPL are Grouped along with Gain or loss on foreign currency transactions and translations and presented under “Other Income” or “Other expenses”, as the case may be, since these derivatives constitute hedges from an economic perspective and may not qualify for hedge accounting under Ind AS 109.

1.24. Embedded derivatives

If the hybrid contract contains a host that is a financial asset within the scope of Ind-AS 109, the classification requirements contained in Ind AS 109 are applied to the entire hybrid contract. Derivatives embedded in all other host contracts, including financial liabilities are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit and loss. These embedded derivatives are measured at fair value with changes in fair value recognized in Consolidated Statement of Profit and Loss, unless designated as effective hedging instruments. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows.

1.25. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

1.26. Taxes on Income

1.26.1. Current Tax

Income-tax Assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

Current Tax items are recognized in correlation to the underlying transaction either in the Consolidated Statement of Profit and Loss, other comprehensive income or directly in equity.

1.26.2. Deferred tax

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred Tax items are recognized in correlation to the underlying transaction either in the Consolidated Statement of Profit and Loss, other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax is not recognized for

- Temporary differences related to investments in Subsidiaries and Joint Ventures to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.
- Taxable temporary differences arising on the initial recognition of goodwill.

1.27. Earnings per share

1.27.1. Basic earnings per share is calculated by dividing the profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

1.27.2. For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

1.28. Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the normal operating cycle (considered as 12 months) and other criteria set out in Schedule III of the Act.

1.29. Cash and Cash equivalents

Cash and cash equivalents in the Balance Sheet include cash at bank, cash, cheque, draft on hand and demand deposits with an original maturity of less than three months, which are subject to an insignificant risk of changes in value.

For the purpose of Consolidated Statement of Cash Flows, Cash and cash equivalents include cash at bank, cash, cheques and drafts on hand, net of outstanding bank overdrafts as they are considered an integral part of the Corporation's cash management. The Group considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.30. Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

1.31. Joint Operations in case of BPRL

BPRL has Joint arrangement in the nature of Production Sharing Contracts (PSC) with the Government of respective countries and/or various bodies corporate for exploration, development and production activities.

The income, expenditure, assets and liabilities of the Joint operations are merged on line by line basis according to the participating interest with the similar items in the financial statements of BPRL.

1.32. Depletion

1.32.1. In case of BPRL, Depletion charge is calculated on the capitalised cost according to the Unit of Production Method. The Depletion Charge or The Unit of Production (UOP) charge for all costs within a cost centre is calculated by multiplying the UOP rate with the production for the period. The UOP rate for computing depreciation charge for the acquisition cost within a field is arrived at by dividing the acquisition cost of the field by the Proved Oil and Gas Reserves and for all other capitalised costs, by dividing the depreciation base of the cost centre by the Proved Developed Oil and Gas Reserves. The depreciation base of a cost centre includes the gross block of the cost centre and estimated site restoration expenditure and is reduced by the accumulated depreciation and accumulated impairment charge of the cost centre. The estimates of proved reserves used are based on the latest technical assessment available with the Group.

1.33. Oil and natural gas producing activities in case of BPRL

1.33.1. BPRL follows the accounting policy as explained below for its oil and natural gas exploration and production activities.

i. Acquisition costs such as costs incurred to purchase, lease or otherwise acquire a property or mineral right proved or unproved are capitalised. Any pre-acquisition costs are expensed as and when incurred.

ii. All costs which are directly attributable to the exploration and evaluation activities of oil and gas are capitalised as Exploratory Wells-in-Progress under "intangible assets under development". General and administrative costs are included in the exploration and evaluation cost only to the extent that those costs can be directly attributable to the related exploration and evaluation assets. In all other cases, these costs are expensed as incurred.

iii. BPRL classifies the acquisition costs, exploration and evaluation assets as tangible asset or intangible asset according to the nature of assets acquired.

iv. Once the technical feasibility and commercial viability of extracting oil and gas are determinable, exploration and evaluation assets are classified as Development Wells-in-Progress under "intangible assets under development". Exploration and evaluation asset is assessed for impairment and impairment loss if any, is recognized, before such reclassification. Subsequent development costs including costs incurred for production facilities are capitalised as and when incurred as intangible assets under development or intangible assets as the case may be.

v. When a well within a block or cost centre is ready to commence commercial production, the capitalised costs referred above are reclassified as intangible assets. The cost centre is not normally smaller than a country, except, where warranted by a major difference in economic, fiscal or other factors in the country.

vi. When a block or cost centre is relinquished, the accumulated cost is charged off as an expense in the said year.

vii. BPRL capitalises the obligations for removal and restoration that are incurred during a particular period as a consequence of having undertaken the exploration for and evaluation of mineral resources and the amount of provision required to be created for subsequent abandonment as part of Property, Plant and Equipment or Intangible Assets, as the case may be. The provision for estimated abandonment costs is made at current prices considering the environment and social obligations, terms of mining lease agreement, industry practice etc. Where the effect of the time value of money is material, the amount of the provision is the present value of the expenditures expected to be required to settle the obligation. The discount rate (or rates) is pre-tax rate (or rates) that reflect current market assessments of the time value of money and the risks specific to the liability. Where there is an uncertainty of timing on the incurrence of the expenditure, time value of money is not considered while providing for the obligations. Changes in the measurement of existing abandonment costs that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits required to settle the obligation or a change in the discount rate is added to, or deducted from the related field in the current period and is considered for necessary depletion (depreciation) prospectively. The change in the estimated provision due to the periodic unwinding of the discount is recognized in the Consolidated Statement of Profit and Loss as it occurs.

viii. Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The Impairment test is performed in accordance with the procedures given in para 1.11 for impairment of non-financial assets. Impairment loss, if any is recognized as an expense.

ix. BPRL allocates exploration and evaluation assets to cash generating units or Group of cash generating units for the purpose of assessing such assets for impairment.

1.34. The Group has adopted materiality threshold limits in the preparation and presentation of financial statements as given below:

Threshold Item	Accounting Policy Reference	Unit	Threshold Limit Value
Allocation of other expenses to projects costing in each case	1.4.3	₹ Crores	5
Expenditure on certain items of Property, Plant and Equipment charged to revenue in each case	1.4.5	₹	1,000
Capitalisation of spare parts meeting the definition of Property, Plant and Equipment in each case *	1.4.6	₹ Lakhs	1,10
GST on common capital goods per item per month	1.4.9	₹ Lakhs	5
Depreciation at 100 percent in the year of acquisition except LPG Cylinders and Pressure Regulators	1.5.5	₹	5,000
Expenditure incurred for creating / acquiring other intangible assets in each case	1.6.6	₹ Lakhs	50
Lease agreements in respect of land	1.10.1	Period (years)	99
Income / expenditure (net) in aggregate pertaining to prior year(s)#	1.14.1	₹ Crores	10,50
Prepaid expenses in each case *	1.14.2	₹ Lakhs	1,5
Disclosure of Contingent liabilities and Capital Commitments in each case	1.18.6	₹ Lakhs	5

*Threshold of ₹ 1 Lakh is in case of BGRL

#Threshold of ₹ 10 Crores is in case of NRL

NOTE 2 PROPERTY, PLANT AND EQUIPMENT (CONSOLIDATED)

(₹ in Crores)

Particulars	Gross Block					Depreciation				Net Carrying Amount	
	As at 01/04/18	Additions	Other Adjustments (Refer Note 55)	Reclassifications / Deductions On Account Of Retirement / Disposal	As at 31/03/19	Up to 31/03/18	For the Year	Reclassifications / Deductions On Account Of Retirement / Disposal	Up to 31/03/19	As at 31/03/19	As at 31/03/18
Land											
(a) Freehold*	1,262.51	695.49	-	4.62	**1,953.38**	-	-	-	**-**	**1,953.38**	1,262.51
(b) Leasehold*	0.81	-	-	(0.03)	**0.84**	0.07	0.01	0.04	**0.04**	**0.80**	0.74
Buildings including Roads*	7,232.79	926.53	1.20	75.39	**8,085.13**	1,042.91	395.38	8.10	**1,430.19**	**6,654.94**	6,189.88
Plant and Equipments*	24,634.14	1,693.86	413.76	43.32	**26,698.44**	3,181.10	1,741.26	22.20	**4,900.16**	**21,798.28**	21,453.04
Furniture and Fixtures*	607.02	126.90	-	4.12	**729.80**	182.79	75.52	2.97	**255.34**	**474.46**	424.23
Vehicles*	60.60	20.85	-	2.19	**79.26**	18.37	8.41	1.26	**25.52**	**53.74**	42.23
Office Equipments*	878.08	171.63	0.02	23.58	**1,026.15**	344.45	155.01	21.16	**478.30**	**547.85**	533.63
Railway Sidings*	178.08	26.97	0.02	0.90	**204.17**	51.99	15.73	0.15	**67.57**	**136.60**	126.09
Tanks and Pipelines*	8,951.73	875.62	3.83	32.05	**9,799.13**	702.70	377.59	1.69	**1,078.60**	**8,720.53**	8,249.03
Dispensing Pumps	2,552.62	231.69	-	8.23	**2,776.08**	477.65	176.51	4.21	**649.95**	**2,126.13**	2,074.97
LPG Cylinders and allied Equipments	5,554.16	2,014.87	-	0.01	**7,569.02**	649.83	414.86	-	**1,064.69**	**6,504.33**	4,904.33
Total	**51,912.54**	**6,784.41**	**418.83**	**194.38**	**58,921.40**	**6,651.86**	**3,360.28**	**61.78**	**9,950.36**	**48,971.04**	**45,260.68**
Previous year	37,495.59	14,241.63	544.80	369.48	**51,912.54**	4,056.90	2,820.08	225.12	**6,651.86**	**45,260.68**	

* These include assets which are given on Operating Leases or taken on Finance Leases, the details thereof are included in Note no. 50.

NOTE 3 CAPITAL WORK-IN-PROGRESS (CONSOLIDATED)

₹ in Crores

Particulars			As at 31/03/2019	As at 31/03/2018
Capital work-in-progress				
Property, plant and equipment under erection / construction			5,769.59	3,490.05
Capital stores including lying with contractors			949.05	619.61
Capital goods in transit			250.39	155.61
Allocation of Construction period expenses	**2018-19**	**2017-18**		
Opening balance	221.20	796.71		
Add: Expenditure during the year				
Establishment charges including Salaries & Wages	128.92	137.28		
Interest	94.90	116.71		
Loss / (Gain) on foreign currency transactions	0.19	0.34		
Insurance	1.25	7.56		
Others	12.47	14.89		
	458.93	1,073.49		
Less: Allocated to assets capitalised during the year / charged off	(135.06)	(852.29)		
Closing balance pending allocation			323.87	221.20
Total			7,292.90	4,486.47

NOTE 4 INVESTMENT PROPERTY (CONSOLIDATED)

₹ in Crores

Particulars	Gross Block				Depreciation				Net Carrying Amount	
	As at 01/04/18	Additions	Reclassification / Deductions on account of retirement / disposal	As at 31/03/19	Up to 31/03/18	For the year	Reclassification / Deductions on account of retirement / disposal	Up to 31/03/19	As at 31/03/19	As at 31/03/18
Building	0.33	-	-	**0.33**	0.07	0.02	-	**0.09**	**0.24**	0.26
Total	**0.33**	**-**	**-**	**0.33**	**0.07**	**0.02**	**-**	**0.09**	**0.24**	**0.26**
Previous year	0.34	-	0.01	**0.33**	0.06	0.02	0.01	**0.07**	**0.26**	

The Corporation's investment properties consist of office buildings rented out to third parties

Information regarding Income and Expenditure of Investment Property

₹ in Crores

Particulars	2018-19	2017-18
Rental Income derived from investment Properties	**1.08**	1.08
Less - Depreciation	**0.02**	0.02
Profit arising from Investment Properties before other direct expenses	**1.06**	1.06

Other direct operating expenses on the investment property are not seperately identifiable and the same are not likely to be material.

As at 31st March 2019 and 31st March 2018 the fair values of the investment property are ₹ **4.97 Crores** and ₹ 3.73 Crores respectively. These fair values of the investment property are categorised as Level 2 in the fair valuation hierarchy and have been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

NOTE 5 OTHER INTANGIBLE ASSETS (CONSOLIDATED)

₹ in Crores

Particulars	Usefule Life (No. of Years)	Gross Block					Amortisation				Net Carrying Amount	
		As at 01/04/18	Additions	Other adjustments	Reclassification / Deletions	As at 31/03/19	Up to 31/03/18	For the year	Reclassification / Deletions	Up to 31/03/19	As at 31/03/19	As at 31/03/18
Right of Way	Indefinite	50.77	-	-	-	50.77	-	-	-	-	50.77	50.77
Right of Way	Upto 30	34.99	-	-	-	34.99	4.10	2.48	-	6.58	28.41	30.89
Right to use	Upto 30	4.09	22.72	0.03	-	26.84	0.14	0.89	-	1.03	25.81	3.95
Service Concession Arrangement [Refer Note No. 49]	20	63.00	-	-	-	63.00	8.70	3.70	-	12.40	50.60	54.30
Software / Licenses	Upto 5	44.08	19.37	-	0.25	63.20	24.89	9.36	0.01	34.24	28.96	19.19
Oil And Gas Assets		153.80	82.65	-	-	236.45	94.58	33.76	-	128.34	108.11	59.22
Process Licenses	Upto 5	90.25	9.00	-	-	99.25	30.21	18.14	-	48.35	50.90	60.04
Total		**440.98**	**133.74**	**0.03**	**0.25**	**574.50**	**162.62**	**68.33**	**0.01**	**230.94**	**343.56**	**278.36**
Previous year		329.72	107.99	3.27	-	440.98	84.83	77.79	-	162.62	278.36	

NOTE 6 INTANGIBLE ASSETS UNDER DEVELOPMENT (CONSOLIDATED)

₹ in Crores

Particulars	Gross Amount			
	As at 01/04/18	Additions	Capitilisation as intangible asset / deletions	As at 31/03/19
Process Licenses	363.83	0.01	0.74	363.10
Wells in Progress*	5,024.44	974.05	-	5,998.49
Total	**5,388.27**	**974.06**	**0.74**	**6,361.59**
Previous year	5,071.15	366.75	49.63	5,388.27

*Net of provision for impairment loss of ₹ **129.74** Crores (As at 31st March 2018 ₹ 128.92 Crores).

ADDITIONAL INFORMATION IN RESPECT OF NOTE NO. 2 TO 6:

a) Land:

   i) Freehold land includes ₹ **295.04 Crores** (Previous year ₹ 93.08 Crores) of the corporation capitalized at various locations for which conveyance deeds are yet to be executed and/or mutation is pending.

   ii) Freehold land includes ₹ **2.20 Crores** (Previous year ₹ 2.20 Crores), which is under dispute and not in the Company's possession, is in the process of being surrendered to the Competent Authority.

   iii) Lease hold land represents land taken on finance lease for more than 99 years.

b) Buildings include Ownership flats having gross value of ₹ **42.68 Crores** (Previous year ₹ 41.28 Crores) in proposed / existing co-operative societies and others.

c) Other adjustments include capitalization of foreign exchange differences (net) of ₹ **411.53 Crores** (Previous year ₹ 25.76 Crores) and borrowing costs of ₹ **7.33 Crores** (Previous year ₹ 522.31 Crores).

d) Freehold Land, Plant and Equipment, Tanks and Pipelines, Railway Sidings and Buildings etc. jointly owned in varying extent with other Oil Companies / Railways: Gross Block ₹ **222.85 Crores** (Previous year ₹ 198.77 Crores), Cumulative Depreciation ₹ **41.07 Crores** (Previous year ₹ 29.95 Crores), Net Block ₹ **181.78 Crores** (Previous year ₹ 168.82 Crores).

e) Certain assets forming part of Property, Plant and Equipment have been constructed by the Corporation at Railway consumer depots, having net carrying amount of ₹ **21.17 crores** (Previous year ₹ 20.26 crores), out of which few Railway consumer depots are currently being used by other oil companies based on award of tender by Railways, net carrying amount of such assets is ₹ **1.68 Crores** (Previous year ₹ 1.79 crores).

f) Charge has been created over the fixed assets of the Group, mainly Plant and Machinery at Mumbai Refinery, Kochi Refinery and NRL in regard to the borrowings– Refer note no. 25.

g) Compensation received from third parties in respect of items of Property, Plant & Equipment/ Capital work in progress that were impaired, lost or given up during the year ₹ **92.20 Crores** (Previous year ₹ 8.11 Crores).

h) The Group has assessed the useful life of Right of way as indefinite where the same is perpetual in nature.

i) Depreciation and amortization for the year is ₹ **3,428.63 Crores** (Previous year ₹ 2,897.89 Crores) from which, after reducing -

   i) Depreciation on decapitalization of ₹ **9.48** Crores (Previous year ₹ 8.28 Crores)

   ii) Depreciation on reclassification of assets of ₹ **0.35 Crore** (Previous year ₹ 4.24 Crores)

   iii) Charged to Project ₹ **1.03 Crores** (Previous year ₹ 0.37 Crore)

   Net Depreciation and amortization for the year charged to Profit and Loss statement is ₹ **3,417.77 Crores** (Previous year ₹ 2,885.00 Crores)

j) Deduction from accumulated depreciation on account of retirement/disposal during the year is ₹ **51.96 Crores** (Previous year ₹ 212.60 Crores)

k) The Corporation has changed the useful life of Electronic items under Furniture on Hire scheme for management staff from 6 years to 4 years during FY 2018-19. The impact of change in useful life has resulted in increase in depreciation of ₹ **3.23 Crores** for Financial Year 2018-19.

NOTE 7 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (CONSOLIDATED)

Information of interest of the Corporation in its equity accounted investees:

₹ in Crores

Particulars	Note reference	31/03/2019	31/03/2018
Interest in Associates	See Note (A) below	**2,810.93**	2,609.55
Interest in Joint Ventures	See Note (B) below	**15,277.81**	14,984.53
Investment accounted for using equity method		**18,088.74**	17,594.08

[A] Interest in Associates

(I) List of material Associates of the Company

S. No.	Name	Country of Incorporation	Proportion of Ownership Interest 31/03/2019	Proportion of Ownership Interest 31/03/2018
1.	Indraprastha Gas Limited (Refer Note (i))	India	**22.50%**	22.50%
2.	Petronet LNG Limited (Refer Note (ii))	India	**12.50%**	12.50%

Note (i) Indraprastha Gas Limited (IGL) was set up in December, 1998 for implementing the project for supply of Compressed Natural Gas (CNG) to the household and automobile sectors in Delhi. The paid up share capital of the Company is ₹ **140 Crores** (Previous year ₹ 140 Crores). BPCL invested ₹ 31.50 Crores in IGL for 22.5% stake in its equity. IGL is a listed Company with the public holding 55% of the paid up share capital of the Company.

Note (ii) Petronet LNG Limited (PLL) was formed in April, 1998 for importing LNG and setting up LNG terminals with facilities like jetty, storage, regasification etc. to supply Natural Gas to various industries in the country. The paid up capital of the company is ₹ **1,500 Crores** (Previous year ₹ 1,500 Crores). PLL was promoted by four public sector companies viz. BPCL, Indian Oil Corporation Limited (IOC), Oil and Natural Gas Limited (ONGC) and GAIL (India) Limited (GAIL). Each of the promoters holds 12.5% of the equity capital of PLL. PLL is a listed Company. BPCL's equity investment in PLL currently stands at ₹ 98.75 Crores.

Fair Value of material listed Associates

₹ in Crores

S. No.	Name	31/03/2019	31/03/2018
1.	Indraprastha Gas Limited	**4,795.89**	4,391.90
2.	Petronet LNG Limited	**4,696.88**	4,336.87

In respect of Petronet LNG Limited, the same has been classified as an associate, as the Corporation has the right to nominate a director on the Board of Directors of the company and this right allows the Corporation to participate in financial and operating policies.

NOTE 7 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (CONSOLIDATED) (CONTD.)

The following table comprises the financial information of the Corporation's material Associates (in which corporation is having significant value of investments) and their respective carrying amount.

₹ in Crores

31/03/2019	Indraprastha Gas Limited	Petronet LNG Limited
Summarised financial information		
Non Current Assets	3,940.91	9,287.54
Current Assets (excluding cash and cash equivalent)	2,163.25	5,735.22
Cash and cash equivalent	71.15	226.58
Non Current liabilities (excluding trade and other payables and provisions)	316.43	2,523.32
Trade and other payables and provisions (Non-Current)	19.55	11.08
Current liabilities (excluding trade and other payables and provisions)	1,046.99	1,172.37
Trade and other payables and provisions (Current)	486.30	1,311.99
Net Assets	4,306.04	10,230.58
Group's share of net assets	968.86	1,278.82
Carrying amount of interest in Associate	968.86	1,278.82
Revenue (including Interest Income)	6,482.22	38,841.22
Depreciation and Amortisation	201.07	411.24
Other Expense	5,101.56	35,101.98
Finance Cost	2.27	98.92
Share of Profit of Equity accounted investees (JV), net of tax	91.59	79.63
Profit before tax	1,268.91	3,308.71
Tax Expense	431.84	1,078.15
Profit after tax	837.07	2,230.56
Other Comprehensive Income	(0.94)	(2.03)
Total Comprehensive Income	836.13	2,228.53
Group's share of profit	188.34	278.82
Group's share of OCI	(0.21)	(0.25)
Group's share of total comprehensive Income	188.13	278.57
Dividend received from the Associate	31.50	187.50

NOTE 7 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (CONSOLIDATED) (CONTD.)

₹ in Crores

31/03/2018	Indraprastha Gas Limited	Petronet LNG Limited
Summarised Financial information		
Non Current Assets	3,313.88	8,726.75
Current Assets (excluding cash and cash equivalent)	1,578.91	6,313.48
Cash and cash equivalent	203.68	704.30
Non Current liabilities (excluding trade and other payables and provisions)	260.38	3,065.21
Trade and other payables and provisions (Non-Current)	12.83	7.81
Current liabilities (excluding trade and other payables and provisions)	836.82	1,278.22
Trade and other payables and provisions (Current)	339.49	1,582.00
Net Assets	3,646.95	9,811.29
Group's share of net assets	820.56	1,226.41
Carrying amount of interest in Associate	820.56	1,226.41
Revenue (including Interest Income)	5,105.47	30,916.02
Depreciation and Amortisation	181.29	411.65
Other Expense	3,898.44	27,286.27
Finance Cost	1.69	162.99
Share of Profit of Equity accounted investees (JV), net of tax	71.89	32.59
Profit before tax	1,095.94	3,087.70
Tax Expense	374.22	977.26
Profit after tax	721.72	2,110.44
Other Comprehensive Income	(0.28)	0.52
Total Comprehensive Income	721.44	2,110.96
Group's share of profit	162.38	263.80
Group's share of OCI	(0.06)	0.07
Group's share of total comprehensive Income	162.32	263.87
Dividend received from the Associate	15.75	46.88

(II) Details of all individually immaterial Associates

₹ in Crores

Particulars	31/03/2019	31/03/2018
Aggregate carrying amount of its interest in Associates	**563.25**	562.58
Share of Total Comprehensive Income from Associates	**(57.41)**	(66.93)

[B] Interest in Joint Ventures

(I) List of material Joint Ventures of the Group

S. No.	Name	Country of Incorporation	Proportion of Ownership Interest 31/03/2019	Proportion of Ownership Interest 31/03/2018
1	Bharat Oman Refineries Limited (Refer Note (i))	India	**50.00%**	50.00%

Note (i) Bharat Oman Refineries Limited is a Joint Venture Company of BPCL with Oman Oil Company S.A.O.C. (OOC). BPCL and OOC have an equity stake of 50% each in BORL's paid up share capital of ₹ **1,777.23 Crores** as on 31st March 2019 (Previous year ₹ 1,777.23 Crores). BPCL has also subscribed to Share Warrants of BORL of ₹ 1,585.68 Crores and invested in Compulsory Convertible Debentures of ₹ 1000 Crores.

NOTE 7 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (CONSOLIDATED) (CONTD.)

The following table comprises the financial information of the Corporation's material Joint Venture (in which corporation is having significant value of investments) and their respective carrying amount.

₹ in Crores

Bharat Oman Refineries Limited	31/03/2019	31/03/2018
Summarised financial information		
Non Current Assets	12,139.68	11,653.02
Current Assets (excluding cash and cash equivalent)	6,399.72	4,660.74
Cash and cash equivalent	1.30	1.28
Non Current liabilities (excluding trade and other payables and provisions)	8,715.63	8,028.51
Trade and other payables and provisions (Non-Current)	11.64	10.46
Current liabilities (excluding trade and other payables and provisions)	2,686.63	1,857.73
Trade and other payables and provisions (Current)	2,701.99	2,100.32
Net Assets	4,424.81	4,318.02
Group's share of net assets	2,212.41	2,159.01
Adjustments		
Investment in Share Warrants	779.39	779.39
Investment in Compulsorily Convertible Debentures	500.00	500.00
Inter-company profit eliminations	(148.08)	(156.80)
Carrying amount of interest in Joint Ventures	3,343.72	3,281.60
Revenue (excluding interest income)	31,641.05	31,332.28
Interest Income	2.65	20.77
Depreciation and Amortisation	619.98	530.96
Finance Cost	653.68	617.61
Other Expense	30,199.75	28,685.94
Profit before tax	170.29	1,518.54
Tax Expense	63.58	534.83
Profit after Tax	106.71	983.71
Other Comprehensive Income	0.08	(0.03)
Total Comprehensive Income	106.79	983.68
Group's share of profit	53.36	491.86
Group's share of OCI	0.04	(0.02)
Group's share of total comprehensive Income	53.40	491.84
Dividend received from the Joint Venture	-	-

(II) Details of all individually immaterial Joint Ventures

₹ in Crores

Particulars	31/03/2019	31/03/2018
Aggregate carrying amount of its interest in Joint Ventures	11,934.09	11,689.48
Share of Total Comprehensive Income from Joint Ventures	(801.70)	922.24

NOTE 8 INVESTMENTS (CONSOLIDATED)

₹ in Crores

Particulars	No. of Units 31/03/2019	No. of Units 31/03/2018	As at 31/03/2019	As at 31/03/2018
Investment in equity instruments designated at Fair value through Other Comprehensive income				
Equity Shares of (₹ 10 each (Fully paid up))				
Quoted				
Oil India Limited *	**2,67,50,550**	2,67,50,550	**495.82**	575.94
Unquoted				
Cochin International Airport Limited *	**1,31,25,000**	1,31,25,000	**114.30**	105.26
Investments at Amortised Cost				
Investment in Government Securities			**408.95**	-
Investment in Debentures at Amortised cost				
Unquoted				
5% Debentures (Fully Paid up) of East India Clinic Limited	**1**	1	**0.01**	0.01
Investment in Equity Instruments at Fair Value Through Profit or Loss				
Unquoted				
Equity Shares of Kochi Refineries Employees Consumer Co-operative Society Limited (Fully paid up) # Value ₹ 5,000	**500**	500	**#**	#
Ordinary Shares (Fully paid up) of Sindhu Resettlement Corporation Limited ## Value ₹ 19,000	**6**	6	**##**	##
Total			**1,019.08**	681.21

* The Corporation has designated these investments at fair value through Other Comprehensive Income because these investments represent the investments that the Corporation intends to hold for long-term purposes. No such investments were disposed off during the year and accordingly, there have been no transfers of the cumulative gains or losses on these investments.

Aggregate amount of Unquoted Securities			**114.31**	105.27
Aggregate amount of Quoted Securities			**908.47**	575.94
Market value of Quoted Securities			**908.47**	575.94
Aggregate amount of Impairment in the value of investments			**-**	-

NOTE 9 LOANS (CONSOLIDATED)

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Security deposits		
Considered good*	**134.84**	105.56
Considered doubtful	**0.59**	0.75
Less : Provision for doubtful	**(0.59)**	(0.75)
Loans to Joint Ventures		
IBV (Brasil) Petroleo Ltda.	**1,803.37**	1,653.72
TAAS India Pte Ltd.	**148.67**	134.07
Bharat Oman Refineries Limited	**1,254.10**	1,254.10
Loans to employees (including accrued interest) (secured) [Refer Note No. 53]	**433.96**	421.22
Loans to Others		
Considered good**	**54.32**	505.75
Considered doubtful	**2.08**	2.26
Less : Allowance for doubtful loans	**(2.08)**	(2.26)
Total	**3,829.26**	4,074.42

* Includes Secured deposits ₹ **19.97 Crores** (Previous year ₹ 18.49 Crores).

** The balance as at 31st March 2018 includes ₹ 463.87 Crores pertaining to Loans given to Consumers under Pradhan Mantri Ujjwala Yojana scheme, the recovery period for which was deferred beyond one year with effect from 1st April 2018. The deferrment scheme has ended on 31st March 2019.

NOTE 10 OTHER FINANCIAL ASSETS (CONSOLIDATED)

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Claims		
Considered good	**41.47**	39.89
Considered doubtful	**18.34**	17.96
Less : Allowances for doubtful	**(18.34)**	(17.96)
Bank deposits with more than twelve months maturity		
Considered Good *	**34.59**	13.58
Considered Doubtful	**0.02**	0.02
Less : Allowance for doubtful	**(0.02)**	(0.02)
Advances against Equity to Joint Ventures #		
Assam Bio Refinery (P) Ltd.	**20.00**	-
Bharat Renewable Energy Limited	**0.54**	0.54
Less : Allowance for doubtful	**(0.54)**	(0.54)
Investment in Subsidiary@	**13.77**	-
Total	**109.83**	53.47

* Includes deposit of ₹ **0.99 Crore** (31st March 2018: ₹ 0.98 Crore) that have been pledged / deposited with local authorities. Further It includes margin money with bank towards bank guarantee given to government authorities by BPRL of ₹ **32.48 Crores** (31st March 2018: ₹1.42 Crores), deposits pledged with government authorities ₹ **0.16 Crore** (31st March 2018: ₹ 0.16 Crore) and accrued interest thereon (net of TDS) of ₹ **0.96 Crore** (31st March 2018: ₹ 0.06 Crore).

Advance against equity shares (pending allotment).

@ It represents investments made after the end of the financial period of Subsidiary. The amount is remaining unadjusted due to different financial periods followed by the parent and Subsidiary.

NOTE 11 INCOME TAX ASSETS (NET) (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Advance payment of Income Tax (Net of provision)	**449.40**	406.58
Total	**449.40**	406.58

NOTE 12 OTHER NON-CURRENT ASSETS (CONSOLIDATED)

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Capital advances	**138.29**	78.14
Advance to Associates		
Petronet LNG Limited	**143.87**	164.72
Advance to Employee Benefit Trusts [Refer Note No. 51]	**-**	28.09
Prepaid expenses	**907.72**	834.71
Claims and Deposits		
Considered good	**489.00**	425.09
Considered doubtful	**139.69**	141.68
Less : Allowance for doubtful	**(139.69)**	(141.68)
Total	**1,678.88**	1,530.75

NOTE 13 INVENTORIES (CONSOLIDATED)

[Refer Note No. 1.12]

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Raw Materials	**4,096.79**	5,480.51
[Including in transit ₹ **1,245.76 Crores** (Previous year : ₹ 2,381.78 Crores)]		
Work-in-progress	**1,254.44**	1,012.81
Finished goods	**10,642.25**	10,341.43
Stock-in-Trade	**6,107.07**	5,043.26
[Including in transit ₹ **1,040.59 Crores** (Previous year: ₹ 682.22 Crores)]		
Stores and Spares	**812.60**	642.23
[Including in transit ₹ **8.02 Crores** (Previous year : ₹ 5.50 Crores)]		
Packaging material	**21.72**	10.70
Total	**22,934.87**	22,530.94

The write-down of inventories of the corporation to net realisable value during the year amounted to ₹ **73.14 Crores** (Previous year : ₹ 155.00 Crores). The reversal of write downs during the year amounted to ₹ **21.83 Crores** (Previous year : ₹ 3.08 Crores) due to increase in net realisable value of the inventories. The write downs and reversal are included in cost of materials consumed or changes in inventories of finished goods, stock-in-trade and work in progress.

Inventories pledged as collateral - [Refer Note No. 30]

NOTE 14 INVESTMENTS (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Investments at Fair value through Profit and Loss		
Investment In Government Securities of Face Value Of ₹ 100 each (Fully Paid up)		
Quoted		
6.35% Oil Marketing Companies GOI Special Bonds 2024	**2,020.57**	1,979.42
6.90% Oil Marketing Companies GOI Special Bonds 2026 #	**1,922.94**	1,986.15
7.95% Oil Marketing Companies GOI Special Bonds 2025	**11.02**	10.92
8.20% Oil Marketing Companies GOI Special Bonds 2024	**930.41**	923.04
7.59% Government Stock 2026 #	**190.95**	93.35
	5,075.89	4,992.88
Investments in Mutual Funds		
Quoted		
Investment in Mutual Funds	**97.97**	1.01
Investment in Others		
Unquoted		
Equity Shares of ₹ 10 each (Fully paid up)		
Sai Wardha Power Generation Limited	**-**	2.30
Investments at Amortised Cost		
Quoted		
Investment in T-Bills and Government Security	**625.23**	453.09
Total	**5,799.09**	5,449.28

Kept as Collateral Security with Clearing Corporation of India Limited for borrowing in Triparty Repo Settlement System (Previous year Collateralised Borrowing and Lending Obligation) of face Value ₹ **1,385 Crores** (Previous year ₹ 2,162 Crores) [Refer Note No. 30]

Aggregate amount of Unquoted Securities	**-**	2.30
Aggregate amount of Quoted Securities	**5,800.05**	5,446.98
Market value of Quoted Securities	**5,800.05**	5,446.98
Aggregate amount of Impairment in the value of investments	**-**	-

NOTE 15 TRADE RECEIVABLES (CONSOLIDATED)

(Unsecured unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Considered good*	**7,081.09**	5,358.90
Less : Loss allowance	**(174.84)**	(149.62)
Total	**6,906.25**	5,209.28

* Includes Secured debts ₹ **566.66 Crores** (Previous year ₹ 446.14 Crores)

Trade receivables pledged as collateral [Refer Note No. 30]

NOTE 16 CASH AND CASH EQUIVALENTS (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Balance with Banks :		
On Current Account	**179.08**	239.76
Deposits with banks with original maturity of less than three months	**177.20**	319.95
Cheques and drafts on hand	**24.70**	16.19
Cash on hand	**33.27**	17.70
Total	**414.25**	593.60

NOTE 17 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Fixed deposits with banks with original maturity of 3 - 12 months*	**227.78**	747.32
Earmarked Balances		
Unpaid Dividend	**16.61**	12.34
Others@	**3.88**	0.60
Total	**248.27**	760.26

* It includes bid bond of BPRL with government authorities of ₹ **0.31 Crore** (31st March 2018: ₹ 0.32 Crore), margin money with bank towards bank guarantee given to government authorities of ₹ **21.70 Crores** (31st March 2018: ₹ 1.14 Crores) and accrued interest thereon (net of TDS) of ₹ **0.76 Crore** (31st March 2018: 0.01 Crore).

@ includes an amount of ₹ **2.64 Crores** (Previous year NIL) received from Ministry of External Affairs for construction of Bangladesh Portion of Indo Bangla Friendship Pipeline. NRL is the implementor of the project [Refer Note No 31].

NOTE 18 LOANS (CONSOLIDATED)

(unsecured,considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Loans to employees (including accrued interest) (secured) [Refer Note No. 53]	**75.30**	66.27
Loan to JVCs		
Vankor India Pte Ltd.	**43.22**	186.24
Security and other deposits	**3.37**	3.34
Loans to Others*		
Considered good	**1,807.64**	15.65
Less : Allowance for doubtful	**(244.86)**	(1.08)
Total	**1,684.67**	270.42

* The above includes ₹ **1,792.70 Crores** pertaining to loans given to LPG consumers under Pradhan Mantri Ujjwala Yojana [Refer Note No.9].

NOTE 19 OTHER FINANCIAL ASSETS (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Bank deposits with remaining maturity of less than twelve months	10.95	-
Interest accrued on bank deposits etc.		
Considered good	27.52	20.35
Considered doubtful	0.02	0.02
Less: Allowance for doubtful	(0.02)	(0.02)
Interest accrued on Loans to Related Parties	25.38	25.38
Derivative Asset	23.72	11.64
Receivable from Central Government / State Government		
Considered good	8,651.69	3,860.06
Considered doubtful	143.51	79.99
Less: Allowance for doubtful	(143.51)	(79.99)
Dues from Related Parties		
Dues from Joint Venture Companies	14.76	26.66
Advances and Recoverables		
Considered good	662.17	639.14
Considered doubtful	118.04	114.72
Less : Allowance for doubtful	(118.04)	(114.72)
Total	9,416.19	4,583.23

NOTE 20 CURRENT TAX ASSETS (NET) (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Advance Income Tax (Net of provision for taxation)	33.17	55.08
Total	33.17	55.08

NOTE 21 OTHER CURRENT ASSETS (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Advances other than Capital advances		
Other Advances including Prepaid expenses	269.98	302.69
Claims		
Considered good	317.43	421.52
Considered Doubtful	2.15	3.27
Less : Allowance for doubtful	(2.15)	(3.27)
Recoverables with Customs, Excise etc.	743.64	407.11
Total	1,331.05	1,131.32

NOTE 22 ASSETS HELD FOR SALE (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Assets Held for Sale *	13.78	18.10
	13.78	18.10

*Non-current assets held for sale consists of items such as Plant and equipment, Dispensing pumps etc. which have been identified for disposal due to replacement/ obsolescence of assets which happens in the normal course of business. These assets are expected to be disposed off within the next twelve months. On account of re-classification of these assets, an impairment loss of ₹ **7.67 Crores** during the year (Previous year: ₹ 26.72 Crores) has been recognised in the statement of profit and loss in respect of the corporation

NOTE 23 EQUITY SHARE CAPITAL (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
i. Authorised*		
2,63,50,00,000 equity shares (Previous year: 2,50,00,00,000 equity shares)	2,635.00	2,500.00
ii. Issued, subscribed and paid-up		
2,16,92,52,744 (Previous year: 2,16,92,52,744) equity shares fully paid-up	2,169.25	2,169.25
Less : BPCL Trust for Investment in Shares [Refer Note No. 46]	(202.37)	(202.37)
Total	1,966.88	1,966.88

* Pursuant to Merger with Petronet CCK Limited , the authorised capital has been increased to ₹ **2,635 Crores** from ₹ 2,500 Crores.

iii. The Corporation has only one class of shares namely equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per equity share. In the event of liquidation of the Corporation, the holders of equity shares will be entitled to receive the remaining assets of the Corporation in proportion to the number of equity shares held.

The Corporation declares and pays dividend in Indian Rupees. The final dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

iv. During the Financial year 2017-18, the Corporation has issued Bonus Shares in the ratio of 1:2 by capitalisation of General Reserves. The total number of shares issued is 72,30,84,248 having face value of ₹ 10 each. During the Financial year 2016-17, the Corporation has issued Bonus Shares in the ratio of 1:1 by capitalisation of General Reserves. The total number of shares issued is 72,30,84,248 having face value of ₹ 10 each.

v. Reconciliation of No. of Equity Shares	As at 31/03/19	As at 31/03/18
A. Opening Balance	2,16,92,52,744	1,44,61,68,496
B. Shares Issued		
- Bonus Shares	-	72,30,84,248
C. Shares Bought Back	-	-
D. Closing Balance	2,16,92,52,744	2,16,92,52,744

NOTE 23 EQUITY SHARE CAPITAL (CONSOLIDATED) (CONTD.)

vi. Details of Shareholders holding more than 5% shares

Name of Shareholder	As at 31/03/19 % Holding	As at 31/03/19 No. of shares	As at 31/03/18 % Holding	As at 31/03/18 No. of shares
Government of India	**53.29**	**1,15,60,95,962**	54.31	1,17,80,95,019
BPCL Trust for Investment in Shares [Refer Note No. 46]	**9.33**	**20,23,72,422**	9.33	20,23,72,422
Life Insurance Corporation of India	**5.88**	**12,74,97,778**	3.46	7,49,93,713

NOTE 24 OTHER EQUITY (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Attributable to Owners of the Corporation		
Capital Reserve	**72.99**	72.99
Capital Reserve on Acquisition of Subsidiaries, JVCs and Associates	**(31.00)**	(31.00)
Debenture Redemption Reserve	**1,179.31**	1,132.94
General Reserve	**31,395.55**	28,651.63
Foreign Currency Monetary Item Translation Difference Account	**(29.34)**	66.76
Equity Instruments through Other Comprehensive Income	**15.41**	78.99
Retained Earnings	**4,033.06**	3,545.07
Foreign Currency Translation Reserve	**368.81**	1,341.26
Securities Premium Reserve	**249.79**	249.79
BPCL Trust for Investment in Shares [Refer Note No. 46]	**(456.74)**	(456.74)
Total	**36,797.84**	34,651.69
Capital Reserve		
Opening balance	**72.99**	(20.76)
Add/(Less) : Additions/(Deletions) during the year **	**-**	93.75
Closing balance	**72.99**	72.99
Capital Reserve on Acquisition of Subsidiaries, JVCs and Associates		
Opening balance	**(31.00)**	(31.00)
Additions / (Deletions) during the year	**-**	-
Closing balance	**(31.00)**	(31.00)
Debenture Redemption Reserve		
Opening balance	**1,132.94**	832.28
Add : Transfer from Retained Earnings	**295.91**	307.53
Less: Transfer to Retained earnings on redemption of debentures	**(5.62)**	(6.87)
Less: Transfer to General Reserve	**(243.92)**	-
Closing balance	**1,179.31**	1,132.94
Foreign Currency Translation Reserve		
Opening Balance	**1,341.26**	893.44
Additions / (Deletions) during the year	**(972.45)**	447.82
Closing balance	**368.81**	1,341.26

NOTE 24 OTHER EQUITY (CONSOLIDATED) (CONTD.)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Foreign Currency Monetary Item Translation Difference Account [Refer Note No. 55]		
Opening balance	66.76	206.34
Additions / (Deletions) during the year	(162.82)	(74.32)
Additions / (Deletions) on account of Amortization during the year	66.72	(65.26)
Closing balance	(29.34)	66.76
Securities Premium Reserve		
Opening balance	249.79	249.26
Additions / (Deletions) during the year	-	0.53
Closing Balance	249.79	249.79
Equity instruments through Other Comprehensive Income		
Opening Balance	78.99	94.24
Additions / (Deletions) during the year	(63.58)	(15.25)
Closing balance	15.41	78.99
BPCL Trust for Investment in Shares [Refer Note No. 46]		
Opening Balance	(456.74)	(524.19)
Additions / (Deletions) during the year	-	67.45
Closing Balance	(456.74)	(456.74)
General Reserve		
Opening balance	28,651.63	26,653.82
Add : Transfer from Retained Earnings	2,500.00	2,720.89
Add : Transfer from Debenture Redemption Reserve	243.92	-
Less : Amount utilised for issue of bonus shares [Refer Note No. 23]	-	(723.08)
Closing Balance	31,395.55	28,651.63
Retained Earnings		
Opening balance	3,545.07	1,155.07
Less: Transfer to Deferred Income on account of implementation of Ind AS 115 (net of tax)	(44.85)	-
Opening balance after the above effect	3,500.22	1,155.07
Add : Profit/(Loss) for the year as per Statement of Profit and Loss	7,802.30	9,008.63
Add : Income from BPCL Trust for Investment in Shares [Refer Note No. 46]	364.27	296.81
Less : Interim Dividends for the year : ₹ **11 per share** (Previous year : ₹ 14 per share)	(2,386.18)	(3,036.95)
Less : Dividend Distribution Tax on Interim Dividends for the year	(490.48)	(568.21)
Less : Final Dividend for FY 2017-18 ₹ 7 per share (Previous year : ₹ 1 per share)	(1,518.48)	(144.62)
Less : Dividend Distribution Tax on Final Dividend for Previous year	(311.28)	(79.40)
Add/(Less) : Remeasurements of defined benefit plans (net of tax)	(137.02)	22.78
Less : Transfer to Debenture Redemption Reserve	(295.91)	(307.53)
Add : Transfer from Debenture Redemption Reserve	5.62	6.87
Less : Transfer to Capital Reserve**	-	(93.75)
Less : Transfer to General Reserve	(2,500.00)	(2,720.89)
Add / (Less): Other movements	-	6.26
Closing Balance*	4,033.06	3,545.07
Total Other Equity attributable to owners	36,797.84	34,651.69

*The balance includes accumulated loss of Remeasurements of defined benefit plans (Net of tax) of Corporation as on 31st March 2019 of ₹ **257.56 Crores** (as on 31st March 2018 ₹ 119.54 Crores)

** It represents transfer to capital reserve on account of issue of bonus shares by an associate.

Nature and purpose of reserves

Capital reserve

It represents capital reserve appearing in the financial statements of erstwhile Kochi Refineries Limited (KRL) transferred on amalgamation and transfer to capital reserve on account of issue of bonus shares by an associate. Further it includes difference between the investment made in Petronet CCK Limited (PCCKL) and the share capital received during the acquisition when the first time control is obtained.

Debenture redemption reserve

Debenture redemption reserve represents reserve created out of the profits of the Group available for distribution to shareholders which is utilised for redemption of debentures/bonds.

General reserve

General reserve represents appropriation of retained earnings and are available for distribution to shareholders.

Foreign Currency Monetary Item Translation Difference Account

Foreign Currency Monetary Item Translation Difference Account represents amounts recognised on account of translation of long term foreign currency denominated borrowings not related to acquisition of depreciable assets. Amounts so recognised are amortised in the statement of profit and loss over remaining maturity of related borrowings.

Retained Earnings

Retained Earnings (excluding accumulated balance of remeasurements of defined benefit plans (net of tax)) represents surplus/accumulated earnings of the Group and are available for distribution to shareholders.

Capital Reserve on Acquisition of Subsidiaries, JVCs and Associates

Capital Reserve on Acquisition of Subsidiaries, JVCs and Associates represents capital reserve recognised on account of first time acquisition of a Subsidiary and obtaining control of a JV.

Security Premium

Security Premium represents additional amount received by Associates over and above paid up amount by the JVCs/ Associates.

Foreign Currency Translation Reserve

Foreign Currency Translation Reserve represents Exchange differences arising on translation of foreign operations which are recognized in other comprehensive income as described in accounting policies and accumulated in separate reserves within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed.

₹ in Crores

Proposed Dividends on Equity Shares not recognised by the Corporation:	**2018-19**	**2017-18**
Final Dividend for the year ended ₹ **8/- per share** (Previous year : ₹ 7/- per share)	**1,735.40**	1,518.48
Dividend Distribution Tax on Proposed Dividend	**356.72**	312.12
Total	**2,092.12**	1,830.60

NOTE 25 BORROWINGS (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2019		As at 31/03/2018	
	Current #	Non-Current	Current #	Non-Current
Secured				
From Banks				
Term Loan@	-	-	-	7,854.63
External Commercial Borrowings ##	34.59	-	162.61	162.61
From Others				
Debentures				
7.35% Secured Non-Convertible Debentures 2022 *	-	549.88	-	549.84
Term Loan				
Loan from Oil Industry Development Board **	499.44	859.06	499.44	858.50
Unsecured				
From Banks				
Foreign Currency Loan Syndicated	-	8,108.55	-	2,771.42
Term Loan	-	8,508.73	-	4,235.61
From Others				
Debentures				
7.69% Unsecured Non-Convertible Debentures 2023	-	749.73	-	749.68
8.02% Unsecured Non-Convertible Debentures 2024	-	999.71	-	-
Bonds				
4% US Dollar International Bonds 2025	-	3,436.12	-	3,227.22
4.625% US Dollar International Bonds 2022	-	3,447.27	-	3,238.55
3% Swiss Franc International Bonds 2019	1,390.54	-	-	1,363.01
4.375% US Dollar International Bonds 2022	-	3,448.98	-	-
4.375% US Dollar International Bonds 2027	-	4,178.28	-	3,893.21
Term Loan				
Interest Free Loan from Govt. of Kerala	-	29.27	-	-
Total	1,924.57	34,315.58	662.05	28,904.28

Terms of Repayment Schedule of Long-term borrowings as at 31/03/2019:

Non-Current	Interest Rate	₹ in Crores	Maturity
Interest Free loan from Govt. of Kerala	0%	100.00	30-Mar-34
4.375% US Dollar International Bonds 2027	4.375%	4,187.54	2026-27
4% US Dollar International Bonds 2025	4.00%	3,458.57	08-May-25
Loan from Oil Industry Development Board - Secured	7.72%	125.00	26-Mar-24
Term Loan	SBI MCLR	1,466.40	15-Mar-24
8.02% Unsecured Non-Convertible Debentures 2024	8.02%	1,000.00	11-Mar-24
Foreign Currency Loans - Syndicated	L + 130 bps	3,112.71	11-Jan-24
Foreign Currency Loans - Syndicated	L + 80 bps	2,075.14	05-Dec-23
Term Loan	SBI MCLR	133.40	15-Apr-23
Loan from Oil Industry Development Board - Secured	7.72%	125.00	26-Mar-23
7.69% Unsecured Non-Convertible Debentures 2023	7.69%	750.00	16-Jan-23
4.625% US Dollar International Bonds 2022	4.625%	3,458.57	25-Oct-22
Term Loan	SBI MCLR	133.40	15-Apr-22
7.35% Secured Non-Convertible Debentures 2022	7.35%	550.00	10-Mar-22
4.375% US Dollar International Bonds 2022	4.375%	3,458.57	24-Jan-22

NOTE 25 BORROWINGS (CONSOLIDATED) (CONTD.)

Non-Current	Interest Rate	₹ in Crores	Maturity
Term Loan	SBI MCLR	133.40	15-Apr-21
Loan from Oil Industry Development Board - Secured	7.68% - 8.09%	211.50	Apr'21 - Mar'22
Foreign Currency Loans - Syndicated	L + 82 bps	2,282.65	26-Feb-21
Foreign Currency Loans - Syndicated	L + 71 bps	691.71	06-Nov-20
Term Loan	SBI MCLR	133.40	15-Apr-20
Term Loan	L + Margin	6,580.59	2020-2026
Loan from Oil Industry Development Board - Secured	7.68% - 8.09%	397.56	Apr'20 - Mar'21

Current	Interest Rate	₹ in Crores	Maturity
3% Swiss Franc International Bonds 2019	3.00%	1,391.20	20-Dec-19
Loan from Oil Industry Development Board - Secured	7.68% - 9.11%	499.44	Apr'19 - Mar'20
External Commercial Borrowings	L + 1.85%	34.59	Apr'19 - Mar'20

Classified under other financial liabilities [Refer Note No. 32]

@ The above loans are secured against:

i) Pledge of shares held in BPRL Ventures Mozambique BV and BPRL Ventures Indonesia BV.

ii) A First rank security interest on fixed and current assets and cash flows of BPRL Ventures Mozambique BV and BPRL Ventures Indonesia BV.

During the year 2018-19, pursuant to refinancing exercise of above borrowings undertaken by BPRL International BV, the aforesaid underlying securities have been released by the Lenders.

External Commercial Borrowing carries interest at 3 months LIBOR plus 1.85% Margin. The loan is repayable in 3 equal yearly instalments at the end of 4th, 5th and 6th year from the date of the loan taken on various dates and keeping the average age of the maturity of repayments as 5 years. The loan is secured in favour of participating banks first ranking pari-passu charged and hypothecation of Plant & Equipments both present and future.

*Corporation had allotted Non-Convertible 7.35% Debentures of face value of ₹ 550 Crores on 10th March 2017 redeemable on 10th March 2022. These were secured by first legal mortgage by way of a Registered Debenture Trust Deed over the fixed assets of the Company, mainly Plant and Machinery at Mumbai Refinery.

** These are secured by first legal mortgage over the Plant and machinery of the Corporation, mainly Plant and Machinery at Mumbai Refinery and Kochi Refinery.

NOTE 26 OTHER FINANCIAL LIABILITIES (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Security / Earnest Money Deposits	**3.39**	3.52
Retiral Dues	**53.28**	55.49
Total	**56.67**	59.01

NOTE 27 PROVISIONS (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Provision for employee benefits [Refer Note No. 51]	**1,518.60**	1,375.11
Provision for abandonment for Oil and Gas Blocks [Refer Note No. 57]	**19.03**	18.25
Total	**1,537.63**	1,393.36

NOTE 28 TAX EXPENSE AND DEFERRED TAX LIABILITIES (NET) (CONSOLIDATED)

(a) Amounts recognised in Profit and Loss

₹ in Crores

	2018-19	2017-18
Current tax expense (A)		
Current year	3,109.18	3,234.82
Short/(Excess) provision of earlier years	(99.19)	(305.45)
Deferred tax expense (B)		
Origination and reversal of temporary differences*	1,367.53	1,452.24
Tax expense recognised in the income statement (A+B)	4,377.52	4,381.61

(b) Amounts recognised in other comprehensive income

₹ in Crores

Particulars	2018-19 Before tax	2018-19 Tax (expense) benefit	2018-19 Net of tax	2017-18 Before tax	2017-18 Tax (expense) benefit	2017-18 Net of tax
Items that will not be reclassified to Profit or Loss						
Remeasurements of the defined benefit plans	(209.79)	73.32	(136.47)	33.07	(11.55)	21.52
Equity instruments through Other Comprehensive income-net change in fair value	(71.08)	7.50	(63.58)	(11.44)	(3.81)	(15.25)
Equity accounted investees - share of OCI	0.03	-	0.03	0.16	-	0.16
Items that will be reclassified to Profit or Loss						
Exchange differences in translating financial statements of foreign operations	305.44	-	305.44	(61.03)	-	(61.03)
Equity accounted investees - share of OCI	(1,277.89)	-	(1,277.89)	508.85	-	508.85
Total	(1,253.29)	80.82	(1,172.47)	469.61	(15.36)	454.25

(c) Amounts recognised directly in equity

₹ in Crores

Particulars	2018-19 Before tax	2018-19 Tax (expense) benefit	2018-19 Net of tax	2017-18 Before tax	2017-18 Tax (expense) benefit	2017-18 Net of tax
Temporary difference arising on account of implementation of Ind AS 115 [Refer Note No. 65]	(61.16)	21.37	(39.79)	-	-	-
Total	(61.16)	21.37	(39.79)	-	-	-

NOTE 28 TAX EXPENSE & DEFERRED TAX LIABILITIES (NET) (CONSOLIDATED) (CONTD.)

(d) Reconciliation of effective tax rate

Particulars	2018-19		2017-18	
	%	₹ in Crores	%	₹ in Crores
Profit before tax		**12,905.37**		14,173.52
Tax using the Company's domestic tax rate (Current year **34.94%** and Previous year 34.61%)	**34.94%**	**4,509.65**	34.61%	4,905.17
Tax effect of:				
Non-deductible tax expenses	**1.31%**	**169.31**	0.89%	125.64
Tax losses for which no deferred income tax was recognised	**0.44%**	**56.80**	0.47%	66.17
Tax-exempt income	**-0.20%**	**(26.25)**	-0.73%	(103.93)
Interest expense not deductible for tax purposes	**-0.03%**	**(3.59)**	-0.03%	(3.76)
Incremental deduction allowed for research and development costs	**-0.07%**	**(8.55)**	-0.16%	(23.26)
Investment allowance deduction	**0.01%**	**1.06**	0.01%	1.80
Proposed dividend	**-0.29%**	**(37.85)**	-0.63%	(89.85)
Undistributed Reserves of Associates	**0.33%**	**42.50**	0.14%	20.00
Share of profit of equity accounted investees reported net of tax	**-1.99%**	**(256.33)**	-2.38%	(336.85)
Change in Tax Rate#	**0.01%**	**0.74**	0.27%	38.66
Others	**0.23%**	**29.22**	0.61%	87.27
Effective Income Tax Rate	**34.69%**	**4,476.71**	33.07%	4,687.06
Adjustments recognised in current year in relation to the current tax of prior years	**-**	**(99.19)**	-	(305.45)
Income Tax Expense		**4,377.52**		4,381.61

Includes BPRL International BV, Netherlands and BPRL International Singapore Pte Ltd., Subsidiaries operates in a tax jurisdiction with different tax rates. Also includes impact of lower tax rate being applicable on BPRL & BGRL.

NOTE 28 TAX EXPENSE & DEFERRED TAX LIABILITIES (NET) (CONSOLIDATED) (CONTD.)

(e) Movement in deferred tax balances

₹ in Crores

Particulars	Net balance as at 01/04/2018	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	As at 31/03/2019			
					Net Balance	Deferred tax asset (Netted off against Deferred tax liability)	Deferred tax liability	Deferred tax asset
Deferred tax Asset / (Liabilities)								
Property, Plant and Equipment	(7,150.32)	(932.39)	-	-	(8,082.71)	-	(8,082.71)	-
Intangible assets	(39.42)	15.39	-	-	(24.03)	-	(24.03)	-
Derivatives	(0.47)	(7.77)	-	-	(8.24)	-	(8.24)	-
Inventories	53.68	19.44	-	-	73.12	73.12	-	-
Investments	68.24	(30.95)	7.50	-	44.79	44.79	-	-
Trade and other receivables	51.71	9.39	-	-	61.10	61.10	-	-
Loans and borrowings	0.48	0.46	-	-	0.94	0.94	-	-
Employee benefits	539.01	(24.12)	73.32	-	588.21	588.21	-	-
Deferred income	30.86	2.19	-	21.37	54.42	54.42	-	-
Proposed dividend	(38.95)	37.85	-	-	(1.10)	-	(1.10)	-
Provisions	125.37	102.91	-	-	228.28	228.28	-	-
Other Current liabilities	428.60	(33.70)	-	-	394.90	394.90	-	-
MAT Credit Entitlement*	680.00	(432.00)	-	-	248.00	248.00	-	-
Business Loss	-	3.57	-	-	3.57	-	-	3.57
Deferred Tax on Inter-company transaction	64.94	(3.59)	-	-	61.35	61.35	-	-
Undistributed Reseves-Associates	(371.04)	(42.50)	-	-	(413.54)	-	(413.54)	-
Other items	34.91	(51.71)	-	-	(16.80)	-	(17.50)	0.70
Tax Assets/(Liabilities)	(5,522.40)	(1,367.53)	80.82	21.37	(6,787.74)	1,755.11	(8,547.12)	4.27

NOTE 28 TAX EXPENSE & DEFERRED TAX LIABILITIES (NET) (CONSOLIDATED) (CONTD.)

(f) Movement in deferred tax balances

₹ in Crores

Particulars	Net balance as at 01/04/2017	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	As at 31/03/2018 Net Balance	Deferred tax asset (Netted off against Deferred tax liability)	Deferred tax liability	Deferred tax asset
Deferred tax Asset / (Liabilities)								
Property, plant and equipment	(5,285.76)	(1,864.56)	-	-	(7,150.32)	-	(7,150.32)	-
Intangible assets	(23.71)	(15.71)	-	-	(39.42)	-	(39.42)	-
Derivatives	(1.26)	0.79	-	-	(0.47)	-	(0.47)	-
Inventories	80.62	(26.94)	-	-	53.68	53.68	-	-
Investments	50.55	21.50	(3.81)	-	68.24	68.24	-	-
Trade and other receivables	97.20	(45.49)	-	-	51.71	51.71	-	-
Loans and borrowings	18.52	(18.04)	-	-	0.48	0.48	-	-
Employee benefits	661.47	(110.91)	(11.55)	-	539.01	539.01	-	-
Deferred income	-	30.86	-	-	30.86	30.86	-	-
Proposed dividend	(128.80)	89.85	-	-	(38.95)	-	(38.95)	-
Provisions	85.89	39.48	-	-	125.37	125.37	-	-
Other Current liabilities	453.45	(24.85)	-	-	428.60	428.60	-	-
MAT Credit Entitlement*	-	680.00	-	-	680.00	680.00	-	-
Deferred Tax on Inter-company transaction	68.41	(3.47)	-	-	64.94	64.94	-	-
Undistributed Reserves-Associates	(351.04)	(20.00)	-	-	(371.04)	-	(371.04)	-
Other items	219.66	(184.75)	-	-	34.91	34.91	-	-
Tax Assets/(Liabilities)	(4,054.80)	(1,452.24)	(15.36)	-	(5,522.40)	2,077.80	(7,600.20)	-

NOTE 28 TAX EXPENSE & DEFERRED TAX LIABILITIES (NET) (CONSOLIDATED) (CONTD.)

(g) As at 31st March 2019, undistributed earning of Subsidiaries and equity accounted investees - share of Joint Ventures amounted to ₹ **5,051.86 Crores** (Previous year : ₹ 4,315.65 Crores) on which corresponding deferred tax liability was not recognised because the Company controls the dividend policy of its Subsidiaries and is able to veto the payment of dividends of its Joint Ventures i.e. the Company controls the timing of reversal of the related taxable temporary differences and management is satisfied that they will not reverse in the foreseeable future.

(h) Tax losses carried forward

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom:

₹ In Crores

Particulars	As at 31/03/2019 Gross amount	As at 31/03/2019 Expiry date	As at 31/03/2018 Gross amount	As at 31/03/2018 Expiry date
Business loss	-	-	95.56	2018-19
Business loss	**162.58**	**2019-20**	156.42	2019-20
Business loss	**625.00**	**2020-21**	611.24	2020-21
Business loss	**68.45**	**2021-22**	68.16	2021-22
Business loss	**29.79**	**2022-23**	29.79	2022-23
Business loss	**35.58**	**2023-24**	33.75	2023-24
Business loss	**130.55**	**2024-25**	129.02	2024-25
Business loss	**165.13**	**2025-26**	164.09	2025-26
Business loss	**9.01**	**2026-27**	-	-
Long-term Capital loss	**0.53**	**2018-19**	0.53	2018-19

Note:- The Corporation offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

*MAT credit entitlement of ₹ 680.00 crores was recognised in FY 2017-18 as the Corporation was liable to pay tax as per provision of Section 115JB of Income Tax Act, 1961 in the FY 2017-18. MAT Credit of ₹ **432.00 Crores** has been utilized during FY 2018-19. Management is confident that it would be in a position to utilise the balance MAT credit entitlement within the period specified under the Income Tax Act, 1961.

NOTE 29 OTHER NON CURRENT LIABILITIES (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Deferred Income and Others*	**284.01**	143.19
Total	**284.01**	143.19

*Deferred Income includes unamortised portion of capital grants amounting to ₹ **141.61 Crores** (Previous year ₹ 85.97 Crores) comprising mainly of works contract tax reimbursement, interest free loan received from Government of Kerala as part of the fiscal incentives sanctioned for IREP and grants received for technology development.

NOTE 30 BORROWINGS (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Loans repayable on demand		
Secured		
From banks		
Working capital loans / Cash Credit*	**214.31**	306.77
From Others		
Loans through Triparty Repo Settlement System (TREPS)/Collateralised Borrowing and Lending Obligations (CBLO) of Clearing Corporation of India Limited**	**1,000.00**	1,500.00
Unsecured		
From banks		
Bank overdraft	**0.09**	-
Foreign Currency Loans	**1,632.44**	6,286.26
From Others		
Commercial Paper	**737.19**	-
Loans other than repayable on demand		
Unsecured		
From Bank	**5,014.92**	-
Total	**8,598.95**	8,093.03

* Secured in favour of the participating banks ranking pari passu inter-alia by hypothecation of raw materials, finished goods, work-in- progress, book debts, stores, components and spares and all movables both present and future. [Refer Note No. 13 and 15]

The Corporation has Triparty Repo Settlement System (TREPS)/Collateralised Borrowing and Lending Obligations (CBLO) of Clearing Corporation of India Limited, the balance of which is ₹ **1,000 Crores (Previous year: ₹ 1,500 Crores) . These are secured by 6.90 % Oil Marketing Companies GOI Special Bonds 2026 & 7.59% Govt. Stock 2026 of Face Value ₹ **1,385 Crores** (Previous year: ₹ 2,162 Crores) [Refer Note no. 14]

Terms of Repayment Schedule of Short-term borrowings as at 31/03/2019:

Short term borrowings	Interest Rate	₹ in Crores	Maturity
Loan from Banks	3 Month Libor + Margin	2,766.85	October 21, 2019
Loan from Banks	3 Month Libor + Margin	2,248.07	September 25, 2019

NOTE 31 TRADE PAYABLES (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Total Outstanding dues of Micro Enterprises and Small Enterprises [Refer Note No. 61]	**57.04**	46.05
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises [Refer Note No. 47]*	**17,327.69**	15,152.16
Total	**17,384.73**	15,198.21

*Others include liability of ₹ **2.61 Crores** (Previous year: NIL) received from Ministry of External Affairs for construction of Bangladesh Portion of Indo Bangla Friendship Pipeline. NRL is the implementor of the project [Refer Note No 17].

NOTE 32 OTHER FINANCIAL LIABILITIES (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Current maturities of long-term borrowings [Refer Note No. 25]	**1,924.57**	662.05
Interest accrued but not due on borrowings	**419.52**	254.25
Security / Earnest Money Deposits	**733.69**	659.15
Deposits for Containers**	**13,782.04**	11,901.50
Unclaimed Dividend*	**16.61**	12.34
Dues to Micro Enterprises and Small Enterprises [Refer Note No. 61]	**150.01**	143.91
Derivative Liabilities	**181.28**	90.19
Other Liabilities	**2,851.31**	2,637.80
Total	**20,059.03**	16,361.19

* No amount is due at the end of the period for credit to Investors Education and Protection Fund.

** Includes deposits received under Rajiv Gandhi Gramin LPG Vitrak Yojana and Pradhan Mantri Ujjwala Yojana (Central Scheme) ₹ **2,919.13 Crores** (Previous year: ₹ 1,625.91 Crores). The deposit against these schemes have been funded from CSR fund and Government of India.

NOTE 33 OTHER CURRENT LIABILITIES (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Advances from Customers	**745.93**	523.49
Statutory Liabilities	**3,880.85**	3,627.48
Dues to Micro Enterprises and Small Enterprises	**0.53**	-
Other (Deferred Income etc.)	**79.89**	58.06
Total	**4,707.20**	4,209.03

NOTE 34 PROVISIONS (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Provision for employee benefits [Refer Note No. 48 and 51]	**1,280.27**	1,013.74
Provision for CSR Expenditure	**172.25**	146.88
Others [Refer Note No. 57]*	**576.06**	648.90
Total	**2,028.58**	1,809.52

*Above includes deposits/ claims made in respect of the Corporation of ₹ **123.66 Crores** (Previous year: ₹ 123.66 Crores) netted off against provisions.

NOTE 35 CURRENT TAX LIABILITIES (NET) (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Current tax liabilities (Net of taxes paid)	**331.23**	139.18
Total	**331.23**	139.18

NOTE 36 REVENUE FROM OPERATIONS (CONSOLIDATED)

₹ in Crores

Particulars	2018-19	2017-18
A. (i) Sales		
Petroleum Products	**336,753.08**	276,000.79
Crude Oil	**1,972.96**	1,832.09
	338,726.04	277,832.88
(ii) Subsidy from Central/State Government [Refer Note No. 45]	**912.96**	734.23
	339,639.00	278,567.11
B. Other operating revenues	**1,240.15**	870.88
Total	**340,879.15**	279,437.99

NOTE 37 OTHER INCOME (CONSOLIDATED)

₹ in Crores

Particulars	2018-19	2017-18
Interest Income on		
Instrument measured at FVTPL	**357.58**	372.95
Instrument measured at amortised Cost	**662.02**	464.15
Income Tax Refund	**52.37**	38.06
Dividend Income		
Dividend Income from non - current equity instruments at FVOCI	**32.91**	37.81
Dividend Income from current investments at FVTPL	**14.04**	26.11
Net gains on fair value changes of		
Instruments measured at FVTPL ^	**155.26**	75.17
Derivatives at FVTPL	**256.86**	28.86
Write back of liabilities no longer required	**13.70**	8.74
Reversal of allowance on doubtful debts and advances (net)	**-**	235.87
Gain on sale of Property plant and equipment / Non-current assets held for sale (net)	**3.89**	-
Others#	**488.91**	386.68
Total	**2,037.54**	1,674.40

includes amortisation of capital grants in respect of the Corporation of ₹ **7.28 Crores** (Previous year ₹ 5.46 Crores)

^ Includes gain on sale of investments in respect of Corporation of ₹ **27.79 Crores** (Previous year ₹ 10.65 Crores)

NOTE 38 COST OF RAW MATERIALS CONSUMED (CONSOLIDATED)

₹ in Crores

Particulars	2018-19	2017-18
Opening Stock	5,480.51	4,044.26
Add : Purchases	129,309.57	91,547.02
Less: Closing Stock	(4,096.79)	(5,480.51)
Total	130,693.29	90,110.77

NOTE 39 PURCHASE OF STOCK-IN-TRADE (CONSOLIDATED)

₹ in Crores

Particulars	2018-19	2017-18
Petroleum Products	129,895.82	109,870.15
Crude Oil	1,842.41	1,742.39
Others	317.19	185.04
Total	132,055.42	111,797.58

NOTE 40 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS (CONSOLIDATED)

₹ in Crores

Particulars	2018-19	2017-18
Value of opening stock of		
Finished goods	10,341.43	8,777.96
Stock-in-trade	5,043.26	7,079.33
Work-in-progress	1,012.81	743.56
	16,397.50	16,600.85
Less : Value of closing stock of		
Finished goods	10,642.25	10,341.43
Stock-in-trade	6,107.07	5,043.26
Work-in-progress	1,254.44	1,012.81
	18,003.76	16,397.50
Net (Increase) / Decrease in Inventories	(1,606.26)	203.35

NOTE 41 EMPLOYEE BENEFIT EXPENSES (CONSOLIDATED)

₹ in Crores

Particulars	2018-19	2017-18
Salaries and wages [Refer Note No.48]	3,055.94	2,729.48
Contribution to Provident and Other Funds	361.26	435.29
Staff welfare expenses	567.61	465.17
Voluntary Retirement Scheme	-	118.59
Total	3,984.81	3,748.53

NOTE 42 FINANCE COSTS (CONSOLIDATED)

₹ in Crores

Particulars	2018-19	2017-18
Interest Expense	1,551.73	1,090.94
Other borrowing costs	27.51	22.16
Exchange difference regarded as an adjustment to borrowing costs	184.71	72.64
Total	1,763.95	1,185.74

NOTE 43 OTHER EXPENSES (CONSOLIDATED)

₹ in Crores

Particulars	2018-19	2017-18
Transportation	7,131.23	6,369.30
Octroi, Other Levies and Irrecoverable Taxes	1,405.35	1,116.93
Repairs, maintenance, stores and spares consumption	1,548.41	1,212.96
Power and Fuel	7,217.20	4,928.28
Less: Consumption of fuel out of own production	(4,820.82)	(2,992.79)
Power and Fuel consumed (net)	2,396.38	1,935.49
Packages consumed	210.54	178.50
Office Administration, Selling and Other expenses		
Rent [Refer Note No. 50]	406.87	378.53
Utilities [Refer Note No. 50]	898.08	800.25
Terminalling and related charges	205.90	284.49
Travelling and conveyance	257.73	238.35
Remuneration to auditors		
Audit fees	1.42	1.29
Fees for other services - Certification	0.58	0.32
Reimbursement of out of pocket expenses	0.03	0.02
Sub-Total	2.03	1.63
Bad debts and other write offs	0.83	5.60
Allowance for doubtful debts & advances (net)	334.41	-
Loss on sale of Property plant and Equipment/Non-Current asset held for sale (net)	-	36.47
Net losses on foreign currency transactions and translations		
Exchange gains on foreign currency forwards and principal only swap contracts	51.32	(144.16)
Exchange losses on transactions and translations of other foreign currency assets and liabilities	656.26	152.71
Sub-total	707.58	8.55
CSR Expenditure	258.17	231.26
Impairment Loss on Non-Current assets held for sale	7.67	26.72
Others	2,214.92	1,928.87
Sub-Total-Office Administration, Selling and Other expenses	5,294.19	3,940.72
Total	17,986.10	14,753.90

NOTE 44 (CONSOLIDATED)

In line with the General Circular No. 39/2014, dated 14th October 2014, issued by the Ministry of Corporate Affairs, the disclosures relevant to Consolidated Financial Statements only have been provided.

NOTE 45 (CONSOLIDATED)

Consequent to non-revision in retail selling prices corresponding to the international prices and applicable foreign exchange rates prevailing during the year, the Corporation has suffered gross under recovery of ₹ **882.65 Crores** (Previous year: ₹ 719.30 Crores) on sale of sensitive petroleum products.

As advised by the Ministry of Petroleum & Natural Gas, the Corporation has accounted compensation towards sharing of under-recoveries on sale of sensitive petroleum products as subsidy from Government of India amounting to ₹ **882.65 Crores** (Previous year ₹ 719.30 Crores) and the same is accounted as Revenue from operations. After adjusting the above compensation, the net under recovery absorbed by the Corporation is Nil (Previous year under recovery: Nil).

Further, subsidies received from State Governments which are recognised in Revenue From Operations is ₹ **30.31 Crores** (Previous year ₹ 14.93 Crores) during current year.

NOTE 46 (CONSOLIDATED)

As per the scheme of Amalgamation of the erstwhile Kochi Refineries Limited ("KRL") with the Corporation approved by the Government of India, 3,37,28,737 equity shares of the Corporation were allotted (in lieu of the shares held by the Corporation in the erstwhile KRL) to a trust for the benefit of the Corporation in the financial year 2006-07. After the 1:1 Bonus issue in July 2012 and July 2016 respectively and 1:2 bonus issue in July 2017, presently the trust holds 20,23,72,422 equity shares of the Corporation. The cost of the original investment together with the additional contribution to the corpus of the trust made in 2014-15 has been reduced from the total equity of the Corporation. To the extent of the face value of the shares, the same has been reduced from the Paid up Share capital of the Corporation and the balance has been reduced from Other Equity under a separate reserve. Accordingly, the income received from the Trust has been recognised directly under Other Equity of the Corporation.

NOTE 47 (CONSOLIDATED)

The Group has numerous transactions with other oil companies. The outstanding balances (included under Trade Payables / Trade Receivables etc) from them and certain other outstanding credit and debit balances are subject to confirmation / reconciliation. Adjustments, if any, arising therefrom are not likely to be material on settlement and are accounted as and when ascertained.

NOTE 48 (CONSOLIDATED)

The Group has provided for pay revision dues of non-management staff under salaries and wages amounting to ₹ **320.71 Crores** (Previous year: ₹ 116.79 Crores) based on the available information and judgement.

NOTE 49 SERVICE CONCESSION ARRANGEMENTS (CONSOLIDATED)

The Corporation has entered into service concession arrangements with entities supplying electricity ("The Regulator") to construct, own, operate and maintain a wind energy based electric power generating station ("Plant"). Under the terms of agreement , the Corporation will operate and maintain the Plant and sell electricity generated to Regulator for a period which covers the substantial useful life of the Plant which may be renewed for such further period as may be mutually agreed upon between the parties. The Corporation will be responsible for any maintenance services during the concession period.

The Corporation in turn has a right to charge the Regulator agreed rate as stated in the service concession arrangement.

The fair value towards the construction of the Plant has been recognised as an Intangible Asset and is amortised over the useful life of the asset or period of contract, whichever is less.

NOTE 50 LEASES (CONSOLIDATED)

Operating leases

A. Leases as lessee

The Group enters into cancellable/non-cancellable operating lease arrangements for land, godowns, office premises, staff quarters, third party operating plant and others. The lease rentals paid for the same are charged to the Statement of Profit and Loss.

a) The future minimum lease payments under Non cancellable leases payable as at the year ending are as follows:

₹ in Crores

Particulars		As at 31/03/2019	As at 31/03/2018
i)	Less than one year	**403.18**	387.50
	Between one and five years	**2,057.69**	1,932.88
	More than five years	**6,716.75**	7,321.39
ii)	Lease Rentals recognized in the Consolidated Statement of Profit and Loss	**382.93**	354.47

b) The Group enters into cancellable operating leases in respect of land, office premises, staff quarters and others which are cancellable by giving appropriate notices as per respective agreements. During the year ₹ **400.77 Crores** (Previous year: ₹ 339.85 Crores) has been charged to Statement of Profit and Loss on account of lease rentals.

B. Leases as lessor

a) The Group enters into cancellable/non-cancellable operating lease arrangements in respect of lands, commercial spaces, storage distribution facilities etc. The details are as follows:

As at 31/03/2019 ₹ in Crores

Particulars	Land	Buildings	Plant and Equipments	Tanks & Pipelines	Furnitures and Fixtures	Office Equipment	Railway Sidings	Vehicles	Right of Way
Gross Carrying Amount	**26.22**	**126.46**	**109.76**	**312.66**	**6.69**	**6.30**	**62.87**	**0.01**	**3.30**
Accumulated depreciation	**-**	**18.91**	**32.45**	**55.95**	**4.75**	**2.62**	**21.95**	**-**	**-**
Depreciation recognised in Consolidated Statement of P&L	**-**	**5.14**	**8.25**	**14.15**	**0.55**	**0.83**	**5.53**	**-**	**-**

As at 31/03/2018 ₹ in Crores

Particulars	Land	Buildings	Plant and Equipments	Tanks & Pipelines	Furnitures and Fixtures	Office Equipment	Railway Sidings	Vehicles	Right of Way
Gross Carrying Amount	26.22	122.47	107.56	311.19	6.24	5.29	62.87	0.01	3.30
Accumulated depreciation	-	14.71	24.35	41.79	4.18	1.90	16.42	-	-
Depreciation recognised in Consolidated statement of P&L	-	4.92	8.36	14.13	0.97	0.75	5.53	-	-

b) Total contingent rent recognised as income in the Consolidated Statement of Profit and Loss in the FY 2018-19 is ₹ **21.75 Crores** (Previous year: ₹ 21.60 Crores).

NOTE 50 LEASES (CONSOLIDATED) (CONTD.)

c) The future minimum lease payments under Non cancellable leases receivable as at the year ending are as follows:

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Less than one year	**26.03**	26.03
Between one and five years	**104.13**	104.13
More than five years	**32.52**	58.55

Finance Lease

A. Leases as lessee

i) The Group has finance lease arrangements for various Land leases. The carrying amount of these assets are shown below:

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Gross Carrying Amount	**0.84**	0.81
Accumulated depreciation	**0.04**	0.07
Depreciation recognised in Statement of Profit and Loss	**0.01**	0.01

NOTE 51 EMPLOYEE BENEFITS (CONSOLIDATED)

[A] Post Employment Benefit Plans:

Defined Contribution Scheme

Defined Contribution Scheme (DCS) was introduced effective from 1st Jan 2007. Group contributes at a defined percentage of the employee salary out of the total entitlements on account of superannuation benefits under this scheme. This Fund is maintained under a trust.

₹ in Crores

Amount recognised in the Statement of Profit and Loss	2018-19	2017-18
Defined Contribution Scheme	**121.79**	252.78

Defined Benefit Plans

The Group has the following Defined Benefit Plans

Gratuity

The Corporation and its Subsidiary NRL has a defined benefit gratuity plan managed by a trust. The Trustees administer contributions made to the trust, investments thereof etc. Based on actuarial valuation, the contribution is paid to the trust which is invested in plan assets as per the investment pattern prescribed by the Government. Gratuity is paid to a staff member who has put in a minimum qualifying period of 5 years of continuous service, on superannuation, resignation, termination or to his nominee on death.

Other Defined Benefits include

(a) Post Retirement Medical Scheme (managed by a trust) to employees, spouse, dependent children and dependent parents;

(b) Pension / Ex-Gratia scheme to the retired employees who are entitled to receive the monthly pension / ex-gratia for life;

(c) Death in service / Permanent Disablement benefit given to the spouse of the employee / employee, provided the deceased's family / disabled employee deposits with the Corporation, retirement dues such as PF, Gratuity, Leave Encashment etc. payable to them;

(d) Resettlement allowance paid to employees to permanently settle down at the time of retirement;

(e) Felicitation benefits to retired employees on reaching the age related milestones; and

NOTE 51 EMPLOYEE BENEFITS (CONSOLIDATED) (CONTD.)

(f) The Corporation makes contribution towards Provident Fund, which is administered by the trustees. The Corporation has an obligation to fund any shortfall on the yield of the trust's investments over the interest rates declared by the Government under EPF scheme. In case of NRL & BPRL, the contribution to Provident Fund is remitted to Employees Provident Fund Organisation on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss.

These defined benefit plans expose the Group to actuarial risks, such as longetivity risk, interest rate risk and market (investment) risk.

Movement in net defined benefit (Asset)/ Liability

a) Reconciliation of balances of Defined Benefit Obligations

₹ in Crores

Particulars	Gratuity - Funded		Gratuity - Non Funded		Post Retirement Medical - Funded		Burmah Shell Pension - Non Funded	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Defined Obligations at the beginning of the year	1,099.48	662.38	0.21	0.91	1,078.46	1,011.61	77.43	88.49
Interest Cost	86.55	48.13	0.02	0.07	83.67	75.35	5.95	6.03
Current Service Cost	15.75	6.85	0.01	0.05	40.41	41.50	-	-
Past Service cost	-	478.82	-	0.14	-	-	-	-
Liability transferred In/ Acquisitions	-	-	0.20	-	-	-	-	-
Benefits paid	(117.11)	(105.11)	-	-	(47.71)	(36.93)	(15.39)	(16.15)
Actuarial (Gains)/ Losses on obligations								
- Changes in financial Assumptions	6.70	(39.15)	(0.00)	(0.04)	(3.79)	0.89	1.09	(2.22)
- Experience adjustments	49.33	47.57	(0.02)	(0.02)	136.01	(13.97)	2.70	1.28
Defined Obligations at the end of the year	1,140.70	1,099.49	0.42	1.11	1,287.05	1,078.45	71.78	77.43

b) Reconciliation of balances of Fair Value of Plan Assets in respect of

₹ in Crores

Particulars	Gratuity - Funded		Post Retirement Medical - Funded	
	2018-19	2017-18	2018-19	2017-18
Fair Value at the beginning of the year	696.42	671.07	1,096.39	954.77
Interest income (i)	54.79	48.77	85.07	71.12
Return on Plan Assets, excluding interest income(ii)	1.27	7.48	2.25	14.20
Actual Return on Plan assets (i+ii)	56.06	56.25	87.32	85.32
Contribution by employer	50.70	74.21	10.15	56.68
Contribution by employee	-	-	1.41	-
Benefits paid	(2.90)	(105.11)	(22.11)	(0.37)
Fair Value of Plan Assets at the end of the year	800.28	696.42	1,173.16	1,096.40

c) Amount recognised in Balance sheet (a-b)

₹ in Crores

Particulars	Gratuity - Funded		Gratuity - Non Funded		Post Retirement Medical - Funded		Burmah Shell Pension - Non Funded	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Amount recognised in Balance sheet (a - b)	340.42	403.07	0.42	1.11	113.89	(17.95)	71.78	77.43

NOTE 51 EMPLOYEE BENEFITS (CONSOLIDATED) (CONTD.)

d) Amount recognised in Statement of Profit and Loss

₹ in Crores

Particulars	Gratuity - Funded		Gratuity - Non Funded		Post Retirement Medical - Funded		Burmah Shell Pension - Non Funded	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Current Service Cost	15.75	6.85	0.01	0.05	40.41	41.50	-	-
Past Service cost	-	478.82	-	0.14	-	-	-	-
Interest Cost	86.55	48.13	0.02	0.07	83.67	75.35	5.95	6.03
Interest income	(54.79)	(48.77)	-	-	(85.07)	(71.12)	-	-
Contribution by employee	-	-	-	-	(1.41)	-	-	-
Expenses for the year	47.51	485.03	0.03	0.26	37.60	45.73	5.95	6.03

Note: Provision in respect of pay revision dues as mentioned in note no. 48 is over and above the amounts recognised herein.

e) Amount recognised in Other Comprehensive Income Remeasurements

₹ in Crores

Particulars	Gratuity - Funded		Gratuity - Non Funded		Post Retirement Medical - Funded		Burmah Shell Pension - Non Funded	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Actuarial (Gains)/ Losses								
-Changes in financial assumptions	6.70	(39.15)	(0.00)	(0.04)	(3.79)	0.89	1.09	(2.22)
-Experience adjustments	49.33	47.57	(0.02)	(0.02)	136.01	(13.97)	2.70	1.28
Return on plan assets excluding net interest cost	(1.27)	(7.48)	-	-	(2.25)	(14.20)	-	-
Total	54.76	0.94	(0.02)	(0.06)	129.97	(27.28)	3.79	(0.94)

f) Major Actuarial Assumptions

Particulars	Gratuity - Funded		Gratuity - Non Funded		Post Retirement Medical - Funded		Burmah Shell Pension - Non Funded	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Discount Rate (%)	7.76-7.77	7.73-7.88	7.59	7.56-7.83	7.77-7.78	7.73-7.76	7.22	7.68
Salary Escalation/ Inflation (%)	8.00	8.00	8.00	5.00-8.00	NA	NA		
Expected Return on Plan assets (%)	7.76-7.77	7.73-7.88			7.77-7.78	7.73-7.76		

The estimates for future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors.

The expected return on plan assets is based on market expectation at the beginning of the period, for returns over the entire life of the related obligation.

g) Investment pattern for Fund

Particulars	Gratuity - Funded		Post Retirement Medical - Funded	
	As at 31/03/2019	As at 31/03/2018	As at 31/03/2019	As at 31/03/2018
Category of Asset	%	%	%	%
Government of India Securities	17.38	21.45	2.68	3.47
Corporate Bonds	4.13	5.10	74.85	70.11
Insurer Managed funds	70.94	64.49	4.37	2.85
State Government	0.85	1.36	9.67	18.46
Others	6.70	7.60	8.43	5.11
Total (%)	100.00	100.00	100.00	100.00

For the funded plans, the trust maintains appropriate fund balance considering the analysis of maturities. Projected Unit credit method is adopted for Asset-Liability Matching.

NOTE 51 EMPLOYEE BENEFITS (CONSOLIDATED) (CONTD.)

Movement in net defined benefit (Asset)/ Liability

₹ in Crores

	Particulars	Death / Permanent disablement - Non Funded		Re-settlement Allowance - Non Funded		Ex-gratia scheme - Non Funded		Felicitation Scheme - Non funded	
		2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
a)	**Reconciliation of balances of Defined Benefit Obligations.**								
	Defined Obligations at the beginning of the year	11.51	14.01	16.66	17.69	325.79	326.43	-	-
	Interest Cost	0.86	0.95	1.31	1.29	25.28	24.32	-	-
	Current Service Cost	-	-	3.35	3.61	4.05	3.09	0.72	-
	Past service cost	-	-	-	-	-	-	83.73	-
	Benefits paid	(13.24)	(9.02)	(2.65)	(2.78)	(24.43)	(19.90)	-	-
	Actuarial (Gains)/ Losses on obligations								
	- Changes in financial assumptions	1.12	(1.92)	0.08	(0.62)	(0.55)	(8.38)	-	-
	- Experience adjustments	11.01	7.49	(2.08)	(2.53)	11.74	0.23	-	-
	Defined Obligations at the end of the year	11.26	11.51	16.67	16.66	341.88	325.79	84.45	-
b)	**Amount recognised in Balance sheet**	11.26	11.51	16.67	16.66	341.88	325.79	84.45	-
c)	**Amount recognised in Statement of Profit and Loss**								
	Current Service Cost	-	-	3.35	3.61	4.05	3.09	0.72	-
	Past Service Cost	-	-	-	-	-	-	83.73	-
	Interest Cost	0.86	0.95	1.31	1.29	25.28	24.32	-	-
	Expenses for the year	0.86	0.95	4.66	4.90	29.33	27.41	84.45	-
d)	**Amount recognised in Other Comprehensive Income**								
	Remeasurements :								
	Actuarial (Gains)/ Losses								
	- Changes in financial assumptions	1.12	(1.92)	0.08	(0.62)	(0.55)	(8.38)	-	-
	- Experience adjustments	11.01	7.49	(2.08)	(2.53)	11.74	0.23	-	-
	Total	12.13	5.57	(2.00)	(3.15)	11.19	(8.15)	-	-
e)	**Major Actuarial Assumptions**								
	Discount Rate (%)	7.07	7.50	7.76-7.77	7.73- 7.88	7.78	7.76	7.78	-

The estimates for future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors.

The expected return on plan assets is based on market expectation at the beginning of the period, for returns over the entire life of the related obligation.

NOTE 51 EMPLOYEE BENEFITS (CONSOLIDATED) (CONTD.)

Sensitivity analysis

Sensitivity analysis for significant actuarial assumptions, showing how the defined benefit obligation would be affected, considering increase/decrease of 1% as at 31.03.2019 is as below:

₹ in Crores

Particulars	Gratuity - Funded	Post Retirement Medical - Funded	Burmah shell Pension- Non Funded	Death/ Permanent Disablement- Non funded	Resettlement allowance- Non funded	Exgratia scheme- Non funded	Felicitation scheme- Non funded	Gratuity- Non funded
+ 1% change in rate of Discounting	**(59.48)**	**(160.29)**	**(2.25)**	**(2.57)**	**(1.04)**	**(25.70)**	**(6.64)**	**(0.01)**
- 1% change in rate of Discounting	**67.83**	**203.26**	**2.30**	**2.76**	**1.19**	**29.93**	**8.03**	**0.01**
+ 1% change in rate of Salary increase/ inflation	**12.05**	**-**	**-**	**-**	**-**	**-**	**-**	**0.00**
- 1% change in rate of Salary increase/ inflation	**(13.90)**	**-**	**-**	**-**	**-**	**-**	**-**	**(0.00)**

Sensitivity analysis for significant actuarial assumptions, showing how the defined benefit obligation would be affected, considering increase/decrease of 1% as at 31.03.2018 is as below:

₹ in Crores

Particulars	Gratuity - Funded	Post Retirement Medical - Funded	Burmah shell Pension- Non Funded	Death/ Permanent Disablement- Non funded	Resettlement allowance- Non funded	Exgratia scheme- Non funded	Gratuity- Non funded
+ 1% change in rate of Discounting	(59.30)	(138.08)	(2.79)	(2.62)	(1.04)	(24.52)	(0.01)
- 1% change in rate of Discounting	67.39	175.93	2.09	2.81	1.19	28.52	0.01
+ 1% change in rate of Salary increase/ inflation	14.57	-	-	-	-	-	0.00
- 1% change in rate of Salary increase/ inflation	(16.72)	-	-	-	-	-	(0.01)

Sensitivity for significant actuarial asssumptions is computed by varying one actuarial assumption used for the valuation keeping all other actuarial assumptions constant.

NOTE 51 EMPLOYEE BENEFITS (CONSOLIDATED) (CONTD.)

The expected future cash flows as at 31st March 2019 were as follows:

₹ in Crores

Expected contribution	Gratuity - Funded	Post Retirement Medical - Funded	Burmah shell Pension- Non Funded	Death/ Permanent Disablement- Non funded	Resettlement allowance- Non funded	Exgratia scheme- Non funded	Felicitation scheme- Non funded	Gratuity- Non funded
Projected benefits payable in future years from the date of reporting								
1st following year	206.58	53.86	12.71	2.67	2.07	33.02	16.97	0.21
2nd following year	93.80	64.19	10.97	2.25	0.96	32.93	4.14	0.01
3rd following year	132.51	76.27	9.38	1.98	1.75	32.07	3.29	0.01
4th following year	133.01	81.52	7.95	1.68	1.87	31.12	3.61	0.18
5th following year	132.36	89.08	6.67	1.35	1.77	30.07	3.54	0.00
Years 6 to 10	480.39	570.78	19.12	3.78	7.68	135.58	24.38	0.04

Other details as at 31st March 2019

Particulars	Gratuity - Funded	Post Retirement Medical - Funded	Burmah shell Pension- Non Funded	Death/ Permanent Disablement- Non funded	Resettlement allowance- Non funded	Exgratia scheme- Non funded	Felicitation scheme- Non funded
Weighted average duration of the Projected Benefit Obligation(in years)	7-11	15-25	4	6	7-11	9	10
Prescribed contribution for next year (₹ in Crores)	134.11	155.35	-	-	-	-	-

Provident Fund:

The Corporation's contribution to the Provident Fund is remitted to separate trust established for this purpose based on a fixed percentage of the eligible employees salary and charged to Statement of Profit and Loss. Shortfall, if any, in the fund assets, based on the Government specified minimum rate of return, will be made good by the Corporation and charged to Statement of Profit and Loss. The actual return earned by the fund has mostly been higher than the Government specified minimum rate of return in the past years. There is no shortfall in the fund as on 31st March 2019 and 31st March 2018.

The details of fund obligations are given below:

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Present value of benefit obligation at period end	5,260.14	4,827.59

Note: In case of NRL & BPRL, the contribution to Provident Fund is remitted to Employees Provident Fund Organisation on a fixed percentge of the eligible employee's salary and charged to Statement of Profit and Loss.

NOTE 52 RELATED PARTY TRANSACTIONS (CONSOLIDATED)

a) Names of the Related parties

Joint Venture & Associate Companies

1. Indraprastha Gas Limited
2. Petronet India Limited *
3. Petronet CI Limited*
4. Petronet LNG Limited
5. Bharat Oman Refineries Limited
6. Maharashtra Natural Gas Limited
7. Central UP Gas Limited
8. Sabarmati Gas Limited
9. Bharat Stars Services Private Limited
   (Including Bharat Stars Services (Delhi) Pvt. Limited)
10. Bharat Renewable Energy Limited *
11. Matrix Bharat Pte. Ltd.
12. Delhi Aviation Fuel Facility Private Limited
13. Kannur International Airport Limited
14. GSPL India Gasnet Limited
15. GSPL India Transco Limited
16. Mumbai Aviation Fuel Farm Facility Private Limited
17. Kochi Salem Pipeline Private Limited
18. Petroleum India International
19. BPCL-KIAL Fuel Farm Private Limited
20. Haridwar Natural Gas Pvt. Ltd.
21. Goa Natural Gas Pvt. Ltd.
22. FINO Paytech Limited (including Fino Payments Bank)
23. Ratnagiri Refinery & Petrochemicals Ltd.
24. Ujjwala Plus Foundation (Section 8 company)
25. IBV (Brasil) Petroleo Ltda.
26. Taas India Pte Ltd.
27. Vankor India Pte Ltd.
28. Falcon Oil & Gas BV
29. Mozambique LNG 1 Pte Ltd.
30. LLC TYNGD
31. JSC Vankorneft
32. Urja Bharat Pte. Ltd.
33. DNP Limited
34. Brahmaputra Cracker and Polymer Limited
35. Assam Bio Refinery (P) Ltd.
36. Indradhanush Gas Grid Limited

*Companies in the process of winding up

NOTE 52 RELATED PARTY TRANSACTIONS (CONSOLIDATED) (CONTD.)

Key Management Personnel :

1. Shri D. Rajkumar, Chairman & Managing Director
2. Shri S. Ramesh, Director (Marketing) (Up to 23.09.2018)
3. Shri A.K. Singh, Director (Marketing) Appointed (w.e.f. 01.10.2018)
4. Shri R. Ramachandran, Director (Refineries)
5. Shri S. P. Gathoo, Director (Human Resources) (Up to 31.10.2017)
6. Shri K. Padmakar, Director (Human Resources) Appointed (w.e.f. 01.02.2018)
7. Shri P. Balasubramanian, Director (Finance) (Up to 30.04.2017)
8. Shri K. Sivakumar, Director (Finance) (w.e.f. 01.05.2017 up to 07.05.2018)
9. Shri N. Vijayagopal, Director (Finance) Appointed (w.e.f. 17.12.2018)
10. Shri M. Venugopal, (Company Secretary)
11. Shri Rajesh Kumar Mangal, Independent Director
12. Shri Deepak Bhojwani, Independent Director (Up to 30.11.2018)
13. Shri Gopal Chandra Nanda, Independent Director (Up to 30.11.2018)
14. Shri Vishal V Sharma, Independent Director
15. Shri P. H. Kurian, Govt. Nominee Director (up to 18.04.2017)
16. Shri Paul Antony, Nominee Director (w.e.f. 19.04.2017 Up to 19.03.2018)
17. Dr. K. Ellangovan, Govt. Nominee Director Appointed (w.e.f. 20.03.2018)
18. Smt. Jane Mary Shanti Sundharam, Independent Director Appointed (w.e.f. 21.09.2017)
19. Shri Vinay Sheel Oberoi, Independent Director Appointed (w.e.f. 21.09.2017)
20. Dr. (Smt.) Tamilisai Soundararajan, Independent Director (w.e.f. 28.09.2017 up to 22.03.2019)
21. Shri Anant Kumar Singh, Govt. Nominee Director (up to 27.11.2017)
22. Shri Rajiv Bansal, Govt. Nominee Director Appointed (w.e.f. 28.11.2017)

b) The nature wise transactions with the above related parties are as follows:

₹ in Crores

S. No.	Nature of Transactions	2018-19	2017-18
1.	Purchase of goods	40,132.56	37,987.28
2.	Sale of goods	2,284.92	3,066.71
3.	Purchase of fixed assets	0.09	-
4.	Rendering of Services	106.03	78.04
5.	Receiving of Services	358.27	285.19
6.	Interest Income / Share of Profit/(Loss)	115.73	114.33
7.	Dividend Income and Other receipts	234.91	108.95
8.	Investment and Advance for Investments- Equity	359.13	1,322.77
9.	Loans and Advances Given	-	317.40
10.	Management Contracts (Employees on deputation/ consultancy services)	32.35	28.33
11.	Lease Rental & other charges received	30.96	33.38
12.	Lease Rental & Other Charges paid	0.10	0.09
13.	Deposit given	0.04	-
14.	Deposit refund received	0.02	-
15.	Reduction in Financial Guarantee	1,046.88	-
16.	Receivables as at year end*	3,803.64	3,536.81
17.	Payables as at year end*	2,228.48	1,429.91
18.	Commitments	137.65	-
19.	Guarantee Outstanding	1,333.03	2,274.03

*The outstanding balances are unsecured and are settled in cash except advance against equities which are settled in equity.

NOTE 52 RELATED PARTY TRANSACTIONS (CONSOLIDATED)

c) In the course of its ordinary business, the Group enters into transactions with other Government controlled entities (not included in the list above). The Group has transactions with other government-controlled entities,including but not limited to the followings:

- Sales and purchases of goods and ancillary materials;
- Rendering and receiving of services;
- Receipt of dividends;
- Loans and advances;
- Guarantees;
- Depositing and borrowing money; and
- Uses of public utilities

These transactions are conducted in the ordinary course of business on terms comparable to those with other entities that are not government controlled entities.

d) Key management personnel compensation

₹ in Crores

Particulars	2018-19	2017-18
Short-term employee benefits	**4.95**	3.63
Post-employment benefits	**0.29**	0.71
Other long-term benefits	**0.00**	1.13
Others (including sitting fees to non-executive directors)	**0.99**	0.86

NOTE 53 (CONSOLIDATED)

Dues from Directors of the Corporation is ₹ **0.41 Crore** (31st March 2018: ₹ 0.34 Crore) and Dues from Officers of the Corporation is ₹ **4.32 Crores** (31st March 2018: ₹ 3.54 Crores).

NOTE 54 EARNINGS PER SHARE (EPS) (CONSOLIDATED)

₹ in Crores

Particulars		2018-19	2017-18
i.	**Profit attributable to owners of the Corporation for basic and diluted earnings per share**	**7,802.30**	9,008.63
ii.	**Weighted average number of ordinary shares**		
	Issued ordinary shares at 1st April (In Crores)	**216.93**	144.62
	Effect of shares issued as Bonus shares * (In Crores)	**-**	72.31
	Less : Investment held by BPCL Trust for Investment in Shares * [Refer Note No. 46]	**(20.24)**	(20.24)
	Weighted average number of shares at period end for basic and diluted EPS (In Crores)	**196.69**	196.69
	Basic and Diluted EPS (₹)	**39.67**	45.80

*The Corporation has issued bonus shares in the ratio of 1:2 during Financial Year 2017-18.

The Corporation has elected to continue the policy adopted under Previous GAAP for accounting the foreign exchange

NOTE 55 (CONSOLIDATED)

differences arising on settlement or translation of long-term foreign currency monetary items outstanding as of 31st March 2016 i.e. foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the asset and in other cases, if any, accumulated in "Foreign Currency Monetary Item Translation Difference Account" and amortised over the balance period of the liability.

The net loss remaining unamortised under Foreign Currency Monetary Item Translation Difference Account as at 31st March 2019 is ₹ **29.34 Crores** (Net Gain as at 31st March 2018 ₹ 66.76 Crores).

NOTE 56 IMPAIRMENT OF ASSETS (CONSOLIDATED)

The Corporation assesses, at each reporting date, whether there is an indication of impairment of assets. Further, it is assumed that suitable mechanism would be in place by the Government of India, in line with earlier/ current year(s), to provide compensation towards under recoveries of margin, if any, and recoveries against Direct Benefit Transfer for LPG Scheme on account of sale of sensitive petroleum products in subsequent years. Based on the assessment, there is no indication of impairment of assets as at 31st March 2019.

NOTE 57 PROVISIONS(CONSOLIDATED)

In compliance of Ind AS 37 on "Provisions, Contingent Liabilities and Contingent Assets", the required information is as under:

₹ in Crores

Nature	Opening balance	Additions during the year	Utilisation during the year	Reversals during the year	Closing balance
Excise	111.05	0.02	-	91.07	20.00
Customs	2.51	0.73	-	-	3.24
Service Tax	1.56	0.87	0.06	-	2.37
VAT/ Sales Tax/ Entry Tax	502.29	30.40	0.10	6.97	525.62
Property Tax/Legal Cases	53.93	12.09	13.23	10.23	42.56
Total	**671.34**	**44.11**	**13.39**	**108.27**	**593.79**
Previous year	834.90	77.70	8.91	232.35	671.34

The above provisions are made based on estimates and the expected timing of outflows is not ascertainable at this stage.

Above includes provision of ₹ **123.66 Crores** (Previous year ₹ 123.66 Crores) for which deposits/claims have been made.

In case of BPRL, the non current and current provisions for Liquidated Damages and Abandonment is ₹ **124.96 Crores** (Previous year: ₹ 119.47 Crores).

Liquidated Damages: In respect of blocks held in India, as per the Production Sharing Contracts (PSC) signed by BPRL with the Government of India (GoI), it is required to complete Minimum Work Programme (MWP) within stipulated time. In case of delay, Liquidated Damages (LD) is payable for extension of time to complete MWP. Further, in case it does not complete MWP or surrender the block without completing the MWP, an amount as agreed in PSC is required to be paid to the GoI for incomplete portion of the MWP. Accordingly, BPRL has provided ₹ **102.72 Crores** towards liquidated damages as on 31st March 2019 (31st March 2018 ₹ 98.54 Crores) in respect to various blocks. A provision of **Nil** has been made in FY 2018-19 (31st March 2018: ₹1.92 Crores) in respect of block CB 2010/11.

Abandonment: BPRL has Participating Interest in various oil and gas blocks along with other consortium partners. It has made a provision of ₹ **22.24 Crores** as on 31st March 2019 (31st March 2018 ₹ 20.93 Crores) in respect of its share of the abandonment obligation.

NOTE 58 FINANCIAL INSTRUMENTS (CONSOLIDATED)

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

₹ in Crores

As at 31/03/2019	Note Reference	Carrying amount				Fair value			
		Mandatorily at FVTPL	FVOCI - designated as such	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets									
Investment in Equity Instruments	8	-	610.12	-	610.12	495.82	-	114.30	610.12
Investment in Mutual Funds	14	97.97	-	-	97.97	97.97	-	-	97.97
Investment in Debt Instruments	8 & 14	5,075.89	-	0.01	5,075.90	5,075.89	-	-	5,075.89
Investment in T-Bills	8 & 14	-	-	1,034.18	1,034.18	-	-	-	
Derivative Instruments - Commodity related	19	21.25	-	-	21.25	-	21.25	-	21.25
Derivative Instruments - Interest Rate Swap	19	1.96	-	-	1.96	-	1.96	-	1.96
Derivative Instruments - Forward Contracts	19	0.51	-	-	0.51	-	0.51	-	0.51
Deposits	9	-	-	37.13	37.13	-	38.00	-	38.00
Loan to Joint Venture-Fixed Rate	9	-	-	1,402.77	1,402.77	-	1,578.34	-	1,578.34
Loan to Joint Venture-Variable Rate	9	1,803.37	-	-	1,803.37	-	-	1,803.37	1,803.37
Loans									
Non-current-Loans to Employee	9	-	-	433.96	433.96	-	433.84	-	433.84
Non-current- Others	9	-	-	54.32	54.32				
Current	18	-	-	1,684.67	1,684.67				
Other Deposits	9	-	-	97.71	97.71				
Cash and Cash Equivalents	16	-	-	414.25	414.25				
Bank Balances other than Cash and Cash Equivalents	17	-	-	248.27	248.27				
Trade Receivables	15	-	-	6,906.25	6,906.25				
Others									
-Non-current	10	-	-	109.83	109.83				
-Current	19	-	-	9,392.47	9,392.47				
Total		7,000.95	610.12	21,815.82	29,426.89				
Financial liabilities									
Derivative Liability on Forwards	32	1.92	-	-	1.92	-	1.92	-	1.92
Derivative Liability on Swaps	32	179.36	-	-	179.36	-	179.36	-	179.36
Bonds	25 & 32	-	-	15,901.19	15,901.19	16,184.95	-	-	16,184.95
OIDB Loans	25 & 32	-	-	1,358.50	1,358.50	-	1,371.19	-	1,371.19
Debentures	25	-	-	2,299.32	2,299.32	2,311.82	-	-	2,311.82
Term Loans	25	-	-	8,508.73	8,508.73		6,508.73		6,508.73
Term Loans	25	-	-	29.27	29.27		29.27		29.27
External Commercial Borrowings	32	-	-	34.59	34.59				
Foreign Currency Loans - Syndicated	25	-	-	8,108.55	8,108.55				
Other Non-Current Financial Liabilities	26	-	-	56.67	56.67				
Borrowings -Current	30	-	-	8,598.95	8,598.95				
Trade and Other Payables	31	-	-	17,384.73	17,384.73				
Other Current Liabilities	32	-	-	17,953.18	17,953.18				
Total		181.28	-	80,233.68	80,414.96				

Note: There are no categories of financial instruments other than those mentioned above.

NOTE 58 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

₹ in Crores

As at 31/03/2018	Note Reference	Carrying amount				Fair value			
		Mandatorily at FVTPL	FVOCI - designated as such	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets									
Investment in Equity Instruments	8 & 14	2.30	681.20	-	683.50	575.94	2.30	105.26	683.50
Investment in Mutual Funds	14	1.01	-	-	1.01	1.01	-	-	1.01
Investment in Debt Instruments	8 & 14	4,992.88	-	0.01	4,992.89	4,992.88	-	-	4,992.88
Investment in T-Bills	14			453.09	453.09				
Derivative Instruments - Interest Rate Swap	19	3.13	-	-	3.13	-	3.13	-	3.13
Derivative Instruments- Forward Contracts		8.51			8.51		8.51		
Deposits	9	-	-	34.24	34.24	-	36.61	-	36.61
Loan to Joint Venture-Fixed Rate	9 & 18	-	-	1,388.17	1,388.17	-	1,563.74	-	1,563.74
Loan to Joint Venture-Variable Rate	9	1,653.72	-	-	1,653.72	-	-	1,653.72	1,653.72
Loans									
Non-current- Loans to Employee	9	-	-	421.22	421.22	-	421.08	-	421.08
Non-current- Other Loans	9	-	-	463.87	463.87	-	463.87	-	463.87
Non-current- Others	9	-	-	41.88	41.88				
Current	18	-	-	270.42	270.42				
Other Deposits	9	-	-	71.32	71.32				
Cash and Cash Equivalents	16	-	-	593.60	593.60				
Bank Balances other than Cash and Cash Equivalents	17	-	-	760.26	760.26				
Trade Receivables	15	-	-	5,209.28	5,209.28				
Others									
-Non-current	10	-	-	53.47	53.47				
-Current	19	-	-	4,571.59	4,571.59				
Total		6,661.55	681.20	14,332.42	21,675.17				
Financial liabilities									
Derivative Liability on Forwards	32	0.03	-	-	0.03	-	0.03	-	0.03
Derivative Liability on Swaps	32	85.83	-	-	85.83	-	85.83	-	85.83
Derivative Liability on Commodity Derivatives	32	4.33	-	-	4.33	-	4.33	-	4.33
Bonds	25	-	-	11,721.99	11,721.99	11,825.89	-	-	11,825.89
OIDB Loans	25 & 32	-	-	1,357.94	1,357.94	-	1,373.45	-	1,373.45
Debentures	25	-	-	1,299.52	1,299.52	1,290.49	-	-	1,290.49
Term Loans	25	-	-	12,090.24	12,090.24				
External Commercial Borrowings	25 & 32	-	-	325.22	325.22				
Foreign Currency Loans - Syndicated	25	-	-	2,771.42	2,771.42				
Other Non-Current Financial Liabilities	26	-	-	59.01	59.01				
Borrowings -Current	30	-	-	8,093.03	8,093.03				
Trade and Other Payables	31	-	-	15,198.21	15,198.21				
Other Current Liabilities	32	-	-	15,608.95	15,608.95				
Total		90.19	-	68,525.53	68,615.72				

Note: There are no categories of financial instruments other than those mentioned above.

NOTE 58 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Unquoted equity shares (Cochin International Airport Limited)	The Valuation is based on market multiples derived from quoted prices of companies comparable to investee and the expected revenue and PAT of the investee.	Adjusted market multiple (P/E)	The estimated fair value would increase/ (decrease) if Adjusted market multiple were higher/ (lower)
Unquoted equity shares- (Sai Wardha Power Generation Limited (SWPGL))	The Fair Valuation is based on the agreement with SWPGL.	Not applicable	Not applicable
Derivative instruments - forward exchange contracts	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date.	Not applicable	Not applicable
Derivative instruments - interest rate swap and currency swap	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates. This technique also involves using the interest rate curve for projecting the future cash flows.	Not applicable	Not applicable
Derivative instruments - commodity contracts	Fair valuation of Commodity Derivative instruments are based on forward assessment done by Platts which is an independent agency which assesses benchmark global crude oil and product prices. Globally counterparties also use Platts assessment for settlement of transactions.	Not applicable	Not applicable
Non current financial assets and liabilities measured at amortised cost	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.	Not applicable	Not applicable
Loan to Joint Venture (in case of BPRL)	Binomial model: The share price is simulated using a Binomial model from the valuation date to the maturity of the loan. As the number of shares is dependent on USD/ BRL exchange rate, the same was simulated using a GARCH model	Share price (31 March 2019: 1.09) Credit spread (31 March 2019: 2.50%)	Not applicable

NOTE 58 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

Level 3 fair values

Reconciliation of Level 3 fair values

The following table shows a reconciliation of the opening and closing balances for Level 3 fair values.

₹ in Crores

Particulars	Equity securities	Loan to Joint Venture (in case of BPRL)
Opening Balance(1st April 2017)	97.80	1,544.39
Net change in fair value (unrealised)	7.46	119.34
FCTR	-	(3.10)
Foreign Exchange Fluctuations	-	(6.91)
Closing Balance (31st March 2018)	105.26	1,653.72
Opening Balance(1st April 2018)	105.26	1,653.72
Net change in fair value (unrealised)	9.04	38.92
FCTR	-	(2.71)
Effect of foreign exchange fluctuations	-	113.44
Closing Balance (31st March 2019)	**114.30**	**1,803.37**

Sensitivity analysis

For the fair values of unquoted equity shares in case of Corporation and loan to Joint Venture in case of BPRL reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects:

₹ in Crores

Significant unobservable inputs	As at 31/03/2019		As at 31/03/2018	
	Profit or loss		Profit or loss	
	Increase	Decrease	Increase	Decrease
P/E (5% movement)	5.71	(5.71)	5.29	(5.29)
Credit spread (10% movement)	(21.32)	21.57	(23.63)	23.97
Share price (10% movement)	262.47	(262.47)	224.24	(224.24)

C. Financial risk management

C.i. Risk management framework

The Group has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

C.ii. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade and other receivables, cash and cash equivalents and other bank balances, derivatives and debt securities. The maximum exposure to credit risk in case of all the financial instuments covered below is restricted to their respective carrying amount.

NOTE 58 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

(a) Trade and other receivables from customers

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

As at 31st March 2019 and 31st March 2018 the Group's retail dealers, industrial and aviation customers accounted for the majority of the trade receivables.

Expected credit loss assessment for Trade and other receivables from customers as at 31st March 2019 and 31st March 2018

The Group uses an allowance matrix to measure the expected credit losses of trade and other receivables of customers. The loss rates are computed using a 'roll rate' method based on the probability of receivable progressing through successive stages till full provision for the trade receivable is made. Roll rates are calculated separately for exposures based on common credit risk characteristics for a set of customers.

The following table provides information about the exposure to credit risk and Expected Credit Loss Allowance for trade and other receivables:

₹ in Crores

As at 31/03/2019	Gross carrying amount	Weighted average loss rate - range	Loss allowance
Debts not due	**4,316.29**	**0.19%**	**8.00**
Debts over due	**2,368.93**	**11.57%**	**274.18**
Total	**6,685.22**	**4.22%**	**282.18**

₹ in Crores

As at 31/03/2018	Gross carrying amount	Weighted average loss rate - range	Loss allowance
Debts not due	3,897.71	0.17%	6.46
Debts over due	1,696.75	15.20%	257.88
Total	5,594.46	4.72%	264.34

The Group does not provide for any loss allowance on trade receivables where risk of default is negligible such as receivables from other oil marketing companies, if any, hence the same is excluded from above.

Loss rates are based on actual credit loss experience over the past three years.

The movement in the loss allowance in respect of trade and other receivables during the year was as follows.

₹ in Crores

Balance as at 1st April 2017	581.67
Movement during the year	(317.33)
Balance as at 31st March 2018	264.34
Movement during the year	17.84
Balance as at 31st March 2019	**282.18**

(b) Cash and cash equivalents and Other Bank Balances

The Group held cash and cash equivalents and other bank balances of ₹ **662.52 Crores** at 31st March 2019 (Previous year: ₹ 1353.86 Crores). The cash and cash equivalents are held with banks with good credit ratings and financial institution counterparties with good market standing. Further, Group invests its short term surplus funds in bank fixed deposit, Government of India Treasury-bills, Tri Party Repo and liquid schemes of mutual funds, which carry no / low mark to market risks for short duration. These instruments do not expose the Group to credit risk.

(c) Derivatives

The derivatives are entered into with banks, financial institutions and other counterparties with good credit ratings. Further exposures to counter-parties are closely monitored and kept within the approved limits.

(d) Investment in debt securities

Investment in debt securities are mainly instruments such as loans to Joint Venture companies and investment in government securites which do not carry any significant credit risk.

C.iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is managed by Group through effective fund management. The Group has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Group has access to funds from debt markets through commercial paper programs, foreign currency borrowings and other debt instruments.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include estimated interest payments.

Maturity Analysis of Significant Financial Liabilities

₹ in Crores

As at 31/03/2019	Contractual cash flows				
	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Non-derivative financial liabilities					
Bonds	19,410.16	2,057.75	4,724.20	4,261.62	8,366.59
OIDB Loans	1,560.15	583.69	697.80	278.66	-
Term Loans	10,406.87	417.63	2,594.74	6,558.20	836.30
External Commercial Borrowings	34.59	34.59	-	-	-
Non Convertible Debentures	3,052.98	178.39	906.51	1,968.08	-
Foreign Currency Loans - Syndicated	10,886.19	253.17	3,220.62	7,412.40	-
Short Term Borrowings	8,598.95	8,598.95	-	-	-
Trade and Other Payables	17,384.73	17,384.73	-	-	-
Other Current Liabilities	17,953.18	17,953.18	-	-	-
Financial Guarantee Contracts*	633.59	52.55	581.04	-	-
Derivative financial liabilities					
Currency Swaps	214.97	214.97	-	-	-

NOTE 58 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

₹ in Crores

As at 31/03/2018	Contractual cash flows				
	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Non-derivative Financial Liabilities					
Bonds	15,231.67	497.10	2,337.36	4,213.32	8,183.89
OIDB Loans	1,511.08	586.14	836.71	88.23	-
Term loans	14,637.03	506.30	3,527.19	6,834.16	3,769.38
External Commercial Borrowings	325.22	162.61	162.61	-	-
Non Convertible Debentures	1,750.08	98.10	196.20	1,455.78	-
Foreign Currency Loans - Syndicated	3,077.48	80.40	2,997.08	-	-
Short Term Borrowings	8,093.03	8,093.03	-	-	-
Trade and Other Payables	15,198.21	15,198.21	-	-	-
Other Current Liabilities	15,608.95	15,608.95	-	-	-
Financial Guarantee Contracts*	1,586.73	1,040.36	546.37	-	-
Derivative Financial Liabilities					
Currency Swaps	171.09	25.45	145.64	-	-
Commodity Contracts	4.33	4.33	-	-	-

* Guarantees issued by the Group on behalf of Joint Venture are with respect to borrowings raised by the respective entity. These amounts will be payable on default by the concerned entity. As of the reporting date, none of the Subsidiary/Joint Venture have defaulted and hence, the Group does not have any present obligation to third parties in relation to such guarantees.

C.iv. Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises four types of risk: currency risk, interest rate risk, commodity risk and other price risk.

C.iv.a Currency risk

The Group is exposed to currency risk on account of its operating and financing activities. The functional currency of the Corporation and its Indian Subsidiaries is Indian Rupee. Our exposure is mainly denominated in U.S. dollars (USD). The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future.

The Group has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks. The Group uses derivative instruments (mainly foreign exchange forward contracts) to mitigate the risk of changes in foreign currency exchange rates in line with our policy.

The Group do not use derivative financial instruments for trading or speculative purposes.

NOTE 58 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

Exposure to currency risk

The currency profile in equivalent INR of financial assets and financial liabilities as at 31st March 2019 and 31st March 2018 :

₹ in Crores

As at 31/03/2019	USD	EURO	JPY	CHF	Others
Financial Assets					
Cash and Cash Equivalents	11.95	0.31	-	-	0.10
Trade Receivables and Other Assets	275.37	0.18	-	-	0.01
Net exposure for Assets	287.32	0.49	-	-	0.11
Financial Liabilities					
Bonds	10,332.38	-	-	1,390.54	-
External Commercial Borrowings	34.59	-	-	-	-
Foreign Currency Loans - Syndicated	8,108.55	-	-	-	-
Short Term Borrowings	1,632.44	-	-	-	-
Trade Payables and Other Liabilities	10,373.61	205.18	12.81	12.44	4.01
Derivative instruments - Forwards	0.81	-	-	-	-
Add/(Less): Foreign Currency Forward Exchange Contracts	(1,743.12)	-	-	-	-
Add/(Less): Foreign Currency Swaps	1,579.11	-	-	(1,390.54)	-
Net exposure for Liabilities	30,318.37	205.18	12.81	12.44	4.01
Net exposure (Assets - Liabilities)	(30,031.05)	(204.69)	(12.81)	(12.44)	(3.90)

₹ in Crores

As at 31/03/2018	USD	EURO	JPY	CHF	Others
Financial Assets					
Cash and cash equivalents	14.29	0.02	-	-	0.01
Trade Receivables and Other Assets	546.12	0.19	-	-	0.01
Net exposure for Assets	560.41	0.21	-	-	0.02
Financial Liabilities					
Bonds	6,465.77	-	-	1,363.01	-
External Commercial Borrowings	325.22	-	-	-	-
Foreign Currency Loans - Syndicated	2,771.43	-	-	-	-
Short Term Borrowings	6,286.26	-	-	-	-
Trade Payables and Other Liabilities	7,632.79	168.48	0.41	19.15	3.95
Derivative Instruments - Forwards	0.03	-	-	-	-
Add/(Less): Foreign Currency Forward Exchange Contracts	(1,654.97)	-	-	-	-
Add/(Less): Foreign Currency Swaps	1,484.89	-	-	(1,363.01)	-
Net exposure for Liabilities	23,311.42	168.48	0.41	19.15	3.95
Net exposure (Assets - Liabilities)	(22,751.01)	(168.27)	(0.41)	(19.15)	(3.93)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD against INR at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised direclty in reserves, the impact indicated below may affect the Group's Profit and Loss Account over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

NOTE 58 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

₹ in Crores

Effect in INR (before tax)	Profit or loss	
	Strengthening	Weakening
For the year ended 31st March 2019		
3% movement		
USD	**(900.93)**	**900.93**

₹ in Crores

Effect in INR (before tax)	Profit or loss	
	Strengthening	Weakening
For the year ended 31st March 2018		
3% movement		
USD	(682.53)	682.53

C.iv.b Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss.

Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Group's approach to managing interest rate risk is to have a judicious mix of borrowed funds with fixed and floating interest rate obligation.

Exposure to interest rate risk

Group's interest rate risk arises primarily from borrowings. The interest rate profile of the Group's interest-bearing financial instruments is as follows:

₹ in Crores

Particulars	Note Reference	As at 31/03/2019	As at 31/03/2018
Fixed-rate instruments			
Financial Assets - measured at amortised cost			
Investment in Debt Instruments	8	**0.01**	0.01
Loan to Joint Venture	9	**1,402.77**	1,388.17
Financial Assets - measured at Fair Value through Profit & Loss			
Investment in Debt Instruments	14	**5,075.89**	4,992.88
Total of Fixed Rate Financial Assets		**6,478.67**	6,381.06
Financial L)iabilities - measured at amortised cost			
Bonds	25 & 32	**15,901.19**	11,721.99
OIDB Loans	25 & 32	**1,358.50**	1,357.94
Non- Convertible Debentures	25	**2,299.32**	1,299.52
Short Term Borrowings	30	**1,737.19**	1,500.00
Term Loan	25	**29.27**	
Total of Fixed Rate Financial Liabilities		**21,325.47**	15,879.45

NOTE 58 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

₹ in Crores

Particulars	Note Reference	As at 31/03/2019	As at 31/03/2018
Variable-rate instruments			
Financial Assets - measured at Fair Value through Profit & Loss			
Loan to Joint Venture	9	**1,803.37**	1,653.72
Total of Variable Rate Financial Assets		**1,803.37**	1,653.72
Financial liabilities - measured at amortised cost			
Foreign Currency Loans - Syndicated	25	**8,108.55**	2,771.42
Short term borrowings	30	**6,861.76**	6,593.03
Term loans & External Commercial Borrowings	25	**8,543.32**	12,415.46
Total of Variable Rate Financial Liabilities		**23,513.63**	21,779.91

Fair value sensitivity analysis for fixed-rate instruments

The Group accounts for certain investments in fixed-rate financial assets such as investments in Oil bonds at fair value through profit or loss. Accordingly, a decrease in 25 basis point in interest rates is likely to increase the profit or loss (before tax) for the year ending 31st March 2019 by ₹ **60.87 Crores** (Previous year: ₹ 67.15 Crores) and an increase in 25 basis point in interest rates is likely to decrease the profit or loss (before tax) for the year ending 31st March 2019 by ₹ **61.80 Crores** (Previous year: ₹ 68.30 Crores).

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 25 basis points in interest rates at the reporting date would have increased/ (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. In cases where the related interest rate risk is capitalised to fixed assets, the impact indicated below may affect the Group's income statement over the remaining life of the related fixed assets.

₹ in Crores

Cash flow sensitivity (net)	Profit or (loss)	
	25 bp increase	**25 bp decrease**
As at 31/03/2019		
Variable-rate loan instruments	**(54.55)**	**54.55**
Cash flow sensitivity (net)	**(54.55)**	**54.55**

	Profit or (loss)	
As at 31/03/2018	**25 bp increase**	**25 bp decrease**
Variable-rate loan instruments	(46.80)	46.80
Cash flow sensitivity (net)	(46.80)	46.80

C.iv.c Commodity rate risk

Group's profitability gets affected by the price differential (also known as Margin or Crack spread) between prices of products (output) and the price of the crude oil and other feed-stocks used in production (input). Prices of both are set by markets. Hence BPCL uses derivatives instruments (swaps, futures, options, and forwards) to hedge exposures to commodity price risk to cover refinery operating cost using Basic Swaps on various products cracks like Naphtha, Gasoline (Petrol), Jet/Kerosene, Gasoil (Diesel) and Fuel Oil against Benchmark Dubai Crude. Further volatility in freight costs is hedged through Freight Forwards and bunker purchases. Settlement of all derivative transactions take place on the basis of monthly average of the daily prices of the settlement month quoted by Platts.

Group measures market risk exposure arising from its trading positions using Value-at-Risk techniques. These techniques make a statistical assessment of the market risk arising from possible future changes in market prices over a one-day holding period.

NOTE 58 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

Group uses historical model of VAR techniques based on variance/covariance to make a statistical assessment of the market risk arising from possible future changes in market values over a 24-hour period and within a 95% confidence level. The calculation of the range of potential changes in fair value takes into account positions, the history of price movements for last two years and the correlation of these price movements.

VAR calculation for open position as on 31st March 2019 is as given below:

Product	Gasoil - Dubai	FO 180 CST 3.5%S FOB Spore Cargo (ZCC)	Brent Dt - Dubai	Gasoil - Gasoline
Unit	USD/Bbl	USD/Bbl	USD/Bbl	USD/Bbl
Mean	14.60	385.18	1.27	5.59
Standard Deviation	1.75	60.37	1.58	4.73
Var95	2.89	99.29	2.60	7.78
Mean+Var95	17.49	285.89	(1.33)	13.37
Avg.Trade Price	18.48	413.10	0.92	18.15
Lots as on 31/03/2019	6.00	3.00	6.00	3.00
Standard Lot size	50,000 BBL	3,000 MT	50,000 BBL	50,000 BBL
VAR USD million (“-ve” VAR of Gasoil and Gasoil-Gasoline ignored)	(0.30)	3.82	0.67	(0.72)
Total Portfolio VAR in USD Million	4.49			

C.iv.d Price risk

The Corporation’s exposure to equity investments price risk arises from investments held by the Corporation and classified in the financial statements at fair value through OCI. The corporation intends to hold these investments for long-term for better returns and price risk will not be significant from a long term perspective.

Exposure to price risk

₹ in Crores

Effect in INR (before tax)	Profit or loss		Other components of Equity	
	Strengthening	Weakening	Strengthening	Weakening
As at 31/03/2019				
1% movement				
Investment in Oil India - FVOCI	-	-	**4.96**	**(4.96)**
Investment in CIAL - FVOCI	-	-	**1.14**	**(1.14)**
Total	-	-	**6.10**	**(6.10)**

₹ in Crores

Effect in INR (before tax)	Profit or loss		Other components of Equity	
	Strengthening	Weakening	Strengthening	Weakening
As at 31/03/2018				
1% movement				
Investment in Oil India - FVOCI	-	-	5.76	(5.76)
Investment in CIAL - FVOCI	-	-	1.05	(1.05)
Total	-	-	6.81	(6.81)

NOTE 58 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

D. Offsetting

The following table presents the recognised financial instruments that are offset and other similar agreements that are not offset as at 31st March 2019 and 31st March 2018.

The column 'net amount' shows the impact on the Corporation's balance sheet if all set-off rights are exercised.

₹ in Crores

Particulars	Note reference	Effect of offsetting on the balance sheet			Related amounts not offset		
		Gross amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Financial Instrument	Amounts to be offset	Net Amount
		(a)	(b)	(a-b)			
As at 31/03/2019							
Financial Assets							
Investment in GOI Bonds	**A**				**5,075.89**	**1,000.00**	**4,075.89**
Trade and other receivables	**B & C**	**3,590.56**	**3,530.69**	**59.87**			
Derivative Assets	**D**				**0.98**	**0.98**	**-**
Financial Liabilities							
Short term borrowings	**A**				**3,580.75**	**1,000.00**	**2,580.75**
Trade and other payables	**B & C**	**7,343.98**	**3,530.69**	**3,813.29**			
Derivative Liabilities	**D**				**17.97**	**0.98**	**16.99**
As at 31/03/2018							
Financial Assets							
Investment in GOI Bonds	**A**				4,992.88	1,500.00	3,492.88
Trade and other receivables	**B & C**	2,385.90	2,380.99	4.91			
Derivative Assets	**D**				1.75	1.75	-
Financial Liabilities							
Short term borrowings	**A**				8,093.01	1,500.00	6,593.01
Trade and other payables	**B & C**	7,024.98	2,380.99	4,643.99			
Derivative Liabilities	**D**				8.56	1.75	6.81

NOTE 58 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

Notes

A. The Corporation has Tri Party Repo limits from Clearing Corporation of India Limited, which are secured by Oil Marketing Companies GOI Special Bonds 2026 and Government Securities. As the Counterparty currently does not have a legally enforceable right to off set these amounts, these amounts have not been offset in the balance sheet but have been presented separately in the table above.

B. The Corporation purchases and sells petroleum products from different Oil Marketing Companies. Under the terms of the agreement, the amounts payable by the Corporation are offset against receivables and only the net amounts are settled. The relevant amounts have therefore been presented net in the balance sheet.

C. The Corporation enters into derivative transactions under the International Swaps and Derivatives Association (ISDA) master netting agreements. In general, under such agreements the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other.

D. The Corporation enters into derivative transactions under the International Swaps and Derivatives Association (ISDA) master netting agreements. In general, under such agreements the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other. The ISDA master netting agreements do not meet the criteria for offsetting in the balance sheet. This is because the Counterparty does not currently have legally enforceable right to offset recognised amounts because the right to offset is enforceable only on the occurrence of future events.

NOTE 59 CAPITAL MANAGEMENT (CONSOLIDATED)

The Group's objective is to maximize the shareholders' value by maintaining an optimum capital structure. Management monitors the return on capital as well as the debt equity ratio and makes necessary adjustments in the capital structure for the development of the business.

The Group's debt to equity ratio as at 31st March 2019 is **1.16** (31st March 2018: 1.03)

Note: For the purpose of computing debt to equity ratio, equity includes Equity Share Capital and Other Equity and Debt includes Long term borrowings, Short term borrowings and current maturities of Long term borrowings.

NOTE 60 SEGMENT REPORTING (CONSOLIDATED)

A. Basis for segmentation

The Group has following two reportable segments. Details of the segments are as follows:

a) Downstream Petroleum i.e. refining and marketing of petroleum products.

b) Exploration and Production of hydorcarbons (E & P)

Segments have been identified taking into account the nature of activities and its risks and returns.

Committee of Functional Directors (CFD) periodically reviews the Internal management reports and evaluates performance/allocates resources based on the analysis of various performance indicators relating to the segments referred to above.

NOTE 60 SEGMENT REPORTING (CONSOLIDATED) (CONTD.)

B. Information about reportable segments

Information related to each reportable segment is set out below. Segment profit/(loss) after tax is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industry.

₹ in Crores

Particulars*	For the Year Ended 31st March 2019			For the Year Ended 31st March 2018		
	Downstream Petroleum	E&P	Total	Downstream Petroleum	E&P	Total
Revenue						
External Customers	3,40,748.60	130.55	3,40,879.15	2,79,348.29	89.70	2,79,437.99
Inter-segment						
Total Revenue			3,40,879.15			2,79,437.99
Results						
Segment Results	11,692.43	2.03	11,694.46	12,425.39	(29.41)	12,395.98
Unallocated Corporate Expenses						
Operating Profit			11,694.46			12,395.98
Add:						
a) Interest Income			1,071.97			875.16
b) Other Income (excluding Interest Income)			553.45			695.21
c) Share of profit of equity accounted investees	593.26	344.06	937.32	973.32	315.56	1,288.88
d) Fair valuation gain on instruments measured at FVTPL			155.26			75.17
e) Derivatives at FVTPL			256.86			28.86
Less:						
a) Finance Cost			1,763.95			1,185.74
b) Income tax (including deferred tax)			4,377.52			4,381.61
Profit / (Loss) After Tax			8,527.85			9,791.91
Other Information						
Segment assets	1,07,745.75	17,645.64	1,25,391.39	92,359.41	16,704.59	1,09,064.00
Unallocated Corporate Assets			11,538.99			11,292.06
Total Assets			1,36,930.38			1,20,356.06
Segment liabilities	40,356.40	105.77	40,462.17	35,121.04	60.12	35,181.16
Unallocated Corporate Liabilities			55,633.45			46,651.24
Total Liabilities			96,095.62			81,832.40
Depreciation and amortization	3,383.33	34.44	3,417.77	2,833.13	51.87	2,885.00
Material Non-cash expenses other than depreciation and amortisation			1,049.66			71.74
Segments assets include:						
Investment in equity accounted investees	6,879.87	11,208.87	18,088.74	6,454.88	11,139.20	17,594.08
Capital expenditure	10,060.49	1,057.01	11,117.50	7,543.27	396.10	7,939.37

* For the purposes of review by the Committee of Functional Directors (CFD) information referred to above is measured consistent with the accounting policies applied for preparation of these financial statements.

NOTE 60 SEGMENT REPORTING (CONSOLIDATED) (CONTD.)

C. Geographic information

The geographic information analyses the Group's revenue and non-current assets by the country of domicile and other countries. In presenting the geographical information, segment revenue has been based on the geographic selling location and segments assets were based on the geographic location of the respective non-current assets.

₹ in Crores

Geography	For the year ended 31st March 2019	For the year ended 31st March 2018
I) Revenue		
India	**3,40,879.15**	2,79,437.99
Other Countries	**-**	-
Total Revenue	**3,40,879.15**	2,79,437.99
II) Non-current Assets *		
India	**66,214.83**	58,974.03
Other Countries		
Mozambique	**5,356.48**	4,463.77
Singapore	**7,167.59**	7,234.25
Other Countries#	**4,447.45**	4,245.31
Total Non-current Assets	**83,186.35**	74,917.36

*Non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets and rights arising from insurance contracts.

Non current assets of PPE related to retail outlets lying in Bhutan are Grouped under this head.

NOTE 61 MICRO, SMALL AND MEDIUM ENTERPRISES (CONSOLIDATED)

To the extent, the Group has received intimation from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the details are provided as under:

₹ in Crores

Particulars	As at 31/03/2019	As at 31/03/2018
Principal amount overdue (remaining unpaid) as on 31st March	**0.57**	0.50
Interest due thereon remaining unpaid as on 31st March#	**0.01**	-
Payment made during the year after the due date*		
Principal	**-**	-
Interest	**-**	-
Interest accrued and remaining unpaid as at 31st March#	**0.01**	-

Amount ₹ 1,08,621

*All undisputed payments to Micro and Small enterprises during the year are made as per the MSMED Act, 2006.

NOTE 62 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS (CONSOLIDATED)

₹ in Crores

Particulars			As at 31/03/2019	As at 31/03/2018
(a)	**Contingent Liabilities :**			
	In respect of Income Tax matters		**55.25**	25.78
	Other Matters :			
	i)	Claims against the Group not acknowledged as debts * :		
		Excise and Customs matters	**1,306.19**	1,920.83
		Service Tax matters	**45.59**	127.07
		Sales Tax matters	**10,437.68**	9,662.20
		Land Acquisition cases for higher compensation	**126.93**	113.43
		Others	**294.56**	389.17
* These include ₹ **7,656.66 Crores** (31st March 2018: ₹ 7,055.30 Crores) against which the Group has a recourse for recovery and ₹ **118.78 Crores** (31st March 2018: 154.01 Crores) which are on capital account.				
	ii)	Claims on account of wages, bonus / ex-gratia payments in respect of pending court cases	**25.81**	22.35
	iii)	Guarantees	**96.58**	55.41
	iv)	Share of Interest in Joint Ventures & Associates	**1,068.77**	1,011.35
(b)	**Capital Commitments :**			
	i)	Estimated amount of contracts remaining to be executed on capital account and not provided for	**6,787.97**	4,940.12
	Other Commitments		**137.65**	-
	ii)	Share of Interest in Joint Ventures & Associates	**2,004.41**	1,610.97

NOTE 63 NON-CONTROLLING INTERESTS (NCI) (CONSOLIDATED)

Below is the partly owned Subsidiary of the Company and the respective share of the non-controlling interests.

S. No.	Name	Country of Incorporation	Non-controlling interest	
			As at 31-Mar-19	As at 31-Mar-18
1	Numaligarh Refinery Limited	India	**38.35%**	38.35%

The principal place of business of the entity listed above is the same as their respective country of incorporation.

NOTE 63 NON-CONTROLLING INTERESTS (NCI) (CONSOLIDATED) (CONTD.)

The following table comprises the information relating to the Subsidiary that has material Non-controlling interest (NCI).

₹ in Crores

Particulars	Numaligarh Refinery Limited	
	As at 31/03/19	As at 31/03/18
NCI percentage	38.35%	38.35%
Non Current Assets	3,765.12	3,063.84
Current Assets	3,670.57	4,215.01
Non Current Liabilities	345.37	442.10
Current Liabilities	1,604.16	1,869.10
Net Assets	5,486.16	4,967.65
Net Assets attributable to NCI (before adjustment)	2,103.94	1,905.09
Less: Eliminaiton of Stock Margin	33.90	-
Net Assets attributable to NCI (after adjustment)	2,070.04	1,905.09
Revenue	18,634.64	16,052.72
Profit	1,980.28	2,041.95
Other Comprehensive Income	1.52	(2.88)
Total Comprehensive Income	1,981.80	2,039.08
Profit allocated to NCI	725.55	783.28
OCI allocated to NCI	0.58	(1.10)
Total comprehensive Income allocated to NCI	726.13	782.18
Cash flow from Operating Activities	2,033.12	2,039.57
Cash flow from Investing Activities	(396.74)	67.97
Cash flow from Financing Activities	(1,727.38)	(2,269.01)
Net Increase/(decrease) in cash and cash equivalents	(91.00)	(161.47)
Dividends paid to Non-controlling interest (Including DDT)	(561.17)	(835.28)

NOTE 64 DISCLOSURES AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 WITH RESPECT TO CONSOLIDATED FINANCIAL STATEMENTS (CONSOLIDATED)

S. No.	Name of the Entity	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated net assets	Amount in ₹ Crores	As % of Consolidated Profit or Loss	Amount in ₹ Crores	As % of Other Comprehensive Income	Amount in ₹ Crores	As % of Total Comprehensive Income	Amount in ₹ Crores
	Parent								
1.	Bharat Petroleum Corporation Limited	94.80%	36,737.68	91.30%	7,132.02	17.20%	(201.60)	104.60%	6,930.42
	Subsidiaries								
	Indian								
1.	Bharat PetroResources Limited	7.50%	2,897.84	-1.20%	(95.69)	83.00%	(973.94)	-16.10%	(1,069.63)
2.	Numaligarh Refinery Limited	14.20%	5,486.16	25.40%	1,980.28	-0.10%	1.52	29.90%	1,981.80
3.	Bharat Gas Resources limited	0.40%	158.24	-0.10%	(10.38)	0.00%	-	-0.20%	(10.38)
	Non-Controlling interest	-5.30%	(2,070.04)	-9.30%	(725.55)	0.00%	(0.58)	-11.00%	(726.13)
	Joint Ventures								
	Indian								
1.	Bharat Oman Refineries Limited	9.00%	3,491.80	0.70%	53.36	0.00%	0.04	0.80%	53.40
2.	Bharat Renewable Energy Limited *								
3.	Bharat Stars Services Private Limited	0.10%	21.67	0.00%	2.78	0.00%	-	0.00%	2.78
4.	Central U.P. Gas Limited	0.20%	70.50	0.20%	13.03	0.00%	-	0.20%	13.03
5.	Delhi Aviation Fuel Facility Private Limited	0.20%	91.04	0.20%	18.85	0.00%	-	0.30%	18.85
6.	Maharashtra Natural Gas Limited	0.30%	114.61	0.40%	29.49	0.00%	-	0.40%	29.49
7.	Sabarmati Gas Limited	0.60%	237.83	0.60%	50.18	0.00%	(0.01)	0.80%	50.17
8.	Mumbai Aviation Fuel Farm Facility Private Limited	0.20%	76.83	0.20%	12.96	0.00%	-	0.20%	12.96
9.	Kochi Salem Pipeline Private Limited	0.20%	90.47	0.00%	(2.09)	0.00%	-	0.00%	(2.09)

NOTE 64 DISCLOSURES AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 WITH RESPECT TO CONSOLIDATED FINANCIAL STATEMENTS (CONSOLIDATED) (CONTD.)

S. No.	Name of the Entity	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated net assets	Amount in ₹ Crores	As % of Consolidated Profit or Loss	Amount in ₹ Crores	As % of Other Comprehensive Income	Amount in ₹ Crores	As % of Total Comprehensive Income	Amount in ₹ Crores
10.	BPCL- KIAL Fuel Farm Facility Private Limited	0.00%	5.44	-	0.45	0.00%	-	0.00%	0.45
11.	Haridwar Natural Gas Private Limited	0.00%	11.11	-	(0.99)	0.00%	-	0.00%	(0.99)
12.	Goa Natural Gas Private Limited	0.00%	9.08	-	(0.09)	0.00%	-	0.00%	(0.09)
13.	Ratnagiri Refinery & Petrochemicals Limited	0.00%	16.27	(0.00)	(4.03)	0.00%	-	-0.10%	(4.03)
	Foreign								
1.	Matrix Bharat Pte. Ltd.	0.00%	17.53	0.00%	0.15	-0.10%	1.53	0.00%	1.68
	Associates								
1.	GSPL India Gasnet Limited	0.10%	48.48	0.00%	(3.06)	0.00%	(0.01)	0.00%	(3.07)
2.	GSPL India Transco Limited	0.10%	42.79	0.00%	0.11	0.00%	-	0.00%	0.11
3.	Fino PayTech Limited	0.20%	62.19	-0.20%	(12.81)	0.00%	0.47	-0.20%	(12.34)
4.	Petronet LNG Limited	3.30%	1,278.82	3.60%	278.82	0.00%	(0.25)	4.20%	278.57
5.	Petronet CI Limited *								
6.	Indraprastha Gas Limited	2.50%	969.90	2.40%	188.34	0.00%	(0.21)	2.80%	188.13
7.	Kannur International Airport Limited*	0.60%	216.80						
8.	Petronet India Limited	0.00%	0.42	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
9.	Petroleum India International	0.00%	2.02	0.00%	0.04	0.00%	-	0.00%	0.04
10.	Intra Group Elimination	-29.20%	(11,320.76)	-14.10%	(1,103.85)	0.00%	(0.01)	-16.60%	(1,103.86)
	Total	100%	38,764.72	100%	7,802.30	100%	(1,173.05)	100%	6,629.25

* Associates / Joint Ventures have not been considered for consolidation, Kannur International airport limited is shown at the amount of investment.

NOTE 65 REVENUE FROM CONTRACTS WITH CUSTOMERS IN RESPECT OF THE CORPORATION (CONSOLIDATED)

A Contract Balances

₹ in Crores

	As at 31/03/2019
Contract Liabilities	201.68

The contract liabilities primarily relates to the liability towards customer loyalty program for unutilized points and the upfront bidding fees/fixed fees pertaining to Retail Outlets

Movement in Contract Liabilities is as follows

₹ in Crores

	2018-19
At beginning of the year	165.02
Increases due to cash received, excluding amounts recognised as revenue during the year	84.53
Revenue recognised that was included in the contract liability balance at the beginning of the year	(47.87)
At end of the year	**201.68**

B The Corporation has adopted Ind AS 115 Revenue from Contracts with Customers with a date of initial application of 1st April 2018. The Corporation has applied Ind AS 115 following the retrospective cumulative effect method.

a. Bidding Income

All successful dealers in Retail Outlets tender are required to pay non refundable bidding/fixed fees upfront. The fees collected upfront are not refundable and is in the nature of a material right which entitles the dealer to operate the retail outlet in the Company's name for the specified period. Given that the Company does not have any significant performance obligation against the receipt of the upfront fees, the revenue is recognised on a systematic basis over the period of the contract.

The details of adjustments to opening Other Equity and other account balances as at 1st April 2018 is detailed below:

₹ In Crores

Extract of Balance Sheet	As at 31/03/2018	As at 01/04/2018 before adjustment	Adjustments on account of Ind AS 115	As at 01/04/2018 after adjustments
II EQUITY AND LIABILITIES				
Equity				
Other Equity	34,651.69	34,651.69	(39.79)	34,611.90
Non- Current Liabilities				
Deferred Tax Liabilities	5,522.40	5,522.40	(21.37)	5,501.03
Other Non-current liabilities	143.19	143.19	61.16	204.35

Note: In case of Sabarmati Gas Limited, which is BPCL's Joint Venture reduction in other equity on account of Ind AS 115 implementation is ₹ 5.06 Crores.

The below table represents impact of revenue and profit before share of profit of EAI and tax for the period, had the earlier policy for revenue recognition been continued during FY 2018-19.

₹ In Crores

Extract of Statement of Profit and Loss for the year ended 31st March 2019	As per Ind AS 115	As per Old Ind AS 11 and 18	Impact due to the change
Other income	2,037.54	2,049.04	11.50
Profit before share of profit of EAI and tax	11,968.05	11,979.55	11.50

NOTE 66 ADDITIONAL INFORMATION AS APPEARING IN THE FINANCIAL STATEMENTS OF BPRL (CONSOLIDATED)

I. Joint Operations

The Group has participating interest in the nature of Production Sharing Contracts (PSC) with the Government of India and/or various bodies corporate in the oil and gas blocks for exploration, development and production activities. The arrangements require consent from consortium partners for all relevant activities and hence it is classified as joint operations. The partners to the agreement have direct right to the assets and are jointly liable for the liabilities incurred by the un-incorporated joint operation. In accordance with Ind AS 111 on "Joint Arrangements", the financial statements of the Group includes the Group's share in the assets, liabilities, incomes and expenses relating to joint operations based on the financial statements received from the respective operators. As per the PSC, the operator has to submit audited financial statements within 60 days from the end of the year. The income, expenditure, assets and liabilities of the joint operations are merged on line by line basis according to the participating interest with the similar items in the Financial Statements of the Group as given below:

i) In respect of Block CB/ONN/2010/8, the Company is operator. The Company's share of the assets and liabilities have been recorded under respective heads based on the audited financials statement. The Company is also operator for CB/ONHP/2017/9 and Five DSF blocks in which it holds 100% participating interest.

ii) Out of the remaining Six Indian Blocks (Previous year Six), Two blocks RJ/ONN/2005/1 and MB/OSN/2010/2 have been proposed for relinquishment for which approval is pending from Director General of Hydrocarbons (DGH). Out of the remaining Four Indian Blocks (Previous year Four), the Company has received One (Previous year Three) audited financial statements as at 31st March 2019 and this has been considered in the financial statements of the Company. The Company has received unaudited financial statements for Two (Previous year One) blocks and expenses for these blocks are accounted on the basis of the same. In case of remaining One block, the Company has accounted the expenses based on the billing statement (Statement of Expenses) received from the operator for the period upto 31st March 2019.

iii) For Block 32 (block outside India), the Company has paid cash call during the year but is yet to receive billing statement/ financial statement from the Operator of the block. In respect of remaining One (Previous year One) Joint Venture block EP413 (block outside India) the assets, liabilities, income and expenditure have been incorporated on the basis of unaudited financial statements as at 31st March 2019.

Details of the Group's Participating Interest (PI) in the blocks are as under:

Name	Company	Country	Participating Interest of the Group	
			31/03/2019	31/03/2018
Blocks In India				
NELP – IV				
CY/ONN/2002/2	BPRL	India	**40.00%**	40.00%
NELP – VI				
CY/ONN/2004/2	BPRL	India	**20.00%**	20.00%
NELP – VII				
RJ/ONN/2005/1	BPRL	India	**33.33%**	33.33%
NELP – IX				
CB/ONN/2010/11	BPRL	India	**25%**	25%

NOTE 66 ADDITIONAL INFORMATION AS APPEARING IN THE FINANCIAL STATEMENTS OF BPRL (CONSOLIDATED) (CONTD.)

Name	Company	Country	Participating Interest of the Group	
			31/03/2019	31/03/2018
AA/ONN/2010/3	BPRL	India	**20%**	20%
CB/ONN/2010/8	BPRL	India	**25%**	25%
MB/OSN/2010/2	BPRL	India	**20%**	20%
Discovery of New field				
CY/ONDSF/KARAIKAL/2016	BPRL	India	**100%**	100%
RJ/ONDSF/BAKHRI TIBBA/2016	BPRL	India	**100%**	100%
RJ/ONDSF/SADEWALA/2016	BPRL	India	**100%**	100%
MB/OSDF/B15/2016	BPRL	India	**100%**	100%
MB/OSDF/B127E/2016	BPRL	India	**100%**	100%
OALP				
CB-ONHP-2017/9	BPRL	India	**100%**	-
Blocks Outside India				
JPDA 06-103 (e)	BPR JPDA	Australia / Timor	**20.00%**	20.00%
EP-413	BPRL	Australia	**27.80%**	27.80%
Block 32	BPRL	Israel	**25.00%**	-
Mozambique Rovuma Basin	BPRL Ventures Mozambique B.V.	Mozambique	**10.00%**	10.00%
Nunukan PSC, Tarakan Basin	BPRL Ventures Indonesia B.V.	Indonesia	**12.50%**	12.50%

The table below provides summarized financial information of the company's share of assets, liabilities, income and expenses in the joint operations.

₹ in Crores

Sr. No.	Particulars	31/03/2019	31/03/2018
1.	Property, Plant and Equipment	**0.88**	0.93
2.	Other Intangible Assets	**109.38**	60.90
3.	Intangible Asset under development	**6,068.84**	5,068.35
4.	Other Non-Current Assets	**4.99**	0.04
5.	Current Assets including financial assets	**48.10**	66.13
6.	Cash and Bank Balances	**3.91**	3.11
7.	Current & Non Current Liabilities/Provisions including financial liabilities	**186.60**	103.49
8.	Expenses	**26.24**	17.48
9	Income	**130.81**	89.70

NOTE 66 ADDITIONAL INFORMATION AS APPEARING IN THE FINANCIAL STATEMENTS OF BPRL (CONSOLIDATED) (CONTD.)

II. Details of Reserves

BPRL's share of Estimated Ultimate Recovery (EUR) as approved by Operator's Reserves Estimation Committee (REC) for the block CY-ONN-2002/2 as at 31st March 2019 is given below:

Project	**Details**	**Crude Oil (MMm3)**	**Gas (MMm3)**
CY-ONN-2002/2	Opening	**0.28**	**1,072.55**
	Production	**0.04**	**10.20**
	Closing	**0.24**	**1,062.35**

MMm3 = Million Cubic Meters

NOTE 67 (CONSOLIDATED)

The Corporation has decided to transfer its Gas business into a separate wholly owned Subsidiary named Bharat Gas Resources Limited, accordingly, the carrying amount of the assets and liabilities as at 31st March 2019 pertaining to the Gas business which were shown as a part of Disposal Group in Standalone Financial Statements, while in Consolidated Financial Statements, the same have been presented in their respective heads of Assets and Liabilities.

NOTE 68 (CONSOLIDATED)

Figures of the Previous year have been reGrouped wherever necessary, to conform to current year presentation.

Signature to Notes '1' to '68'

For and on behalf of the Board of Directors

Sd/-
D. Rajkumar
Chairman and Managing Director
DIN: 00872597

Sd/-
N. Vijayagopal
Director (Finance)
DIN: 03621835

Sd/-
M. Venugopal
Company Secretary

Place : MUMBAI
Date : 20th May 2019

As per our attached report of even date
For and on behalf of

CVK & Associates
Chartered Accountants
ICAI FR No.101745W

Sd/-
A.K. Pradhan
Partner
Membership No. 032156

Borkar & Muzumdar
Chartered Accountants
ICAI FR No. 101569W

Sd/-
Devang Vaghani
Partner
Membership No. 109386

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statement of Subsidiaries / Associate Companies / Joint Ventures for the financial year ended 31st March 2019

PART "A": SUBSIDIARIES

Sr. No.	Particulars	₹ in Crores		
1.	Name of the Subsidiary	Numaligarh Refinery Limited*	Bharat PetroResources Limited *	Bharat Gas Resources Limited
2.	The date of incorporation/ since when Subsidiary was acquired	07-11-2006	17-10-2006	07-06-2018
3.	Reporting period for the Subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA
4.	Reporting Currency and Exchange rates as on the last date of the relevant Financial Year in case of foreign Subsidiaries	NA	NA	NA
5.	Share Capital	735.63	5,000.00	160.00
6.	Equity Share Application Money Pending Allotment	-	-	8.62
7.	Reserves & Surplus	4,750.53	(2,102.15)	(10.38)
8.	Total Assets	7,435.68	19,802.70	168.18
9.	Total Liabilities	1,949.51	16,904.86	9.94
10.	Investments	1,282.09	11,208.87	-
11.	Turnover	18,509.08	130.55	-
12.	Profit before Taxation (A)	3,064.09	(99.70)	(14.65)
13.	Provision for Taxation (B)	1,083.81	(4.01)	(4.27)
14.	Profit After Taxation (A) - (B)	1,980.28	(95.69)	(10.38)
15.	Proposed dividend (Final)	220.69	-	-
16.	Extent of shareholding (in percentage)	61.65%	100.00%	100.00%

* Figures based on Consolidated Financial Statements of the Company.

PART "B": ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(₹ in Crores)

Sr. No.	Name of Associates or Joint Ventures	Refer Note	1 Latest audited Balance Sheet Date	2 Date on which the Associate or Joint Venture was associated or acquired	3 Shares of Associate or Joint Ventures held by the company on the year end			4 Description of how there is significant influence	5 Reason why the associate / Joint Venture is not consolidated	6 Networth attributable to Shareholding as per latest audited Balance Sheet (Refer note 4)	7 Profit / Loss for the year	
					No.	Amount of Investment in Associates or Joint Venture	Extend of Holding (in percentage)				Considered in Consolidation	Not Considered in Consolidation
1.	Indraprastha Gas Limited	1 & 4	31-Mar-18	27-04-2000	15,75,00,400	31.50	22.50%	By virtue of Shareholding / Joint venture agreement		820.56	181.05	
2.	Petronet LNG Limited	1	31-Mar-19	24-05-2001	18,75,00,000	98.75	12.50%			1,278.82	240.17	
3.	Bharat Oman Refineries Limited		31-Mar-19	23-12-1993	88,86,13,336	888.61	50.00%			3,491.80	62.08	
4.	Central UP Gas Limited		31-Mar-19	26-07-2004	1,49,99,600	15.00	25.00%			70.50	12.57	
5.	Maharashtra Natural Gas Limited	4	31-Mar-18	26-07-2004	2,24,99,600	22.50	22.50%			92.28	26.19	
6.	Sabarmati Gas Limited		31-Mar-19	04-04-2006	99,87,400	122.40	49.94%			237.83	49.66	
7.	Bharat Stars Services Private Limited	1	31-Mar-19	25-04-2007	1,00,00,000	10.00	50.00%			21.67	2.47	
8.	Matrix Bharat Pte Limited		31-Dec-18	03-03-2008	20,00,000	8.41	50.00%			17.53	0.15	
9.	Delhi Aviation Fuel Facility Private Limited		31-Mar-19	22-09-2009	6,06,80,000	60.68	37.00%			91.04	19.79	
10.	Bharat Renewable Energy Limited	2 & 6		19-05-2008	33,60,000	3.36	33.33%		Note 2	-	-	Note 2
11.	Petronet CI Limited	2		18-10-2000	15,84,000	1.58	11.00%		Note 2	-	-	Note 2
12.	Petronet India Limited	5	31-Mar-18	17-12-1998	1,60,00,000	0.16	16.00%			0.44	(0.02)	
13.	GSPL India Gasnet Limited		31-Mar-19	30-04-2012	5,08,22,128	50.82	11.00%			48.48	(3.06)	
14.	GSPL India Transco Limited		31-Mar-19	30-04-2012	4,19,10,000	41.91	11.00%			42.79	0.11	
15.	Kannur International Airport Limited	3 & 6		31-03-2014	2,16,80,000	216.80	21.68%		Note 3	-	-	Note 3
16.	Fino PayTech Limited	1 & 4	31-Mar-18	29-07-2016	2,84,35,423	251.00	20.73%			73.77	(17.00)	
17.	Kochi Salem Pipeline Private Limited		31-Mar-19	30-12-2014	9,62,50,000	96.25	50.00%			90.47	(2.09)	
18.	Mumbai Aviation Fuel Farm Facility Private Limited		31-Mar-19	06-03-2014	4,82,88,750	48.29	25.00%			76.83	13.63	
19.	BPCL-KIAL Fuel Farm Private Limited	4	31-Mar-18	29-12-2014	66,60,000	6.66	74.00%			3.89	0.45	
20.	Haridwar Natural Gas Private Limited		31-Mar-19	24-12-2015	1,25,00,000	12.50	50.00%			11.11	(0.99)	
21.	Petroleum India International		31-Mar-19	01-03-1986		0.10	18.18%			2.02	0.04	
22.	Ratnagiri Refinery & Petrochemical Limited		31-Mar-19	14-06-2017	2,50,00,000	25.00	25.00%			16.27	(4.03)	
23.	Goa Natural Gas Private Limited		31-Mar-19	21-11-2016	95,00,000	9.50	50.00%			9.08	(0.09)	

During the year 2017-18, BPCL along with IOCL and HPCL has incorporated a company under Section 8 of Companies Act, 2013 named as Ujjwala Plus Foundation, limited by guarantee.

Note 1 : Figures based on Consolidated Financial Statements of the Company.

Note 2 : Equity method of accounting in respect of Investment have not been considered in the preparation of Consolidated Financial Statements as the parent company has decided to exit from these Joint Ventures and provision for full diminution in the value of investment has been done in the Standalone Financial Statements of the parent company.

Note 3 : Kannur international airport limited has not prepared Financial Statements and the same has not been considered for consolidation as the same is not expected to be material.

Note 4 : The financial statements of these Associate and Joint Venture companies are yet to be audited and hence the provisional Financial Statements provided by the respective management have been considered for the purpose of preparation of Consolidated Financial Statements.

Note 5 : Petronet India Limited has gone under winding up. Consolidation has been done based on the declaration of solvency by the management of company.

Note 6 : Percentage of holding disclosed is based on Joint Venture agreement.

For and on behalf of the Board of Directors

As per our attached report of even date
For and on behalf of

Sd/-
D. Rajkumar
Chairman and Managing Director
DIN: 00872597

CVK & Associates
Chartered Accountants
ICAI FR No.101745W

Borkar & Muzumdar
Chartered Accountants
ICAI FR No. 101569W

Sd/-
N. Vijayagopal
Director (Finance)
DIN: 03621835

Sd/-
M. Venugopal
Company Secretary

Sd/-
A.K. Pradhan
Partner
Membership No. 032156

Sd/-
Devang Vaghani
Partner
Membership No. 109386

Place : MUMBAI
Date : 20th May 2019

Touching **Lives**

- Recognising Shapes with matchsticks
- Skill Development Programme for girls in Sewing Trade
- Health check-up Camp for Swachhta Karmacharis of Chembur, Mumbai
- Candidates training under Skill Development Training Programme on Injection Moulding Machine
- Access to clean drinking water through water filter in Rajasthan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