

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Summary

As the global economy was navigating tariff-related uncertainties and the ongoing Russia–Ukraine conflict, the escalation of the West Asia crisis introduced a fresh set of risks across energy markets and the broader macroeconomic environment. Disruptions to energy infrastructure and concerns over the security of critical supply routes heightened volatility across energy and commodity markets, posing renewed challenges for global trade, investment activity and supply chains. Collectively, these developments continue to influence global trade flows and energy market dynamics.

Even as external challenges persisted, India maintained strong economic resilience, supported by robust domestic demand, sustained infrastructure investment, and prudent policy measures. At the same time, India continued to pursue an integrated energy pathway that supports economic growth while strengthening energy security and advancing the transition to a low-carbon future.

Aligned with national priorities, BPCL is progressing its strategic objectives after successfully completing two years of Project Aspire. With a balanced and forward-looking approach, it is strengthening the core businesses in refining, upstream and marketing, while accelerating its presence in gas, petrochemicals, green energy, non-fuel retailing, and digital ventures. BPCL's efforts continue to reinforce its commitment to meeting India's evolving energy needs and delivering sustainable impact across the value chain.

Global Economy

Global GDP growth remained broadly stable at around 3.5% in 2025 despite elevated trade tensions, geopolitical uncertainty, and increasingly fragmented supply chains. Economic activity was supported by import front-loading ahead of tariff increases, corporate absorption of higher costs, and strong investment in AI-driven technologies, particularly in the United States.

The escalation of conflict in West Asia and disruptions to the Strait of Hormuz have significantly heightened downside risks to the global economic outlook. The International Monetary Fund (IMF) projects global growth to moderate to 3.0% in 2026, compared to its earlier estimate of 3.3%, amid elevated energy prices, supply-side disruptions, and rising macroeconomic uncertainty. Disruptions to one of the world's most critical energy and shipping corridors have driven higher oil and gas prices, increased freight and transportation costs, and heightened volatility across commodity, trade, currency and financial markets.

The IMF has warned that prolonged disruptions to energy supplies could significantly dampen global growth and heighten inflationary pressures, thereby leaving the global

economy increasingly vulnerable to geopolitical shocks and supply constraints.

Supply chain strains arising from the West Asia conflict became increasingly evident, pushing up input costs across the global manufacturing sector. While the J.P. Morgan Global Manufacturing PMI remained in the expansionary zone, growth was supported by precautionary inventory build-up and advance procurement, driven by concerns over supply availability and rising input costs.

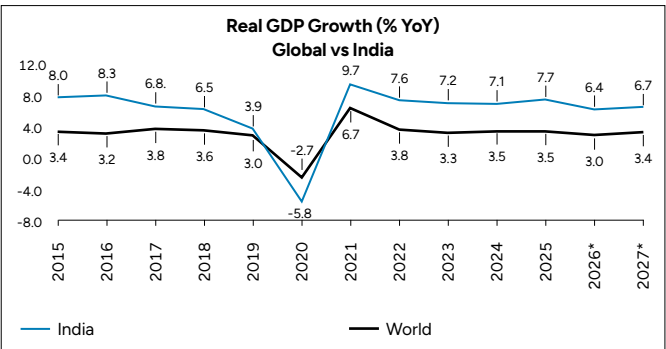
Manufacturers, particularly in Europe and Asia, accelerated purchasing activity as freight rates increased and raw material availability tightened, contributing to the strongest input cost pressures since 2022. Meanwhile, business confidence moderated as geopolitical uncertainties and supply chain constraints continued to cloud the outlook for global trade and demand conditions.

Global inflation is projected by IMF to rise from 4.1% in 2025 to 4.7% in 2026, driven by supply disruptions and higher energy and commodity prices amid the West Asia crisis. Although central banks remain cautious, renewed inflationary pressures may delay rate cuts and keep interest rates elevated.

Weather-related risks, particularly the emerging El Niño–Southern Oscillation (ENSO) pattern, are expected to add further pressure on global food prices and inflation in 2026. Concerns over weaker monsoon conditions in South Asia and potential crop production shortfalls have heightened risks to agricultural output and food prices. Alongside disruptions in energy and fertilizer markets, this may intensify supply-side inflation and raise subsidy burdens, complicating fiscal consolidation.

Global trade growth is set to slow in 2026 amid rising protectionism, policy uncertainty, and geopolitical tensions. The World Trade Organization (WTO) projects merchandise trade growth to ease to 1.9% in 2026 from 4.6% in 2025 as AI-driven demand and tariff-related front-loading fade. While AI investments may offer some support, supply chain shifts, high energy prices and geopolitical disruptions are likely to dampen trade activity. Meanwhile, commodity market prices are likely to remain volatile. Evolving supply chain realignments, elevated energy prices, disruptions to key trade routes, and intensifying competition for strategic resources are expected to further dampen trade activity and contribute to increasing global economic fragmentation.

Global investment flows recovered modestly in 2025, capital allocation became increasingly fragmented, with developed economies attracting a larger share of inflows, while investment remained concentrated in strategic sectors such as AI, semiconductors, digital infrastructure, and energy security. Geopolitical tensions and policy uncertainties continued to weigh on the investment outlook.



Source: IMF; *Forecast. For India, data and projections are presented on a fiscal year (FY) basis, with FY 2025-26 (starting in April 2025) shown in the 2025 column

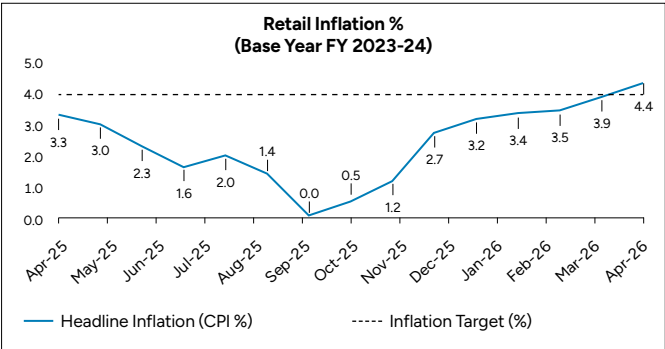
Key risks to the global outlook for 2026 are intricately linked to evolving geopolitical developments and the stability of shipping flows through the Strait of Hormuz. Downside risks remain pronounced amid persistent geopolitical tensions, potential disruptions to energy supplies, rising trade barriers, and climate-related uncertainties. While sustained investments in AI, digital infrastructure, and energy security may provide some support to economic activity, elevated inflationary pressures, commodity price volatility, and moderating trade growth are expected to weigh on global economic momentum. Consequently, strengthening supply chain resilience, diversifying sourcing, and trade networks, enhancing energy security, and maintaining operational flexibility will remain critical to managing risks and supporting sustainable growth.

Indian Economy

India's economy remained resilient in FY 2025-26, with real GDP growth estimated at 7.7% by the Ministry of Statistics and Program Implementation (MoSPI), surpassing the RBI's projection of 7.4%. Growth was driven by strong private consumption, with Private Final Consumption Expenditure (PFCE) expanding by 7.7%, alongside sustained government spending, healthy investment activity, robust domestic demand, and GST rationalization measures, which helped cushion the impact of higher US tariffs and global trade uncertainties.

Gross Value Added (GVA) growth improved to 7.9% in FY 2025-26 from 7.3% in the previous year, driven by robust performance in services and industrial sectors. Manufacturing growth remained robust at 10.7%, supported by domestic demand and investment activity, while the services sector expanded by 9.3%, led by trade, transport, financial, and professional services. Agriculture grew by 3%, supported by above-normal rainfall and favourable reservoir levels, although growth moderated compared to the previous year.

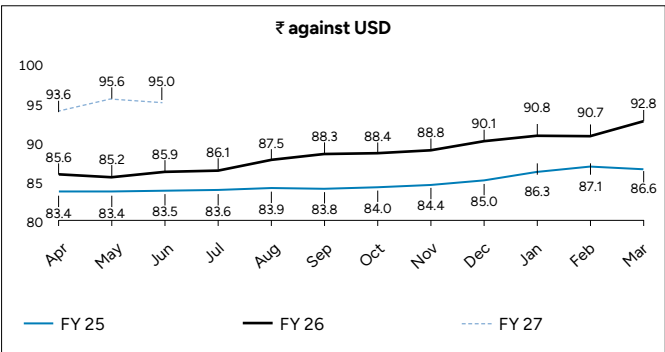
Inflationary pressures eased significantly during FY 2025-26, with headline CPI inflation averaging 2.1%, remaining well below the RBI's 4% target. This moderation was primarily driven by a sharp decline in food inflation, supported by favourable agricultural output, above-normal monsoon rainfall, and improved supply conditions. Core inflation remained broadly stable, indicating contained underlying price pressures.



The benign inflation environment provided room for the RBI to ease monetary policy, reducing the repo rate by 100 basis points during the year before adopting a neutral stance towards the end of the fiscal year.

The RBI also maintained a proactive liquidity management approach during FY 2025-26 through monetary easing, open market operations, and liquidity infusion measures to support credit growth. The banking sector remained resilient, with bank credit recording robust growth of 15.9%, driven by lending across the retail, services, and industrial sectors. Asset quality improved significantly, with the Gross NPA ratio declining to 1.93% and the Net NPA ratio falling to 0.39% as of March 31, 2026—the lowest levels on record—reflecting strong balance sheet fundamentals and overall financial sector stability.

The Indian Rupee depreciated during FY 2025-26, closing at ₹ 94.65 against the US dollar, down 10.6% from the previous year-end, and emerging as one of the weaker-performing currencies in Asia. The depreciation was driven by FPI outflows, higher import demand, and volatility in the US dollar amid tariff-related and geopolitical uncertainties. The average exchange rate for the year stood at ₹ 88.31 per US dollar, representing a 4.4% year-on-year depreciation. To contain excessive volatility, the RBI intervened through spot and forward market operations, along with liquidity management measures.



India's external sector witnessed increased pressures during FY 2025-26 amid a volatile global environment. The current account deficit (CAD) widened to \$ 25.2 billion in FY 2025-26, from \$ 22.9 billion in FY 2024-25, primarily due to higher merchandise imports, particularly of capital goods, gold and silver. However, the increase was partly offset by robust growth in services exports and strong remittance inflows. Despite the

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higher deficit in absolute terms, the CAD remained unchanged at 0.6% of GDP in both years.

Amid these external dynamics, Net Foreign Portfolio Investment (FPI) recorded outflows of around ₹ 1.5 lakh crore, driven by tariff-related uncertainties, global market volatility, and a stronger US dollar, added pressure on the Rupee. The rise in precious metal imports and the surge in crude oil prices towards the end of the fiscal year further strained the external balance. In response, the RBI intervened in the foreign exchange market to manage currency volatility and ensure orderly market conditions. Consequently, foreign exchange reserves moderated from a peak of \$ 728.5 billion to around \$ 688 billion at the end of FY 2025-26, while continuing to provide an import cover of approximately 11 months.

India's trade remained resilient in Q1 FY2026-27 despite global uncertainty and geopolitical tensions. Total exports (merchandise and services) rose 11.4% y-o-y to \$ 232.7 billion, supported by engineering goods, electronics, chemicals, and services exports. Total imports increased 17.6% to \$ 270.2 billion, led by higher crude oil, gold, electronics, and capital goods imports. As a result, the overall trade deficit widened to \$ 37.4 billion, as higher energy and precious metal imports outpaced export growth. The monsoon outlook remains a key factor for the Indian economy this fiscal. The IMD's end-May forecast projects rainfall at around 90% of the Long Period Average (LPA), classifying 2026 as a below-normal monsoon year and marking a downward revision from 92% in April, largely due to anticipated El Niño conditions. A weaker monsoon could adversely impact agricultural output, rural demand, and food prices, while exerting upward pressure on inflation and water resources.

India's economic growth is expected to moderate in FY 2026-27 amid persistent geopolitical uncertainties and elevated energy prices stemming from the ongoing West Asia crisis. The IMF and RBI have projected GDP growth at 6.5% and 6.4%, respectively. Inflation is projected to rise to 5.1%, up from 2.1% in the previous year, driven by higher energy and commodity prices.

In response to evolving domestic and global conditions, the RBI has maintained a neutral policy stance, with future actions expected to remain data driven. However, an improving trade outlook, supported by recently signed FTAs, is expected to provide some support to economic growth.

Global Oil & Gas Sector Trends

The global oil and gas sector in FY 2025-26 was shaped by a major geopolitical shock that altered energy market dynamics. For much of the year, markets were characterized by ample supply, slowing demand growth, and moderating prices. However, the escalation of the West Asia conflict and the closure of the Strait of Hormuz—a critical energy transit route handling around 20% of global oil and LNG trade—disrupted regional energy infrastructure and trade flows, constraining supplies of crude oil, petroleum products, and LNG. The resulting supply

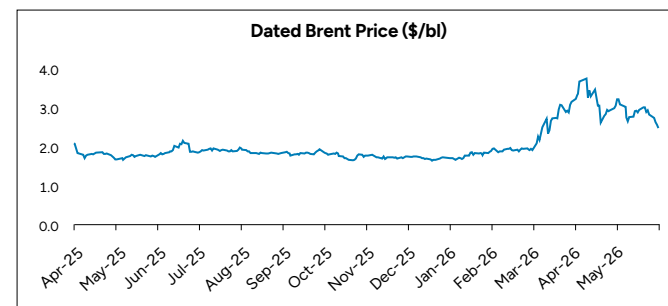
shock drove sharp increases in energy prices, freight rates, and insurance costs, while heightening concerns over energy security and supply resilience.

Global oil supply growth increased by approximately 3.1 million barrels per day (mb/d), significantly exceeding demand growth of around 0.9 mb/d. Production growth from non-OPEC producers, particularly the United States, Brazil, Guyana and Canada, together with the gradual unwinding of OPEC+ voluntary production cuts from April 2025, contributed to a market surplus and lower crude oil prices. Crude oil inventory builds, particularly in China, amplified oversupply concerns, with the U.S. Energy Information Administration (EIA) reporting one of the largest global stock builds since 2000, excluding 2020, contributing to lower crude oil prices.

Meanwhile, sanctions on major Russian oil companies and geopolitical events—including Israel's strikes on Iran in June 2025 and the ongoing Russia-Ukraine conflict, which has involved continued attacks on energy infrastructure—heightened supply concerns. These developments resulted in periodic increases in crude oil prices and elevated market volatility.

The West Asia supply shock drove Brent crude prices from around \$ 71/bbl at the end of February 2026 to over \$ 127/bbl by the end of March, reaching a peak above \$ 144/bbl in early April. The closure sharply increased tanker freight rates, marine insurance costs, and shipping expenses, while tightening crude oil and petroleum product markets. Refining margins and product prices surged significantly, particularly for middle distillates, as damage to feedstock infrastructure and refining operations constrained supply. In response, the IEA coordinated an emergency release of approximately four hundred million barrels from member countries' strategic petroleum reserves to help stabilize the global oil market.

After reaching historic highs, oil prices stabilized modestly in April following the ceasefire between the United States and Iran. However, volatility persisted as uncertainty over key terms of a potential agreement continued to weigh on market sentiment.



On an annual average basis, crude oil prices remained below the levels recorded in the previous year. Brent crude averaged \$ 70.5 per barrel in FY 2025-26, compared with \$ 78.9 per barrel in FY 2024-25, a decline of 10.6%. Similarly, the Indian Basket crude averaged \$ 71.0 per barrel against \$ 78.58 per barrel in the previous year, down 9.6%.

Prior to the conflict, global LNG markets had been moving towards rebalancing, supported by new liquefaction capacity additions—particularly in the United States, Canada, and Africa—which improved supply availability. Global LNG supply increased by nearly 7%, while natural gas demand growth slowed to below 1%, contributing to softer LNG prices during much of 2025.

However, the closure of the Strait of Hormuz and disruptions to regional LNG infrastructure, particularly in Qatar, reversed this trend. According to the IEA, damage to Qatar's LNG liquefaction infrastructure significantly altered the medium-term gas market outlook, delaying the anticipated global LNG supply wave and potentially reducing cumulative LNG supply by around 120 billion Cubic Meters (bcm) during 2026-2030. Qatar's LNG infrastructure reportedly disrupted approximately 17% of the country's export capacity, with repairs expected to take between three and five years.

The resulting supply shock led to force majeure declarations, tighter LNG market balances, and sharp increases in LNG prices across Europe and Asia. In Asia, LNG prices witnessed a significant rally. The West India Marker (WIM) rose from around \$ 10.4/MMBtu at the end of February 2026 to a peak of over \$ 25.3/MMBtu in early March, representing an increase of nearly 143%. Similarly, the Japan-Korea Marker (JKM), the benchmark for Asian spot LNG, surged from about \$ 10.7/MMBtu to over \$ 25.4/MMBtu, marking an increase of approximately 138%.

Although prices moderated in subsequent months, WIM and JKM averaged around \$ 17.5/MMBtu and \$ 18.0/MMBtu, respectively, in May 2026, remaining approximately 65-70% above pre-crisis levels. Disruptions to tanker movements through the Strait of Hormuz also pushed LNG freight rates up by more than 40%, increasing delivered LNG costs and further exacerbating supply pressures across key importing regions.

Meanwhile, Henry Hub natural gas prices averaged \$ 3.53/MMBtu in 2025, up from \$ 2.19/MMBtu in 2024, supported by stronger LNG export demand. Prices briefly surged to \$ 7.72/MMBtu in January 2026 due to severe winter weather and supply disruptions. During the West Asia crisis, Henry Hub recorded a modest increase, rising from around \$ 3.0/MMBtu in late February to approximately \$ 3.3/MMBtu in mid-March, as robust domestic supply and ample storage moderated upward price pressures despite stronger LNG export demand.

The global oil and gas industry continues to undergo a structural transformation, shaped by energy transition trends, technological advancements, geopolitical realignments, and evolving economic conditions. At the same time, subdued global economic growth, trade fragmentation and policy uncertainty have moderated energy demand growth and influenced investment decisions across the sector.

Global oil demand growth slowed further in 2025, reinforcing signs of a gradual shift in consumption patterns amid rising electrification, improving fuel efficiency, and changing mobility trends. Global oil demand increased by 0.65 mb/d (0.7%),

compared to 0.75 mb/d in CY 2024 and well below the 2010–2019 average annual growth rate of 1.4 mb/d. The slowdown was driven primarily by weaker petrochemical feedstock demand, particularly in China, while accelerating electric vehicle (EV) adoption and efficiency improvements continued to constrain growth in transportation fuel consumption.

Electric vehicles (EVs) remain the primary source of structural oil demand displacement. Global EV sales exceeded 20 million units in 2025, accounting for around 25% of new vehicle sales, and are projected to reach 23 million units in 2026, approaching 30% of new vehicle sales. EV penetration is expected to exceed 40% by 2030. According to the IEA, EV adoption could displace approximately 5 mb/d of oil demand by 2030, primarily gasoline consumption, as declining battery costs, expanding charging infrastructure, and supportive policies accelerate transport electrification.

The West Asia crisis reinforced the strategic importance of energy security, supply diversification, and resilient supply chains. According to the IEA, global upstream oil investment is projected to decline for a third consecutive year in 2026 to below \$ 500 billion, despite elevated oil prices, amid geopolitical uncertainty, project delays, infrastructure constraints, and continued capital discipline. Investment is also shifting towards emerging regions such as Africa and Latin America, while activity in parts of the Middle East remains constrained by regional disruptions and infrastructure challenges.

In contrast, natural gas investment is projected to rise to approximately \$ 330 billion, the highest level in a decade, reflecting its growing role in strengthening energy security, supporting power system reliability, and facilitating the energy transition.

The refining sector continues to evolve in response to changing energy demand patterns and ongoing capacity expansions. New refining investments, particularly in Asia and the Middle East, are enhancing global supply capabilities and supporting energy security. At the same time, refiners are increasingly focusing on operational excellence, digitalization, and integration with petrochemicals to enhance value creation. Integrated refining-petrochemical complexes are expected to play a critical role in strengthening long-term competitiveness, improving margin stability, and supporting sustainable growth, with petrochemicals emerging as the single largest contributor to global oil demand growth through 2030.

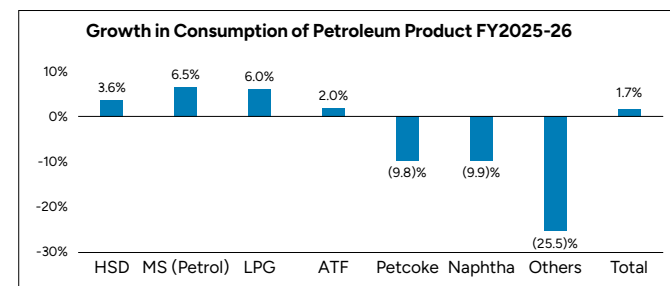
The evolving energy landscape is creating new opportunities in natural gas, natural gas liquids (NGLs), petrochemicals, and lower-carbon energy solutions. Despite the destabilizing impact of the West Asia conflict, global energy investment is projected to rise by 5% to \$ 3.4 trillion in 2026, with around \$ 2.2 trillion allocated to clean energy technologies and \$ 1.2 trillion to oil, natural gas, and coal. As developing Asian economies continue to drive energy demand growth, companies with integrated gas, petrochemical, and low-carbon strategies will be well positioned to create long-term value while supporting a balanced energy transition.

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Indian Oil & Gas

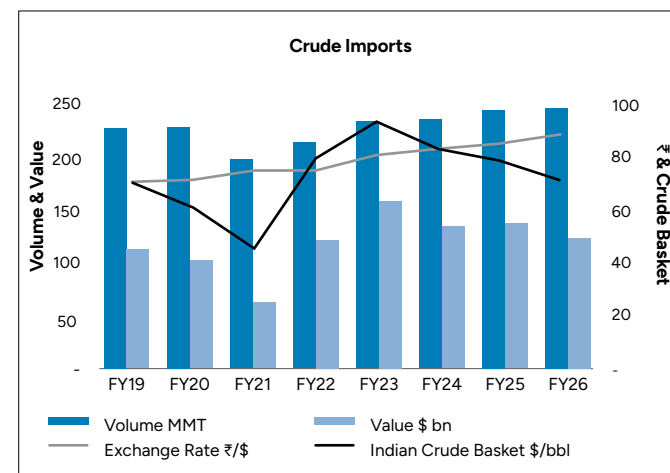
India's petroleum product consumption reached 243.2 MMT in FY 2025-26, registering a growth of 1.7% over FY 2024-25. Demand growth was primarily driven by transportation fuels and LPG, with motor spirit (MS) consumption increasing by 6.5%, LPG by 6.0%, and high-speed diesel (HSD) by 3.6%, while aviation turbine fuel (ATF) recorded a modest growth of 2.0%.

Over the last decade, India's petroleum demand profile has undergone a gradual transformation. MS recorded a CAGR of 6.9% between FY 2015-16 and FY 2025-26, followed by LPG at 5.4%, ATF at 3.9%, and HSD at 2.4%. The stronger growth in petrol relative to diesel has led to a decline in the HSD-to-MS consumption ratio to 2.2 in FY 2025-26 from 3.6 a decade ago, indicating the increasing contribution of passenger mobility to petrol demand. Rising private vehicle ownership, growing economic activity, expanding freight movement, and greater adoption of cleaner cooking fuels have supported sustained growth.



*Other products include sulfur, propylene, propane, reformate, LABFS, CBFS, butane, MTO, and others.

Meeting this growing energy demand continues to require substantial imports, despite ongoing efforts to enhance domestic production and diversify energy sources. During FY 2025-26, crude oil import dependence increased marginally to 88.7% from 88.2% in the previous year. LPG import dependence also rose to 61% from 59%, reflecting robust growth in domestic demand. In contrast, natural gas import dependence declined to 49.2% from 50.1%, as LNG imports moderated during the year.



Crude oil imports increased by around 1% year-on-year (YoY) to 245.3 MMT in FY 2025-26. However, the crude oil import bill declined significantly to \$ 123.1 billion from \$ 137.2 billion in the previous year, primarily due to lower international crude oil prices. LNG imports declined by 4.2% YoY to 34.2 BCM, with the corresponding import bill falling to \$ 13.3 billion from \$ 14.9 billion in FY 2024-25.

To support growing energy demand and enhance energy self-reliance, strengthening domestic hydrocarbon production remains a strategic priority for India. Domestic crude oil and condensate production declined by 3.2% year-on-year to 27.9 MMT in FY 2025-26, primarily due to ageing fields. Domestic natural gas production also declined by 3.7% year-on-year to 34.8 BCM in FY 2025-26 from 36.1 BCM in FY 2024-25. Despite the decline, domestic gas continued to play a vital role in meeting demand across key sectors, including fertilizers, city gas distribution, power generation, and industry.

The indigenous crude oil processed by refineries amounted to 25.7 MMT in FY 2025-26, meeting around 11.3% of total petroleum product consumption of 243.2 MMT, underscoring the continued importance of expanding domestic exploration and production activities.

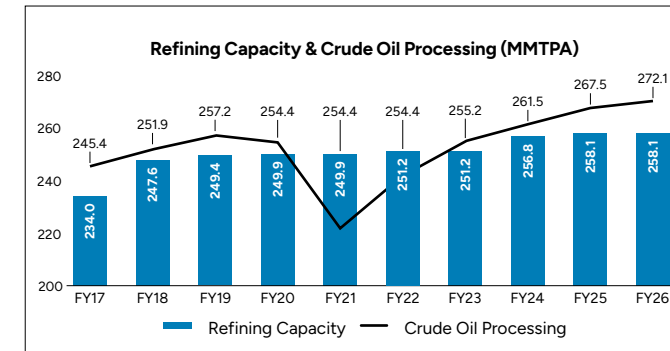
India's exploration and production (E&P) sector is supported by 26 sedimentary basins covering approximately 3.4 million sq. km across onshore, shallow-water and deepwater regions, extending up to the Exclusive Economic Zone (EEZ). Recognizing the strategic importance of domestic hydrocarbon production for energy security, the Government of India has undertaken a series of policy and regulatory reforms to attract investment, expand exploration, and enhance crude oil and natural gas production.

India's upstream regulatory framework has evolved from a nomination regime to market-oriented licensing systems through reforms such as the New Exploration Licensing Policy (NELP), Hydrocarbon Exploration and Licensing Policy (HELP), Discovered Small Fields (DSF) Policy, and Open Acreage Licensing Policy (OALP). The Oilfields (Regulation and Development) Amendment Act, FY 2025 and the Petroleum and Natural Gas Rules, FY 2025 further strengthened the framework by introducing a unified petroleum lease system, a 180-day approval timeline and simplified lease administration.

The launch of OALP Rounds X and XI, offering approximately 262,817 sq. km of prospective acreage, together with broader fiscal and regulatory reforms, supports the Government's objective of attracting around \$ 100 billion of investment into India's upstream oil and gas sector. India aims to expand its exploration acreage to 1 million sq. km by FY 2029-30. Supported by policy reforms and expanded exploration opportunities, the E&P sector is well positioned to unlock hydrocarbon resources across mature, frontier and deepwater basins, enhancing energy security, reducing import dependence.

India remains a key player in the global refining industry, with a nameplate refining capacity of 258.1 MMTPA, making it the

second-largest refiner in Asia and the fourth largest globally. The country operates 22 refineries, with private sector companies accounting for approximately 34.3% of total refining capacity. In FY 2025-26, crude oil throughput reached 272.1 MMT, resulting in an average refinery capacity utilization of 105%, underscoring the operational efficiency and competitiveness of India's refining sector.



Reflecting strong operational performance, India's petroleum product production reached 284.9 MMT in FY 2025-26, including 281.5 MMT from crude oil and other refinery inputs. Petroleum product exports declined 5.6% year-on-year to \$ 41.1 billion, primarily due to lower exports of high-speed diesel and aviation turbine fuel. High-speed diesel remained the largest export product, accounting for 44.5% of exports, followed by motor spirit at 27.1% and aviation turbine fuel at 11.1%. Petroleum product imports declined 7.9% YoY, mainly due to lower imports of petroleum coke and fuel oil. Liquefied petroleum gas remained the largest imported product, accounting for 45.4% of total imports, reflecting continued strong domestic demand.

Looking ahead, India's refining sector is poised for further expansion, with the government targeting a refining capacity of 309.5 MMTPA by FY 2029-30 through ongoing and planned capacity additions. This is expected to strengthen India's position as a global refining hub, enhance energy security, meet growing domestic and export demand, and support the Viksit Bharat 2047 vision.

Alongside refining sector growth, India continued to strengthen its natural gas infrastructure to support its vision of becoming a gas-based economy. As of March 31, 2026, the country had 8,916 CNG stations, 16.9 million PNG connections, 52.7 MMTPA of LNG regasification capacity, and an operational natural gas pipeline network of 25,925 km. An additional 7,301 km of pipelines is under development to complete the National Gas Grid.

Natural gas consumption declined 3.0% YoY to 69.0 BCM in FY 2025-26, primarily due to lower industrial demand. However, the City Gas Distribution segment remained the key growth driver, with consumption increasing 9.7%, supported by the expansion of CNG and PNG infrastructure. Fertilizers remained the largest consumer of natural gas, accounting for 28% of total demand, followed by City Gas Distribution (24%), power generation (12%), refineries (8%), and petrochemicals (6%).

Continued expansion of gas infrastructure is expected to support future demand growth.

Complementing the country's refining and gas infrastructure, India's petroleum marketing network comprises 313 POL terminals and depots, 312 aviation fuel stations, and 103,023 retail outlets, including 29,535 rural outlets, supporting nationwide fuel distribution. The availability of alternate fuels at 33,888 retail outlets and EV charging facilities at 29,047 outlets demonstrates the industry's commitment to cleaner mobility and the gradual transition towards vehicle electrification. The product pipeline network, including LPG pipelines, spans 24,861 km, with a capacity of 155.8 MMTPA, and operated at 68.4% utilization during FY 2025-26.

India's LPG ecosystem continued to expand, with 33.39 crore active domestic consumers served through 25,607 distributors and 214 bottling plants with a combined capacity of 23.04 MMTPA. LPG sales by PSU oil marketing companies (OMCs) grew by 5.7% YoY to nearly 33.0 MMT during FY 2025-26.

The Pradhan Mantri Ujjwala Yojana (PMUY) has benefited around 10.58 crore households since its launch, including 10.41 crore active beneficiaries as of April 2026, supporting greater access to clean cooking fuels. PNG connectivity also expanded to 1.67 crore households. Total domestic LPG per capita consumption increased to 6.10 cylinders per consumer annually in FY 2025-26 from 5.96 in the previous year, indicating continued growth in LPG adoption and usage.

The West Asia crisis underscored the importance of energy security, supply diversification, and resilient supply chains for major energy-importing economies such as India. The disruption highlighted the effectiveness of measures undertaken in recent years to strengthen the country's energy security framework. India has significantly diversified its crude oil sourcing strategy, expanding imports from more than 40 countries and increasing procurement from regions outside the Middle East, including Russia, the United States, West Africa, and Latin America. Approximately 70% of India's crude imports are now sourced through routes that do not depend on the Strait of Hormuz.

To mitigate supply disruptions, the government and oil companies secured crude supplies covering around 60 days of consumption, utilized strategic petroleum reserves, increased sourcing from alternative suppliers, and strengthened inventory management across the refining system. The Government also invoked provisions under the Essential Commodities framework to ensure priority allocation and uninterrupted availability of LPG across the country. Domestic LPG production was ramped up, and supply logistics were closely monitored to ensure seamless distribution through the retail network.

As a result, the availability of key petroleum products, including petrol, diesel, and LPG, remained largely stable despite disruptions in global energy markets. This resilience was supported by India's large refining capacity, high refinery utilization rates, and extensive fuel distribution infrastructure.

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Alongside these energy security measures, India accelerated its biofuel transition during FY 2025-26 through blending mandates, feedstock diversification, and market development initiatives. The country successfully achieved 20% ethanol blending in petrol in 2025, five years ahead of its original FY 2030 target, marking a significant milestone in its biofuel program and reinforcing ethanol's role in enhancing energy security, reducing crude oil imports, and lowering transport-sector emissions. According to the IEA India Bioenergy Market Report 2026, India has emerged as the world's fourth-largest producer and consumer of liquid biofuels, with modern bioenergy consumption tripling since FY 2019-20.

Policy support expanded beyond ethanol through the introduction of a phased Compressed Biogas (CBG) blending obligation in the City Gas Distribution (CGD) sector, creating a long-term demand framework for bio-CNG. The CBG ecosystem expanded to 138 operational plants, supporting waste-to-energy development, rural income generation, and reduced dependence on imported natural gas.

India amended the ATF (Regulation of Marketing) Order, 2001 in April 2026 to include Sustainable Aviation Fuel (SAF) within the aviation fuel regulatory framework, supporting India's phased SAF blending roadmap for international flights from FY 2026-27 while promoting aviation decarbonization, domestic SAF production, and investment in advanced biofuels.

Progress under the National Green Hydrogen Mission gathered significant momentum, with the allocation of green hydrogen production and electrolyzer manufacturing capacities, alongside record-low bid prices that position India among the world's most cost-competitive producers of green hydrogen. These developments are strengthening commercial viability, accelerating investments across the hydrogen value chain, and supporting India's target of producing 5 million tons of green hydrogen annually by FY 2029-30 while establishing the country as a global hub for green hydrogen production and exports.

India further strengthened its clean energy transition through rapid renewable energy expansion and supportive policy reforms. In 2025, the country achieved 50% cumulative installed electricity capacity from non-fossil fuel sources, five years ahead of its Paris Agreement target. The Union Budget FY 2025-26 supported Carbon Capture, Utilization and Storage (CCUS) and critical mineral processing, while India's updated FY 2031-2035 Nationally Determined Contribution (NDC) reinforced its Net Zero 2070 commitment.

Opportunities and Threats

The global energy industry is entering a period of structural rebalancing. While demand growth in several developed economies is approaching maturity, emerging economies are expected to account for incremental energy consumption over the coming decades. Within this evolving landscape, India is uniquely positioned as one of the world's most significant engines of economic and energy demand growth. Strong demographic fundamentals, rising urbanization, expanding

manufacturing activity, increasing household incomes and sustained infrastructure investments are expected to support robust energy consumption well beyond FY 2029-30.

India's long-term growth story remains fundamentally linked to its economic aspirations. As the country advances towards its Viksit Bharat 2047 vision, energy demand is expected to expand alongside industrial production, freight movement, urban mobility, aviation activity, and household consumption. While the composition of demand is evolving, the requirement for reliable, affordable, and diversified energy supplies is expected to remain central to India's development trajectory.

The next phase of growth is expected to be characterized by increasing diversification across the energy value chain. While transportation fuels will continue to play a critical role in meeting India's energy requirements, petrochemicals, natural gas, and low-carbon fuels are expected to become increasingly important contributors to future demand. Globally, petrochemical feedstocks are projected to account for a significant share of incremental oil demand growth through FY 2029-30 as demand for chemicals, plastics, advanced materials, and industrial feedstocks continues to expand. This trend is expected to enhance the strategic importance of integrated refining and petrochemical complexes capable of generating higher-value products while improving margin resilience across commodity cycles.

Natural gas is expected to emerge as one of the most important pillars of India's future energy system. The continued expansion of LNG infrastructure, pipeline connectivity, city gas distribution networks, and industrial gas consumption supports the country's ambition of increasing the role of natural gas within the energy mix. As economies seek practical pathways to balance energy security, affordability and emissions reduction, natural gas is expected to play a critical role in supporting industrial competitiveness, power system reliability, and cleaner urban mobility.

India's continued emphasis on strengthening energy security also creates significant long-term opportunities. Government initiatives to expand refining capacity, diversify crude sourcing, strengthen strategic petroleum reserves, improve logistics infrastructure, enhance domestic exploration, and increase natural gas infrastructure are expected to improve supply resilience and support future demand growth. Continued policy support for upstream exploration and production, together with regulatory reforms aimed at improving ease of doing business and attracting private investment, is expected to encourage greater participation across India's hydrocarbon sector.

Simultaneously, India's balanced approach to the energy transition is creating opportunities across emerging energy businesses. Continued policy support for biofuels, green hydrogen, renewable energy, carbon management technologies, and sustainable mobility, as discussed earlier, is expected to accelerate investments, diversify the energy mix, and support decarbonization while strengthening energy security and affordability.

These structural trends create significant opportunities for integrated energy companies capable of participating across multiple segments of the value chain. BPCL's Project Aspire is strategically aligned with the long-term direction of the sector. The initiatives focus on strengthening core businesses across refining, upstream, and marketing, while steadily expanding petrochemical integration, growing the gas business and building positions in emerging clean-energy opportunities, which reflects the evolving structure of India's energy market. As future growth increasingly shifts towards higher-value products, diversified energy solutions and customer-centric energy services, integrated business models are expected to become increasingly important sources of competitive advantage.

Notwithstanding these opportunities, the energy sector continues to face a complex operating environment shaped by geopolitical uncertainty, supply chain disruptions, commodity price volatility, trade fragmentation, competition for critical minerals, and evolving climate regulations. At the same time, improvements in energy efficiency, electrification, and accelerating electric vehicle adoption are gradually reshaping traditional fuel demand, requiring companies to balance investments in conventional businesses with emerging energy opportunities while maintaining capital discipline and operational excellence.

India enters this period of transformation from a position of strength. Its combination of strong economic growth, expanding energy infrastructure, supportive policy reforms and diversified energy strategy place the country among the most attractive long-term energy markets globally. As the global energy system evolves towards a more diversified and integrated future, India is expected not only to remain a major consumer of energy but also to emerge as an increasingly important center for refining, petrochemicals, gas infrastructure, biofuels, and emerging energy technologies.

Risks, Concerns and Outlook

The global energy sector entered a period of heightened uncertainty in FY 2025-26, with geopolitical developments, technology adoption, trade realignments, and climate commitments expected to shape industry dynamics over the coming decade. Unlike previous commodity cycles that were primarily driven by supply-demand fundamentals, the evolving energy landscape is increasingly influenced by structural shifts that are likely to make volatility an enduring feature of energy markets rather than a temporary phenomenon.

One of the most significant risks facing the industry is the growing complexity of global energy security. Recent disruptions in West Asia have demonstrated that energy markets remain sensitive to geopolitical developments despite increased diversification of supply sources. While countries and companies have strengthened supply chains and strategic inventories, a substantial portion of global crude oil and gas trade continues to transit through a limited number of critical maritime routes. As global energy demand continues to shift towards Asia, ensuring secure, flexible, and diversified supply

chains will remain a strategic priority for both governments and industry participants.

Another key consideration is the pace and trajectory of the global energy transition. While renewable energy, electrification, and low-carbon technologies continue to expand rapidly, overall energy demand is also growing, particularly in developing economies. As a result, hydrocarbons, natural gas, and emerging low-carbon fuels are likely to coexist for several decades rather than follow a linear substitution pathway, creating a complex investment environment for energy companies.

Despite these uncertainties, India's energy infrastructure continues to expand. Ongoing investments in refining capacity are expected to strengthen supply resilience, improve product availability, and reinforce India's position as a global refining hub.

India's growing emphasis on biofuels, CBG, sustainable aviation fuel, green hydrogen, and carbon management technologies is also expected to create a broader and more resilient energy ecosystem. The achievement of 20% ethanol blending ahead of schedule, expansion of the CBG ecosystem, and rapid progress under the National Green Hydrogen Mission demonstrate the development of multiple pathways towards decarbonization while maintaining a focus on affordability, energy access, and energy security.

Renewable energy is expected to remain a central pillar of India's long-term energy strategy. The country has set a target of achieving 500 GW of non-fossil fuel power capacity by 2030 and reducing the emissions intensity of GDP by 47% from 2005 levels by 2035 under its updated climate commitments. Non-fossil sources already account for more than half of India's installed power generation capacity, with solar energy continuing to drive incremental additions. Supported by declining technology costs, expansion of transmission infrastructure, battery energy storage systems, and increasing private-sector investment, renewable energy deployment is expected to accelerate significantly over the next decade. The continued growth of renewable power and electrification is expected to reduce the carbon intensity of the economy while strengthening energy security through greater utilization of domestic energy resources.

Climate policy and emissions management are also becoming increasingly important strategic considerations for the energy sector. India has committed to achieving Net Zero emissions by 2070. Globally, clean energy investment is expected to exceed \$ 2 trillion annually, reflecting the growing scale of capital deployment towards decarbonization. For energy companies, balancing energy security, affordability, and sustainability objectives will remain critical. Investments in carbon capture, utilization and storage (CCUS), methane emissions reduction, renewable energy, low-carbon fuels, and digital technologies are expected to play an increasingly significant role in maintaining competitiveness while supporting long-term climate goals.

Over the medium to long term, India is expected to strengthen its position within the global energy landscape. The country is likely to remain among the largest contributors to incremental

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oil demand growth, one of the fastest-growing natural gas markets, and an important hub for refining, petrochemicals, and low-carbon fuel development. These structural trends provide a favourable long-term backdrop for BPCL. Through Project Aspire, the Company continues to strengthen its integrated energy portfolio, enhance operational resilience, and expand into future-oriented businesses, positioning itself to capture opportunities arising from India's evolving energy landscape.

Performance

Refineries

Building on the strong operational and financial momentum of the previous year, BPCL entered FY 2025–26 with a clear focus on sustaining performance excellence while advancing its strategic transformation agenda. As the Company completes its 50th year, the refining business continues to play a pivotal role in delivering reliable energy supply, enhancing margin resilience and supporting future growth initiatives.

During the year, BPCL's refineries remained focused on optimizing crude sourcing strategies, improving distillate yield, and maximizing asset utilization while navigating a dynamic global energy environment. Continued emphasis on energy efficiency, process optimization, and digital interventions enabled the Company to enhance asset reliability, reduce energy consumption, strengthen operational resilience, and improve cost competitiveness.

At the same time, BPCL is accelerating investments in capacity augmentation, petrochemical integration, and emerging energy pathways, including biofuels and cleaner fuels, to align with evolving market requirements and sustainability commitments. The ongoing capital projects and innovation-led initiatives are expected to further enhance refining flexibility and product slate optimization.

Collectively, these efforts position BPCL to sustain its leadership in the refining sector, while creating a robust and future-ready platform for delivering long-term value in an increasingly complex and transitioning energy landscape.

The Refineries have also achieved several milestones for the first-time in its history. It has accomplished the highest ever Crude throughput of 41.2 MMTPA, highest ever domestic market sales of 54.2 MMTPA and highest ever Capital expenditure of ₹ 20,357 crore.

BPCL also recorded the Highest Gross Refining Margin (GRM) of 11.74 \$/bbl, highest Distillate yield of 84.6% among PSU refineries, and highest Capacity Utilization of 116.6% in the industry.

It showcases its meticulous planning in sourcing and processing an optimum crude mix, stringent monitoring and inspection practices for safe and reliable operations, focused attention for process and energy optimization and most importantly, the innovation driven by dedicated employees. The results strengthen the position of BPCL as a key refiner and pioneer in the Indian Oil

and Gas sector and bolster its confidence to devise key strategies for the future.

The refineries of BPCL, in close coordination with the supply chain, continue to play a critical role in scouting, validating, and expanding the crude basket to enhance feedstock flexibility and operational resilience. This strategic focus enables optimization of product yields and maximization of refinery margins in a dynamic and volatile global energy landscape. It also strengthens energy security amidst evolving geopolitical challenges. During FY 2025-26, BPCL further augmented its crude slate with the introduction of varieties from four different geographies, reinforcing its ability to process diverse and opportunity crudes. Notably, during the period of heightened geopolitical tensions in the Strait of Hormuz, arising on account of the US-Iran conflict, BPCL's proactive crude sourcing strategies, diversified supply portfolio, and agile logistics management ensured uninterrupted crude and Product supplies. It helped to mitigate potential market disruptions, thereby safeguarding refinery throughput and margin performance. These initiatives, coupled with sustained high-capacity utilization, have enabled the refineries to consistently deliver margins surpassing benchmark levels such as the Singapore GRM.

To support sustained high utilization, refineries maintain an unwavering focus on reliability and operational excellence across all functions. The Centralized Reliability team continues to drive synergy by facilitating cross-refinery coordination, best practice sharing, and knowledge transfer. The advancement of digitally integrated refinery operations, supported by enhanced Artificial Intelligence (AI) and Machine Learning (ML)-based predictive maintenance and failure prediction systems, has further strengthened decision-making processes, enabling faster, data-driven, and reliable interventions.

Safety continues to remain the cornerstone of BPCL's refinery operations, reflected in our guiding philosophy of 'Safety First, Safety Must'. During FY 2025-26, all three refineries, Mumbai Refinery (MR), Kochi Refinery (KR), and Bina Refinery (BR), successfully sustained a NIL Lost Time Accident (LTA) record for employees, reaffirming BPCL's strong safety culture and disciplined execution. The Company also continued to strengthen contractor safety management through focused competency development, rigorous worksite supervision, behavioral safety initiatives, and enhanced monitoring of high-risk activities, fostering a culture of safety excellence across the extended workforce. Industry incidents across global refining operations further underscore the importance of sustained vigilance, proactive risk identification, and continuous strengthening of safety systems.

In addition to robust process safety and occupational health frameworks, BPCL has deepened the integration of digital technologies to enhance safety outcomes. Advanced digital tools are increasingly being leveraged for real-time monitoring of critical activities, permit-to-work systems and hazard identification in high-risk jobs. Focused efforts on competency development through digital training platforms and simulation-based learning have further strengthened employee preparedness,

reinforcing a proactive and technology-enabled approach to safety management.

Improving operational reliability continued to be a key focus area for BPCL refineries during FY 2025-26, with a series of initiatives driving operations and higher equipment availability. Implementation of digital and analytics based reliability tools, including the go-live of AI based Asset Performance Management systems covering ~90 critical assets across MR, KR and BR, significantly enhanced predictive maintenance capabilities and early fault detection.

Remote Monitoring and Diagnostic Services (RMDS) for supercritical equipment, make assets and gas turbines, were successfully operationalized, enabling real-time condition monitoring in collaboration with Original Equipment Manufacturers (OEMs). Reliability audits were systematically conducted across all three refineries, strengthening asset integrity frameworks and ensuring adherence to best-in-class maintenance practices. Focused reliability interventions such as asset criticality analysis for over 14,000 control and on-off valves, interlock reviews for single-point failures, and deployment of Best Efficiency Point (BEP) dashboards for pumps have further strengthened process reliability and operational stability. Operations Driven Reliability (ODR) initiatives were expanded with analytics deployment and cross-functional implementation across utilities, offsites and electrical systems, reinforcing field-level ownership of reliability.

Additionally, continuous improvement through High Critical Reliability Issue (HCRI) studies, root cause analysis, reliability advisories, and failure investigations ensured systemic resolution of recurring issues. Adoption of advanced inspection technologies such as Transition Field Electromagnetic Technique (TFET) for non-piggable pipelines and enhanced instrumentation reliability through Plant Resource Manager (PRM) further improved equipment health monitoring. These efforts have led to a significant reduction in equipment failure and unplanned outages, with rotary equipment outages reducing by 18%, 14% and 8% at MR, KR and BR respectively, thereby reinforcing BPCL's commitment to reliable, safe and efficient refinery operations.

BPCL continued to reinforce its strong culture of innovation during FY 2025-26, with several transformative initiatives enhancing operational excellence and value creation across refineries. At MR, the successful commissioning of Phase2 of the Dearomatized Solvent (DAS) unit enabled production of highvalue specialty products such as MAK Base Light and premium solvent grades, while inhouse R&D led to successful pilot trials of hydrogen recovery using membrane technology, paving the way for improved energy efficiency and decarbonization. KR demonstrated significant technological advancement through commissioning of the Crude Distillation Unit (CDU3) inline crude blender, unlocking greater flexibility for processing opportunity crudes and optimizing crude economics, alongside the launch of advanced digital tools such as AI-enabled process analytics, predictive maintenance systems, and automated Green House Gas (GHG) monitoring aligned with carbon trading frameworks.

At BR, innovation was driven through deployment of advanced process control upgrades and digital transformation initiatives, including machine learning based predictive analytics, realtime asset monitoring, and implementation of an inhouse LLM based chatbot for operational support. Additionally, the commissioning of India's leading green hydrogen plant at BR marked a major step towards sustainable energy transition and reduction in carbon emissions.

Across refineries, targeted technology absorption initiatives such as gamma scanning for process optimization, catalyst upgrades for improved product quality, and APC enhancements, strengthened operational efficiency and product portfolio diversification. Collectively, these initiatives underscore BPCL's continued focus on leveraging technology, digitalization, and sustainable innovation to improve margins, enhance reliability, and align with futureready energy and environmental goals.

BPCL is undertaking its largest-ever capital investment initiative through the Bina Petrochemical & Refinery Expansion Project (BPREP), with an estimated outlay of ₹ 43,367 crore and targeted commissioning by May 2028. The project envisages the development of a 1,200 Kilo Tonnes Per Annum (KTPA) ethylene cracker-based petrochemical complex, along with expansion of BR's processing capacity from 7.8 MMTPA to 11 MMTPA. The petrochemical complex will comprise downstream units including Polypropylene (PP), Linear Low-Density Polyethylene (LLDPE)/ High-Density Polyethylene (HDPE), and a Butene1 unit, together producing around 2,200 KTPA of petrochemical products. This project represents BPCL's first significant strategic foray into bulk petrochemicals.

To further strengthen its presence in southern India, BPCL is also implementing a 400 KTPA Polypropylene plant at KR, with an investment of ₹ 4,460 crore and a targeted completion timeline of October 2027.

BPREP team has made steady progress, achieving overall completion of 23.30% by March 2026. All critical long lead items (LLIs) and key EPC packages for the Swing Unit, Polypropylene unit, Butene1 unit, and major utilities have been successfully awarded, with manufacturing activities currently underway. Site execution has commenced across multiple fronts, including civil construction, structural works, underground piping, and building infrastructure. In parallel, development of essential supporting infrastructure such as water supply systems, power facilities, and township infrastructure is also in progress.

In line with BPCL's strategic focus on expanding its footprint, the Board has accorded approval for undertaking preproject activities for setting up a 9 MMTPA refinery cum petrochemical complex near Ramayapatnam Port in Andhra Pradesh. The configuration of the refinery along with its petrochemical product slate has been finalized. Progress has been made on key engineering fronts, with process licensor selection currently underway in coordination with the DFR consultant. Critical technical studies and site related surveys have also been completed, providing a robust foundation for cost estimation and detailed engineering design.

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On the statutory front, the project has achieved significant milestones, including successful completion of the Public Hearing, alongside the completion of Environmental Impact Assessment (EIA), Risk and Reliability Analysis (RRA), and Coastal Regulation Zone (CRZ) studies. Further, the Andhra Pradesh Pollution Control Board (APPCB) has issued the No Objection Certificate (NOC), and the Andhra Pradesh Coastal Zone Management Authority (APCZMA) has recommended the project for CRZ clearance. Land acquisition activities are progressing in line with plans, with more than half of land acres already registered, keeping the project firmly on track towards timely execution.

BPCL continued to make significant progress on its sustainability journey during FY 2025-26, aligned with its vision to achieve Net Zero for Scope 1 and Scope 2 emissions by 2040. A key milestone was achieved at BR with the commissioning of a 5 MW Green Hydrogen plant, one of the first of its scale in Indian refineries, with hydrogen integrated into refinery operations and contributing to an annual reduction of around 9,000 tons of CO₂ emissions. BPCL also accelerated its renewable energy transition, with the commissioning of a 71 MW solar power plant at Prayagraj supplying green power to Mumbai and Kochi Refineries. The plant is expected to generate over 100 million units annually and reduce carbon emissions by approximately 75,000 tons per year. This, along with steady capacity additions, has resulted in a fivefold increase in BPCL's renewable energy capacity over the past five years, reinforcing the company's commitment to decarbonization. At KR, BPCL achieved a major milestone in circular economy initiatives with the commissioning of a 150 TPD Municipal Solid Waste-based CBG plant, enabling conversion of waste into clean energy while reducing environmental pollution and greenhouse gas emissions.

Across refineries, continued focus on water conservation and environmental stewardship led to enhanced rainwater harvesting, water recycling, and waste management practices, contributing to sustainable resource utilization. BPCL is also advancing Sustainable Aviation Fuel (SAF) initiatives through the development of co-processing facilities and evaluation of emerging technology pathways, supporting the transition to low-carbon aviation fuels. Further strengthening its renewable portfolio, BPCL is progressing wind energy projects in Maharashtra and Madhya Pradesh, exploring hydro power opportunities, and undertaking large-scale land acquisition for future renewable projects, ensuring long-term green energy availability. Collectively, these initiatives demonstrate BPCL's integrated approach towards sustainability by combining renewable energy expansion, green fuels, circular economy practices, and resource conservation, positioning its refineries as resilient and future-ready assets in a low-carbon economy.

BPCL remains steadfast in its commitment to enhancing energy efficiency across its refineries while reducing its carbon footprint through continuous technological innovation. All three refineries continue to operate under robust Energy Management Systems (EnMS), certified to ISO 50001:2018 standards, supported by dedicated energy management teams.

In FY 2025-26, a wide range of energy conservation initiatives were implemented across refineries, resulting in consolidated energy savings of over 40,000 Metric Tonnes of Oil Equivalent (MTOE) per annum, with significant corresponding reduction in carbon emissions. At KR, 16 energy conservation schemes delivered savings of approximately 27,700 MTOE annually along with substantial CO₂ emission reduction. MR and BR contributed over 12,500 MTOE of annual savings through focused energy optimization initiatives and process improvements. Key initiatives undertaken during the year include extensive adoption of advanced process control (APC) strategies for optimizing steam, fuel, and hydrogen consumption, implementation of electrical heat tracing systems in place of conventional steam tracing, improved heat recovery and thermal management systems, and optimization of pumps, compressors, and cooling systems for reduced energy consumption. Refineries also focused on continuous monitoring and reduction of flare losses, improved furnace and boiler efficiency, and enhanced energy analytics for real-time performance tracking. In line with BPCL's decarbonization roadmap, increasing emphasis was placed on adoption of renewable energy and cleaner fuels, including solar power integration, green hydrogen utilization, and enhanced grid greening. These initiatives not only deliver significant cost savings but also contribute meaningfully towards reduction of environmental impact and compliance with evolving carbon management frameworks. Overall, BPCL's focused approach towards energy efficiency, supported by digitalization and advanced technologies, continues to drive operational excellence while reinforcing its commitment to sustainable and low-carbon refinery operations.

BPCL continues to leverage digital technologies as a key enabler of refinery business operations, with connected refineries powered by Industrial Internet of Things (IIoT) applications. It facilitates faster, data-driven decision-making. In FY 2025-26, several advanced digital and automation initiatives were implemented across MR, KR and BR to enhance operational efficiency, reliability and safety. A major milestone was the successful enterprise-wide deployment of AI/ML-based Predictive Analytics solutions covering ~90 critical equipment, enabling early detection of equipment degradation and potential failures through predictive alerts, thereby improving asset reliability and reducing unplanned downtime. This initiative is further strengthened through ongoing development of ML models, soft sensors and digital twins for process optimization and product quality prediction across refineries.

Digital transformation was further accelerated with the rollout of GenAI and LLM-based applications, including in-house chatbots and unit-level conversational assistants, enabling intelligent knowledge access, document interaction and decision support. Besides, Industrial Assistant (GenAI-based), E-log enhancements and automation of business processes such as crude reconciliation, financial closing and notification systems were implemented to drive efficiency and improve accuracy. Advanced Ultra Critical Video Analytics (UCVA) leveraging AI-based vision algorithms continued to strengthen safety by

detecting non-compliances and integrating seamlessly with the Work Permit System. Additionally, real-time location systems (RTLS), contractor monitoring solutions and digital dashboards were deployed to enhance workforce productivity, turnaround monitoring and operational visibility.

Operations Driven Reliability (ODR) initiatives were further enhanced with digital logbooks, mobile-based data capture systems, and integration with predictive analytics platforms, enabling real-time alerts, systematic abnormality tracking, and improved decision-making at the field level. Complementing this, several in-house applications such as notification systems, lab sample tracking, procurement dashboards, and safety/compliance platforms were digitized and integrated, improving governance and analytics readiness. BPCL also made significant progress in digital infrastructure and cybersecurity, including establishment and expansion of 24x7 OT Security Operations Centers (SOC), implementation of IEC 62443-aligned cybersecurity frameworks, deployment of next-generation firewalls, secure cloud-based infrastructure, and strengthening of IT-OT integration. Initiatives such as private 5G networks, enhanced data center architecture, and resilient backup systems are further enabling scalable digital transformation.

Adoption of immersive technologies such as Virtual Reality (VR) based training modules and development of Augmented Reality (AR) use cases for maintenance and operational scenarios, enabled safe and effective training for low-frequency, high-impact situations. In addition, implementation of Operator Training Simulators (OTS) is underway to further strengthen competency development and operational preparedness. Advanced Process Control (APC) and Real-Time Optimization (RTO) initiatives including deployment of APC strategies, digital inferentials, and closed-loop optimization systems across key process units ensured energy savings, yield maximization and emissions reduction. Collectively, these initiatives reinforce BPCL's commitment to digital innovation, enabling smarter operations, enhanced safety, improved reliability and a future-ready, data-driven refinery ecosystem.

Retail

FY 2025-26 witnessed sustained strength in India's economic growth, reaffirming its position as the fastest-growing major economy despite ongoing global headwinds such as geopolitical tensions, commodity price volatility, and fragmented trade dynamics. Supported by resilient macro fundamentals, India's real GDP growth for FY 2025-26 is estimated to be 7.7% driven by strong private consumption, continued thrust on infrastructure-led capital expenditure, and robust performance of the services sector, alongside steady manufacturing and stable agricultural output. Improved rural demand, moderating inflation, and policy continuity further reinforced domestic growth momentum, providing a favourable macroeconomic backdrop for the energy sector's evolution.

Demand for petroleum products continued to grow, driven by higher consumption of transportation fuels on account of

increasing personal mobility, robust freight movement, and ongoing infrastructure development. The fuel retail industry grew by 4.70%, while the Public Sector Oil Marketing Companies (OMCs) recorded growth of 3.20%.

The Company's retail business segment reported a 3.17% growth in FY 2025-26, with total sales volumes reaching 34.58 million metric tons (MMT). In comparison, the Public Sector Oil Marketing Companies (OMCs) collectively posted a growth of 3.20% during the same period. Sales of Motor Spirit (MS or Petrol) grew by 5.7%, rising to 11.35 MMT in FY 2025-26 from 10.74 MMT in FY 2024-25. In the MS retail business, the Company has consistently demonstrated strong performance, steadily increasing its market share each year since FY 2018-19. Over the past seven years, the Company recorded the highest gain in MS retail market share among PSU Oil Marketing Companies (OMCs), with a cumulative increase of 1.16%. During FY 2025-26, the Company's MS retail market share rose highest among PSU OMCs by 0.12%, reaching 29.81% among PSU OMCs. Diesel (HSD) sales grew by 1.0% to reach 21.77 MMT compared to 21.56 MMT in the previous year. PSU OMCs collectively registered a growth of 1.2% in diesel sales. The Company's market share in the HSD retail business decreased by 0.06% during the year and reached 29.93% among PSU OMCs. The Company is actively expanding its presence in the alternate fuels segment at retail outlets. In FY 2025-26, it increased its CNG (Compressed Natural Gas) market share among PSU Oil Marketing Companies (OMCs) by 0.20%, achieving sales volumes of 1,433 thousand metric tons (TMT) and reaching a market share of 31.29%. BPCL continues to assert its dominance on India's highways, holding market leadership on five of the top ten National Highways, reflecting the strength and strategic placement of its retail network on highways.

In line with the Company's strategy to expand Petroleum, Oil and Lubricant (POL) storage infrastructure, two new storage facilities, viz Dimapur Depot in the North-East and Malkapur Installation in Telanganawere commissioned during the year. The commissioning of the 425-km multiproduct pipeline from Krishnapatnam to Hyderabad is set to significantly strengthen BPCL's logistics efficiency and supply reliability across the region. Supporting the Government of India's Ethanol Blending Program (EBP), aimed at environmental sustainability, reduced import dependence, and enhanced farmer income, the Company enhanced its ethanol storage capacity from 153 Thousand Kilolitre (TKL) to 171 TKL. Consequently, the Company achieved highest-ever ethanol blending of 19.87% in FY 2025-26, significantly higher than 16.35% in FY 2024-25, marking a key milestone in its energy transition journey.

The Company continues to strengthen its commitment to fostering a diverse, inclusive, and equitable workplace across its network. As part of this effort, the #SilentVoices initiative, introduced to enhance inclusivity across the retail network, gained significant momentum during FY 2025-26. During the year, more than 964 speech and hearing-impaired (SHI) individuals were engaged by dealers at retail outlets, taking the cumulative presence to 1,525 SHIs across more than 1,330 retail outlets. Building on this progress, the Company intends to further scale

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up the #SilentVoices initiative in the coming years, reinforcing its focus on inclusive growth and social responsibility.

In FY 2025-26, BPCL delivered a landmark expansion of its retail footprint, crossing 25,000 outlets to reach 25,323 retail outlets. The addition of 1,691 new retail outlets (NROs), including 20 high-value, high-potential sites, during the year underscores the Company's sustained focus on network expansion, customer accessibility, and long-term growth. A total of 157 GHAR outlets, designed as One Stop Trucker Shops (OSTSs), provide a 'home away from home' for truckers. India is witnessing a massive expansion in expressway infrastructure being developed by NHAI. These expressways are expected to serve as alternatives to existing national highways and are being developed with Wayside Amenities (WSAs) that offer essential services, including fuel stations, EV charging, toilets, food courts, parking, stay facilities, and medical aid, thereby enhancing comfort, safety, and convenience for travellers. In FY 2025-26, the Company commissioned 11 WSA facilities on the Delhi-Mumbai Expressway, Amritsar-Bhatinda-Jamnagar Expressway, Ganga Expressway, and Gorakhpur Link Expressway. With these additions, the total number of operational WSAs stood at 31 at the end of the financial year. Additionally, the Company secured 61 WSA sites through competitive bidding, which will be developed in a phased manner upon handover by NHAI. Aligned with the Hon'ble Prime Minister's vision, the Company commissioned 113 'Apna Ghar' trucker amenities across highways, ensuring safe and comfortable spaces for drivers. With this, the Apna Ghar network expanded to 265.

BPCL continues to expand its presence in alternate fuels including Compressed Natural Gas (CNG) and Liquefied Natural Gas (LNG). During the year, 205 CNG stations were commissioned, taking the Company's CNG network to 2,575 retail outlets nationwide. BPCL's continued investments in LNG reflect its long-term commitment to cleaner transportation fuels. In FY 2024-25, LNG stations were commissioned at Avinashi in Tamil Nadu and Panancherry in Kerala. In FY 2025-26, work commenced on five more LNG stations, and 21 additional sites were identified for phased development. The Company is steadily building a scalable LNG network to enable cleaner and more efficient long-haul transportation.

As digital adoption reshapes consumer expectations, BPCL continues to strengthen customer empowerment and trust through sustained digital innovation. The Company's flagship initiative, UFill, remains central to this journey, transforming the fueling experience by placing control directly in customers' hands. In FY 2025-26, UFill expanded to over 17,000 retail outlets and facilitated more than 14.90 crore transactions, representing a transaction value exceeding ₹ 6,100 crore. By enabling customers to preset fuel dispensing through their mobile devices, UFill ensures transparent, seamless, and authentic transactions; deepening trust and setting higher standards for customer-centric service in fuel retailing.

Building on the strong momentum gained in FY 2024-25, BeCafe continued to be a key enabler of BPCL's customer-centric retail transformation in FY 2025-26. During the year, the Company

commissioned 101 additional BeCafes, significantly expanding the network to 212 and reinforcing BeCafe's position as a differentiated on-the-go dining proposition within BPCL's retail outlets. With its value-for-money offering, consistent quality, and growing customer acceptance, BeCafe continues to attract strong dealer interest, laying a solid foundation for further accelerated expansion in the coming years.

Customercentricity continues to be a defining strategic thrust for BPCL. During the year, the Company launched Speed 100, an ultra-premium 100-octane petrol catering to the performance requirements of high-end vehicles, further strengthening BPCL's leadership in differentiated fuel products. In another customer-centric initiative undertaken during FY 2025-26, BPCL continued to expand DriveFresh, aimed at providing hygienic washroom facilities across retail outlets. DriveFresh enhances customer comfort, dignity, and trust through robust cleaning protocols, continuous monitoring systems, and improved amenities. With over 6,000 retail outlets, including key highway locations, already covered under DriveFresh, the initiative is driving a superior customer experience and quality footfall. The Company plans to further expand DriveFresh coverage across additional retail outlets in the coming year, reinforcing BPCL's positioning as a trusted, customer-centric destination. To meet the need for quick and efficient service for two-wheeler riders, BPCL expanded the MAK Quik Oil Change service to over 9,000 retail outlets nationwide and served 17 lakh bike customers with oil changes at retail outlets during FY 2025-26. For BS VI-compliant truckers on highways, the Company strengthened Diesel Exhaust Fluid (DEF) availability by installing 836 new DEF dispensers during the year, taking the total network to 2,121 outlets and ensuring uninterrupted operations for fleet customers.

BPCL reinforces customer loyalty through its flagship SmartFleet program, which marked 25 years in FY 2025-26 and stands as the first loyalty program in the oil and gas industry. Now available across more than 80% of the network, Smart Fleet recorded a turnover of ₹ 59,442 crore in FY 2025-26. The program helps fleet operators optimize operations, control costs, and improve efficiency and profitability. Further, deeper digital engagement through API integration with over 264 key fleet customers has strengthened relationships and enhanced long-term retention. SmartFleet also acknowledges the critical role of drivers and helpers and extends support beyond fleet operations through its Driver Insurance Scheme, which offers accidental insurance coverage to provide timely relief to affected families. In FY 2025-26, the Company ensured on-ground facilitation for 72 beneficiary families of drivers, enabling insurance disbursements of ₹ 3.5 crore and reflecting a humane and responsive approach to social responsibility. This initiative underscores BPCL's support for the trucking ecosystem, which plays a vital role in driving India's economy.

As part of its retail strategy, BPCL continues to enhance customer experience by offering a wide range of value-added services across its retail outlets, tailored to rural, urban, and highway customers. BPCL-SBI Co-Branded Credit Card, one of India's largest and fastest-growing fuel credit cards, has crossed

4.8 million customers, with 7.6 lakh new customers added in FY 2025-26 across digital and physical channels. The card's unique "Instant Reward Point Redemption" feature is now live at over 5,000 retail outlets, allowing customers to convert rewards into free fuel in real time at the forecourt. With strong growth in redemption during the year, the card continues to strengthen its position as one of India's most comprehensive co-branded fuel loyalty platforms - combining everyday savings, instant rewards, and seamless digital access into a single proposition. The Company's ongoing partnership with M/s Fino Payment Services enables access to essential banking and digital services such as AePS, Micro ATMs, Domestic Money Transfer, Cash Management System (CMS), and Government-to-Citizen (G2C) services, strengthening convenience and financial inclusion.

As India accelerates its journey towards a sustainable future, the Company is proud to be at the forefront of the electric vehicle (EV) revolution—not only supporting green mobility but also shaping its ecosystem through innovation and scale. With installation of 260 EV fast chargers during FY 2025-26, network of EV fast chargers reached 4,516, mostly on highway corridors, making long-distance EV travel more accessible than ever. In FY 2025-26, 5.8 lakh charging sessions were recorded through these fast chargers, with 1.5 lakh customers, approximately 38% of the total universe of EV car customers, enrolled on the Company's charging app. BPCL has further strengthened its electric mobility ecosystem by signing an MoU with Tata Motors to establish India's largest Mega EV Charging Hub. The Company has also partnered with Kia Motors to integrate BPCL's EV charging infrastructure with OEM in-car ecosystems, enhancing customer convenience and ease of access. In addition, to enable LNG-based Mobility as a Service (MaaS) for integrated fleet operations, BPCL has entered into a strategic collaboration with Delhivery.

BPCL remains at the forefront of tech-enabled fuel retailing, operating a fully automated network of retail outlets that capture real-time transaction and inventory data. The Integrated Payment System (IPS) and the AI-driven IRIS platform together ensure seamless payments, equipment health monitoring, adherence to operational standards and enhanced customer trust. Further strengthening this digital backbone, BPCL has introduced Intellifuel, a cloud-based IoT automation solution that eliminates physical forecourt controllers and delivers real-time, 360-degree visibility of retail operations. IoT automation has already been implemented at over 6,200 outlets, with plans for wider deployment across the network.

Building on the strong foundation laid in FY 2024-25, BPCL further strengthened its capability-building initiatives for dealers and frontline staff during FY 2025-26. Under Project Utkarsh, an additional 2,008 dealers were trained during the year, taking the cumulative dealer coverage to 6,520. Project Sangam also scaled significantly, with over 41,800 DSMs (Driveway Salesmen) and DSWs (Driveway Saleswomen) trained during the year, raising the total trained frontline workforce to over 60,700. Under the SAMVARDHAN VISTAAR initiative, BPCL advanced its efforts to transform NRO (New Retail Outlet) dealers into business

entrepreneurs by rolling out 154 capability-building programs across regions, benefiting 2,488 dealers. These sustained efforts continue to play a critical role in enhancing service quality and delivering consistently superior customer experience across BPCL's retail network.

As part of our continued commitment to safe, reliable, and responsible marketing operations, we undertook a comprehensive set of digital and capability-building initiatives with a specific focus on Operational Excellence and Road Safety. Capability-building efforts for newly inducted Retail Operations trainees ensured early immersion in robust safety practices, a culture of risk awareness, and operational excellence. These integrated efforts have delivered tangible outcomes, reflected in improved safety performance and prestigious international safety awards from the British Safety Council, along with several national safety recognitions. Three locations received the Suraksha Trophy and Prashansa Patra. We also received the Confederation of Indian Industry award for Best Practices in Occupational Health & Safety for Bijwasan Installation. In addition, 26 other locations were honored with the Certificate of Merit by the National Safety Council. BPCL Retail Operations HQ was also felicitated by GEEF (Global Energy and Environment Foundation), Delhi, for leadership in safety initiatives.

The implementation of digital interventions such as the Risk Profiling System and Driver Rating System, along with technology-enabled monitoring, analytics-driven insights, and simulator-based defensive driving programs, has significantly strengthened road safety in tank lorry operations. Focused safety training for tank lorry crew, combined with structured skill enhancement programs, has improved hazard awareness, compliance, and driving discipline, contributing to a 21% reduction in in-transit incidents. Reinforcing our commitment to environmental stewardship and sustainable operations, we have further strengthened our green initiatives across Retail Operating Locations. Installed solar power capacity was enhanced to 6,251 kW, contributing to a reduced carbon footprint and greater reliance on renewable energy. In parallel, all Retail Operating Locations continue to maintain Zero Waste to Landfill (ZWL) certification, reflecting consistent and disciplined waste management practices. Together, these achievements reaffirm our resolve to leverage digital innovation, strengthen human capability, build a cleaner and more sustainable operational ecosystem, and consistently deliver safe and sustainable value to all stakeholders.

Overall, in FY 2025-26, BPCL's Retail business reinforced its industry leadership through a clear strategic focus on customer-centric innovation, operational excellence, and digital transformation. The Company's expanding retail footprint, accelerating adoption of alternate fuels, and consistently enhanced forecourt services underscore its commitment to delivering superior value. By redefining convenience, trust, and efficiency, BPCL remains firmly positioned to set new benchmarks in fuel retailing while advancing toward a smarter and more sustainable future for all stakeholders.

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LPG

In FY 2025-26, LPG demand witnessed a notable surge, with industry growth of 6.20%. This was driven by the low cost of LPG refills, subsidies for Pradhan Mantri Ujjwala Yojana (PMUY) customers, state-sponsored free refill schemes, the promotion of clean energy, and deeper rural penetration. By intensifying customer focused safety and service enhancements, the LPG SBU not only achieved consistent growth but also safeguarded its profitability through effective margin preservation in the Commercial segment.

The LPG business has been advancing on three pillars of growth, namely Safety, Trust, and Convenience. Reinforcing its commitment to Safety, 55 LPG plants have been certified under 'Zero Ka Dum' (the quality challenge that guarantees all LPG cylinders in the market are free from defects, thereby enhancing trust and improving process efficiencies). The business registered its highest-ever packed LPG sales of 8,736 TMT during the year, along with achieving its highest-ever packed LPG market share of 27.53%. Among OMCs, LPG BU recorded the highest market share in the Commercial segment. With the objective of promoting clean fuels and increasing the penetration of LPG, another 17.38 lakh customers were enrolled in FY 2025-26, taking BPCL's total domestic LPG customer base to 9.61 crore (including 2.74 crore PMUY customers).

To ensure uninterrupted availability of cooking fuel at home, the Company encouraged customers to opt for Double Bottle Connections (DBC) and enrolled 11.52 lakh customers for DBCs. LPG BU added 23 new Bharatgas distributorships, taking the total number of distributors to 6,278 as on March 31, 2026. In addition, 11 non-domestic LPG distributors were added to expand the commercial LPG footprint. LPG BU also added 2,681 village-level women entrepreneurs, 'Urja Devis', to enhance outreach and improve the awareness and accessibility of LPG in rural areas. These entrepreneurs actively promote clean cooking fuel, educate customers on safety measures and advocate non-fuel offerings.

In FY 2025-26, Buy Now Pay Later was rolled out across eight states, namely Andhra Pradesh, Arunachal Pradesh, Gujarat, Madhya Pradesh, Maharashtra, Odisha, Tamil Nadu, and Telangana. To address the affordability challenges faced by low-income consumers, BPCL's collaboration with State Rural Livelihood Missions (SRLMs) through the Ujjwala Sakhi model continued to expand rapidly and is now active in eight states.

To scientifically quantify the reduction in carbon emissions achieved when Ujjwala households transition from biomass to LPG, and to establish a validated framework for carbon credit generation aligned with international MRV standards, a pilot for mock carbon credits has been initiated in association with CEEW and CSIR-NEERI. The study is currently underway in the Alwar district of Rajasthan.

The launch of "Bharatgas Lite – Naye Bharat ka Naya Cylinder" at India Energy Week 2026 by the Hon'ble Minister of MoPNG, in the presence of the Hon'ble Chief Minister of Goa and the

Secretary, MoPNG, marks a significant step towards offering lightweight, modern, and convenient LPG solutions tailored to the evolving needs of New India. Bharatgas Shakti, offering improved combustion performance, energy efficiency, and environmental benefits for commercial and industrial consumers, was also launched by the Secretary, MoPNG.

To strengthen consumer retailing, the LPG business commissioned 55 In&Out Stores, achieving cumulative sales of ₹ 5.1 crore. We also recorded our highest-ever sale of 2.91 lakh energy-efficient hotplates. To expand our offerings to end consumers, LPG Lite Stores—micro Fulfillment centers at distributor locations—have been introduced to cater to the needs of Urja Devis and LPG consumers. In FY 2025-26, LPG BU commissioned 56 Lite Stores, taking the cumulative count to 69, with total sales of ₹ 75 lakh.

To enhance customer experience, LPG BU launched several customer-facing initiatives. A feedback mechanism now captures star ratings and service reviews, with inputs received from 3.8 lakh customers and an average rating of 4.0/5. To curb the diversion of refills, a Delivery Authentication Code has been introduced, with 2.9 crore LPG deliveries (69%) successfully completed using this system in March 2026. During FY 2026-27, the authentication crossed 98%. In our endeavor to enhance security and user-centricity, the Bharatgas website www.ebharatgas.com is now compliant with GIGW (Guidelines for Indian Government Websites) 3.0.

To strengthen our brand and social media presence, the LPG SBU associated with "MasterChef India Kitchen" as a Special Partner. Our digital platforms delivered a robust 66.2 million views during the last financial year, led by Facebook at 43.4 million and Instagram at 12.9 million. Influencer collaborations contributed 8.3 million views, while X, LinkedIn and YouTube together added 1.6 million, reflecting a strong and well-diversified digital outreach.

LPG plants achieved their highest-ever bottling volume of 8,743 TMT, recording a growth of 4.70%. To cater to the rising LPG demand in the country, we commissioned two LPG Bottling Plants during FY 2025-26, taking the total number of own plants to 56 as on March 31, 2026. We continued to uphold best practices in Health, Safety, Security and Environment (HSSE), while maintaining cost leadership. In line with our commitment to technology, a vehicle access management system was made live at the Solapur plant.

To enhance equipment safety, a total of 6.3 crore O-rings and 1.65 crore Self-Closing (SC) valves were replaced. To ensure the quality of LPG equipment and consumables, samples were sent to LERC for testing. To ensure that the appropriate quality of Domestic Pressure Regulators (DPRs) is received, a DPR test bench has been installed in LPG plants, and Zamak (DPR raw material) vendors were enrolled to ensure DPR quality. LPG SBU also introduced Fluorocarbon (FKM) tight joints in DPRs to enhance equipment quality, which will help reduce leakage complaints and improve safety at customer premises, with 4.5 lakh FKM tight joints replaced. To improve safety awareness

among customers, distributors conducted more than 1 crore Mandatory Inspections and replaced 1 crore Suraksha hoses for the second consecutive year.

A cylinder volumetric test bench is being installed at plants to ensure the quality of new LPG cylinders received. Adopting advanced technology for enhanced cylinder traceability, QR code-based mapping has been introduced on LPG cylinders, with a pilot rollout already initiated covering 1 lakh cylinders.

To enhance efficiency in logistics, 26.2 hectares of land for a Bulk LPG Terminal and LPG Bottling Plant at Kanpur was taken on lease. Non-Disclosure Agreement (NDA) and Memorandum of Understanding (MoU) were signed for the joint acquisition of East India Petroleum Private Limited (EIPL) by the JV of BPCL, Indian Oil Petronas Private Limited (IPPL) and EIPL, and for the joint acquisition of the Total energies Marketing India Pvt. Limited (TEMIPL) Mangalore terminal by the JV of BPCL and TEMIPL.

Advancing our focus on innovation, we have established "Bharatgas Metaversity – a Digital Experience Centre", creating an immersive platform for stakeholders to experience LPG operations, safety practices, and customer journeys in an innovative and interactive environment. This initiative underscores our commitment to leveraging next-generation technologies for learning, awareness, and engagement.

The "Sangam" mobile app, launched last year for competency building of distributorship staff, crossed 43,500 users and 2,37,401 module completions. To enrich the knowledge of our staff, the LPG SBU continued the 'Eklavya: Knowledge Portal', which was launched in FY 2023-24 and includes a daily quiz along with an archive of Sales, Operations, Logistics, and Finance manuals. To equip our LPG distributors with the competencies required to navigate a challenging business landscape, we conducted nine PRAGATI programs at various management institutes, covering 291 LPG distributors.

Lubricants

As per the Petroleum Planning & Analysis Cell (PPAC), the Indian lubricant market has grown to 4.91 MMT, registering a growth of 7.3% in FY 2025-26. During this period, MAK Lubricants recorded a volume of 428.3 TMT, with growth across all core channels, marking a historic milestone.

During FY 2025-26, MAK Lubricants was honored with two prestigious awards, namely the 'Prestigious Brands of Asia Award 2026' in the Automotive Lubricants category at Dubai and the 'Prestigious Brands of India Award 2025' by Herald Global.

MAK Lubricant Solutions, a solution-centric initiative launched by MAK Lubricants, was adjudged the winner of the Customer Service Excellence Award at the 3rd Rosefield Conference on Fuels & Lubricants in Mumbai. These prestigious awards celebrate MAK Lubricants' unwavering commitment to quality, innovation, and customer centrality.

During India Energy Week 2026, the Hon'ble Union Minister, MoPNG, Shri Hardeep Singh Puri, launched MAK ADJOL

AGRI UNIVERSAL, a biodegradable adjuvant spray oil crafted to support smarter, safer, and more sustainable farming, while Secretary, MoPNG, Dr. Neeraj Mittal, launched MAK SMARTKOOL, a next-generation single-phase liquid server immersion coolant.

MAK Lubricants supported the Indian Armed Forces during the critical Operation Sindoor period by supplying 5,500 MT of various lubricant grades in a record time of three months.

This year, MAK Lubricants expanded its footprint with the appointment of distribution partners in Qatar and Kuwait. With these additions, MAK Lubricants has now established its presence in 11 countries.

This year also witnessed the Phase-I commissioning of the state-of-the-art lube oil blending plant at Rasayani, Maharashtra, a revolutionary addition to our plant infrastructure.

MAK SERVE, BPCL's branded garage chain, registered the highest-ever commissioning of 1,509 garages, taking the network strength to over 2,100 MAK SERVE garages, spread across the country. Through Project Pragati BSVI Training, a major initiative to upskill mechanics on BS6 engines, over 10,000 mechanics have been upskilled and certified through the Automotive Skill Development Council. The certification is widely recognized across the Indian automotive industry and is backed by the government and major industry bodies such as Society of Indian Automobile manufacturers (SIAM), Automotive Component Manufacturers Association of India (ACMA), and Federation of Automobile Dealers Associations (FADA).

In pursuit of heightened brand visibility, the MAK brand made a strong impact across digital, theatre and radio media platforms. MAK Lubricants executed a series of vibrant and engaging campaigns across its social media platforms, reinforced by compelling content that positioned the brand as a premium player in the automotive segment and an innovative, sustainable end-to-end solutions provider in the industrial lubricants category. These campaigns generated over 15 crore impressions and increased the follower base to 5.6 lakh. Cricket icon Rahul Dravid was selected as the Brand Ambassador of MAK Lubricants, aligned with the 'Mr. Dependable' brand positioning.

The brand also collaborated with Ranveer Singh-starrer Dhurandhar through a co-branded television commercial (TVC). Promotion of the co-branded TVC was carried out across social media platforms, including influencer partnerships. The broadcast of the co-branded TVC on 1,272 cinema screens worldwide further cemented MAK's position in the minds of customers and the mechanic community.

MAK Lubricants rolled out the "Thank You Mechanics" mega radio campaign across 116 cities and 14 radio channels, honoring mechanics nationwide during BPCL's 50th foundation year. The initiative engaged over 75,000 mechanics, with more than 5,000 interviewed live on radio; RJs broadcasting live from over 200 MAK SERVEs and transport hubs; and over 200 RJ reels created for social media, with cross-promotion across radio, MAK, and

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corporate channels. The campaign achieved a radio audience reach of 11.5 crore and a social media reach of over 12 million.

Reinforcing MAK Lubricant's commitment to innovation and excellence, 22 new product grades were introduced across the Automotive, OEM, and Industrial segments, including key grades for heavy commercial vehicles under the MAK Platinum Pro series and for two-wheelers under the MAK 4T NXT series.

With a strong network of retail outlets, MAK continues to strengthen its connection with consumers through multiple campaigns. MAK has also onboarded 44 new distributors, further bolstering its market presence.

Renowned OEMs like Bajaj have been enrolled for their factory fill requirement and MAK launched Hyundai Hygen engine oils for Hyundai Constructions, to be supplied through Kirloskar Oil Engines Ltd. to add to the existing customer portfolio encompassing TVS, Hero, Honda, Tata Motors, Kia, Kirloskar, Munjal Showa, Atlas Copco, Elgi, Godrej, Endurance, Epiroc Mining, Hitachi, MRF, Dynapac and many more. MAK Lubricants is now officially empaneled with Tata Steel. It has also established a new tie-up with KIA Motors in Nepal for MAK KIA Genuine Oils.

MAK's digital endeavors have been transformative. This year witnessed the launch of MAK PRAGAT ₹ 4.0 – an enhanced retailer loyalty program, marking a major digital leap from an invoice-based loyalty program to a scan-based loyalty program that serves the key business objectives envisaged. The Lubes BU is transitioning from physical coupons inside the container to QR codes printed on container caps to facilitate high-speed filling at our plants and ease of scanning for mechanics, retailers, and customers.

With sustainability at the core of our business principles, we have undertaken significant initiatives in line with circular economy principles across plastic packaging and used oil management. In FY 2025-26, the Lubes business procured HDPE containers incorporating 158 MT of post-consumer recycled (PCR) plastics and successfully extended PCR adoption across its entire container range up to 5L, achieving a total consumption of 165 MT and thereby reducing dependence on virgin plastics. Under EPR compliance for plastics, BPCL filed returns for FY 2024-25 and sourced EPR credits totaling 8,205 MT in FY 2025-26.

In used oil circularity, BPCL awarded a contract for the procurement of 1,200 KL of re-refined base oil (RRBO) during the year, along with the receipt of 560 MT of recycling certificates. The R&D team has successfully developed high-performance automotive and industrial lubricant formulations using RRBO, demonstrating technical feasibility and reinforcing BPCL's commitment to sustainable solutions. Additionally, engagement with recyclers has been initiated to build a robust used oil collection and recycling ecosystem aligned with EPR objectives.

At MAK, continuous improvement is ingrained in its ethos. In line with this, the BPCL QA Department was honored with the Platinum Award for Best Innovative Kaizen in a Quality Project at the 11th Kaizen Circle Competition 2025, organized by the Confederation of Indian Industry (CII). In addition, MAK

Lubricants SCM received the "Logistics Leader Petroleum Award 2026" at the Supply Chain & Logistics event organized by the Alden Group. The Wadilube Plant was also recognized by GS1 India for its outstanding implementation of traceability standards during the execution of a critical defense order for the Indian Army.

Going forward, MAK remains steadfast in its commitment to innovation, sustainability and customer satisfaction.

Aviation

FY 2025-26 has been a landmark year for the Aviation BU. The business delivered an outstanding performance, achieving all-time high sales of 2,192 TMT and a market share of 26.50%, with growth of 11.38% against the industry's 2.0%.

The segment-wise sales consisted of 1,242.7 TMT for international carriers, 890.2 TMT for domestic carriers, and 58.9 TMT for defense. This performance was achieved despite significant headwinds arising from the closure of airspace during Operation Sindoor in early May 2025, the AI 171 crash in June, the suspension of flights by Indigo in December, and the continued adverse global geopolitical environment, including the West Asia crisis from March 2026.

During the year, eight new airline businesses were added (Air China, China Postal, China Central Longhao, MNG Cargo, Challenger Air Cargo, TezJet, Fly91 and JSPL), and thirty existing airline contracts were renewed, including those with Emirates, Qatar Airways, Air Canada, Etihad, Air France-KLM, Japan Airlines, Finnair, Arab Air Carrier Organization Airlines and Thai Airways in the international segment, and Air India, Indigo, Akasa Air, SpiceJet and Star Air in the domestic segment. We emerged as leaders in the international segment with a 46.50% share among international carriers and outperformed the industry across all segments.

During the year, four new Aviation Fueling Stations (AFS) were added at Hissar, Hollongi, Navi Mumbai and Mangalore airports, taking the total network to 81 airports. The business also continues as Fuel Farm Operator at Mumbai, Mopa Goa and Kannur airports. Aviation Fueling Stations at Shirdi and Gaya achieved mechanical completion during the year.

BPCL Aviation continued to strengthen its secondary infrastructure during the year. The transportation of 400 TKL of ATF through Cochin - Coimbatore - Karur Pipeline (CCKPL) to Irugur helped significantly reduce placement costs at southern airports. Following the Piyala-Jewar pipeline, an MoU was signed with GMR Hyderabad International Airport Ltd. (GHIAL) for the development of a dedicated 53 km ATF pipeline connecting BPCL's Malkapur terminal to Hyderabad International Airport. Secondary ATF tankage was also added at Mughalsarai and Bhatinda to enhance product placement capability.

The Aviation BU launched an Aviation Fuel Management Application, BeWinged, during India Energy Week (IEW) in Goa. This pioneering application was inaugurated by Hon'ble Shri Hardeep Singh Puri, Union Minister of Petroleum and Natural

Gas. BeWinged will be deployed across BPCL Aviation Fueling Stations, with wing-tip data capture and sensor-based inventory monitoring. The application will eliminate manual dip readings, enable real-time stock visibility and automate sales accounting, thereby reducing human error and accelerating reporting cycles.

The Aviation team demonstrated exceptional operational capability by ensuring 24x7 uninterrupted support to the Indian Air Force during Operation Sindoor, extending services beyond airports to remote high-altitude locations. Services were also extended to the BSF at Srinagar, the Indian Army at Bhatinda, major IAF exercises at Varanasi, Dehradun, Kushinagar and Gauchar, as well as Anini and North East Army locations.

Committed to serving the nation, an MoU was signed with the Indian Air Force during IEW 2026 for laying a dedicated 18.6 km ATF pipeline from BPCL's Rairu Depot to Gwalior Air Force Station.

The Aviation business continued to maintain high standards of safety, quality and operations. As a quality and safety-focused organization, focused training and team development initiatives were undertaken, including quality control refresher courses at Kolkata, Chennai, Kochi and Mumbai, as well as field training for the operating teams of joint venture company Bharat Stars Services Pvt. Ltd. (BSSPL) across 30 AFS locations.

Working towards sustainability, BPCL Aviation, in collaboration with the refinery team, progressed a 40 KTPA Sustainable Aviation Fuel (SAF) plant, expandable up to 61 KTPA, using the co-processing method to meet the Government of India's SAF blending target of 1% from 2027, followed by 2% in 2028, as well as the SAF requirements of airlines operating in the international sector. To meet future demand, BPCL has already initiated a detailed feasibility study for a 40 KTPA standalone Hydroprocessed Esters and Fatty Acids (HEFA)-based SAF plant at Kochi and is also undertaking a project feasibility study for a 50 KTPA plant at Bina using Alcohol-to-Jet technology. The Aviation BU also sponsored the National Accreditation Board for Certification Bodies (NABCB)-Federation of Indian Petroleum Industry (FIPI) industry awareness workshop on International Sustainability and Carbon Certification (ISCC) certification of SAF for the oil industry, participated in various seminars on SAF awareness, and contributed towards SAF policy formulation for the Government of India.

Industrial & Commercial Solutions (I&C)

The Industrial & Commercial Solutions Strategic Business Unit (I&C SBU), in its new avatar as I&C Solutions, continued to strengthen its position as the dedicated marketing arm for BPCL's B2B segment, marking a strategic shift from a product-centric approach to delivering integrated, customer-focused solutions. Catering to a diverse base of bulk industrial customers across key sectors, the SBU reinforced its commitment to value creation through customized offerings, enhanced service delivery, and deeper customer engagement.

FY 2025-26 was characterized by continued volatility in global energy markets, evolving demand cycles, and intensifying competition. Amid this dynamic environment, I&C Solutions remained steadfast in its customer-centric approach, leveraging market intelligence, agility, and operational excellence to sustain growth, drive innovation, and build enduring strategic partnerships.

During the year, the SBU achieved sales of 7.2 MMT, driven by strong performance across core product segments. Record sales were registered in Bunker Fuels (VLSFO & HSFO), Bitumen, Bulk LPG, and Furnace Oil, underscoring the strength of the product portfolio and sectoral focus. The business also expanded its international footprint, building an export portfolio of 125 TMT, while further strengthening cross-border trade through initiatives such as bitumen rake dispatches and consolidation of Hexane exports to Nepal.

In line with its strategy to enhance supply resilience, the SBU pursued sourcing initiatives beyond refineries, including import of key products such as Low Sulfur Heavy Stock (LSHS) Super and Bulk Bitumen, while also operationalizing an inland sourcing model for Bitumen across seven new geographies. These initiatives significantly improved market reach, supply flexibility, and responsiveness to customer requirements. To strengthen bunkering logistics capabilities, barge loading operations were commissioned at OPP Jetty, Mumbai.

The SBU continued to deepen its engagement in key institutional and infrastructure sectors. Noteworthy achievements included securing long-term and strategic contracts with marquee customers such as Coal India Limited, Andhra Pradesh State Road Transport Corporation (APSRTC), Tamil Nadu State Transport Corporation (TNSTC), Oil and Natural Gas Corporation (ONGC), Asian Paints, Berger, Kansai Nerolac, Birla Opus, and National Thermal Power Corporation (NTPC), along with project-based engagements with leading organizations such as Larsen & Toubro (L&T). The commissioning of consumer pump infrastructure across 55 locations, along with key installations such as the Total Fuel Management (TFM) pump at Northern Coalfields Limited (NCL), further augmented supply capabilities and customer service.

A significant milestone during the year was the successful execution of Project "Sena Sarthi" for the Indian Army, involving the commissioning of consumer pumps at key strategic locations. BPCL also became the first OMC to supply biodiesel to the Indian Army.

Digital transformation and operational automation continued to be key focus areas. The SBU commissioned its first IoT-based automation initiative at South Eastern Coalfields Limited (SECL) sites, along with ring-type automation across 17 locations of Coal India and its subsidiaries. Further strengthening digital integration with customers, the first "HelloBPCL" B2B integration was successfully implemented with Asian Paints, enhancing efficiency and customer experience.

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The petrochemicals and specialty products portfolio also witnessed strategic advancements. Long-term MOUs for FY 2026-27 were successfully renewed across major segments, including Petrochemicals, Solvents, and Black Oils & Petcoke. The SBU also entered new growth areas with intent-level MOUs for propylene supply post-Petro Resid Fluidized Catalytic Cracking Unit (PRFCCU) commissioning and commenced sales of DDGS, a bio-refinery by-product, further diversifying the portfolio.

Aligned with BPCL's commitment to sustainability and energy transition, the I&C SBU advanced multiple green initiatives. Strategic partnerships were formalized with Cochin Port Authority and Adani Vizhinjam Port to develop India's LNG bunkering ecosystem. Additionally, collaboration with The Fertilizers and Chemicals Travancore Limited (FACT) was established for the supply of Fermented Organic Manure (FOM) and Liquid FOM, supporting circular economy initiatives.

The SBU also continued to prioritize capability building and employee engagement. Key initiatives included the launch of the Junior Business Council (JBC), the "WINGS" mentorship program for women officers, and the curated leadership program "Run it like you own it" in collaboration with Indian School of Business (ISB). Learning and development were further institutionalized through platforms such as Amplify, Paathshala, and NEEV, complemented by knowledge-sharing initiatives such as the compendium "Turning the Tide".

As the I&C SBU looks ahead, it remains committed to sustaining growth momentum through strategic agility, digital transformation, supply chain resilience, and a strong focus on customer centric innovation. With a robust foundation and forward-looking initiatives, the SBU is well positioned to capitalize on emerging opportunities and continue delivering superior value to all stakeholders.

Gas

During FY 2025-26, the Gas SBU continued to support the Company's strategic objective of strengthening its presence across the natural gas value chain and facilitating India's transition towards a cleaner energy mix. The year was marked by heightened global energy volatility and supply uncertainties; however, the SBU maintained operational continuity and delivered improved performance through diversified sourcing strategies, disciplined project execution, and sustained demand growth across key customer segments.

Total gas volume handled during the year stood at 2,289 TMT, reflecting a year-on-year growth of 25% and achievement of the annual plan. Bulk gas sales increased to 1,382 TMT, registering growth of 37% over the previous year, despite subdued industry trends. Combined gas sales from Bulk and City Gas Distribution (CGD) segments increased to 1,629 TMT, a growth of 41%. Internal gas consumption at refineries stood at 660 TMT during the year. CGD gas sales increased to 247 TMT, recording growth of 65%, supported by expansion in Piped Natural Gas (PNG) and Compressed Natural Gas (CNG) customer base.

Amid heightened global Liquefied Natural Gas (LNG) price volatility and supply uncertainties, the Gas SBU demonstrated exceptional agility through its diversified and intelligent gas sourcing strategy. The Gas SBU continued to manage supply risks through a diversified sourcing portfolio comprising longterm contracts, spot LNG procurement, domestic sourcing through tenders and e-bidding, and participation on the Indian Gas Exchange. Gas sourcing during the year stood at 2,258 TMT. Operational flexibility was enhanced through full utilization of regasification capacity, expansion of sourcing footprint including Dhamra LNG terminal, and adoption of optional and partial cargo procurement mechanisms. These measures ensured continuity of supply while supporting cost optimization and commercial competitiveness.

CGD operations recorded steady progress during the year, driven by continued expansion of infrastructure and customer connectivity. BPCL commissioned 166 CNG stations during FY 2025-26, taking the cumulative network to 1,004 CNG stations in the 26 BPCL GAs. Infrastructure was created to connect 3.08 lakh households to the PNG network during the year, representing a year-on-year growth of 35% and increasing the cumulative infrastructure-ready households to 8.51 lakh. To support network expansion, over 6,000 inch-km of steel pipelines were laid during the year. Capital expenditure of ₹ 1,574 crore was incurred on CGD projects, exceeding the approved annual plan and reflecting strong execution and efficient project implementation.

Demand creation and consumer engagement remained central to the Gas SBU's growth strategy. Under PNG Drive 2.0, the Company conducted approximately 2,500 public awareness campaigns and engaged with nearly 4,000 influencers and stakeholders across multiple geographical areas. High-impact digital campaigns generated over 2 million views for CNG and more than 1 million views for PNG across social media platforms, supported by user-generated content initiatives. These efforts resulted in a sharp increase in customer inquiries, with PNG leads more than doubling during the year and conversion rates improving even amid periods of global energy price volatility. During the year, PNG Industrial, Commercial, and Domestic volumes recorded year-on-year growth of 153%, 67%, and 71% respectively, while CNG sales increased by 54%, supported by network expansion and improved availability.

Operational excellence remained a key focus area throughout the year. The SBU achieved a 77% reduction in penalty exposure year-on-year, improved imbalance management through structured parking and lending mechanisms, and implemented robust logistics controls. Financial discipline was strengthened through recovery of outstanding amounts, closure of legacy audit observations, reconciliation of balances, and optimization of indirect tax credits. A structured hedging framework was adopted during the year, strengthening financial risk management capabilities within the SBU.

Digital transformation efforts gained significant momentum during FY 2025-26. SAP Industry Solution for Utilities (ISU) was made operational across nine geographical areas, with successful migration of over 3.14 lakh customers. The PNG mobile application enabled a seamless digital customer journey from registration to billing for more than 30,000 users. Over 440 CNG stations were IoT-enabled and 150 stations integrated with Supervisory Control and Data Acquisition (SCADA) systems, providing near realtime monitoring, automated pricing updates, sales analytics, and exception alerts. Integration of CRM systems with SAP improved end-to-end visibility, streamlined bulk sales operations, accelerated service resolution, and enhanced customer experience. AI-enabled campaigns, chatbots, and digital lead-to-voucher journeys further strengthened customer engagement.

Safety, health, and workforce development remained integral to operations. The SBU conducted training programs, safety audits, and compliance reviews across locations during the year. Organizational restructuring aligned responsibilities across geographical areas, regions, and headquarters, supporting improved governance and accountability.

In line with the Company's sustainability objectives, the SBU achieved approximately 4.15% blending of CBG during the year, exceeding the regulatory requirement. Strategic initiatives undertaken during the year included formation of a joint venture for CGD development in Arunachal Pradesh and qualification for participation in overseas gas distribution opportunities in Saudi Arabia.

With expanded infrastructure, diversified sourcing arrangements, prudent financial management, and digitally enabled operations, the Gas SBU remains positioned to support Company's longterm objectives of energy security, cleaner energy adoption, and sustainable value creation.

Non-Fuel Solutions

The Non-Fuel Solutions business unit is driving the expansion of non-fuel retailing through retail outlets and LPG distributorships. This modern phygital retail model integrates physical walk-in stores with a digital platform, offering customers a seamless shopping experience for both fuel and non-fuel products across BPCL's fuel stations and LPG distributorships. The business model reflects BPCL's enduring commitment to superior customer experience and service excellence.

The Company has built an ecosystem of over 200 convenience stores and more than 1,000 UrjaDevis. Our 'In & Out' stores in rural India are supported by village-level entrepreneurs, the UrjaDevis, who serve as our ambassadors in deep rural markets. Through this network, the Company reaches lakhs of customers across rural India, offering a wide assortment of consumer products tailored to their everyday needs.

Tie-ups with major national and regional Fast-Moving Consumer Goods (FMCG) brands enable the Company to offer consumers a broad and relevant product portfolio. This consumer retailing

model not only supports higher fuel throughput but also creates additional revenue opportunities for BPCL and its channel partners. More importantly, it enhances the overall customer experience by delivering greater convenience, choice, and value through our channel network.

Renewables

BPCL continues in its commitment to combat climate change by integrating sustainability into its business strategy. The Company believes that effective environmental responsibility requires a holistic strategy encompassing energy efficiency, technological innovation, and the rapid expansion of renewable energy and green hydrogen initiatives.

In alignment with India's national aspiration to achieve Net Zero emissions by 2070, BPCL has articulated a bold and forward-looking ambition to attain Net Zero (Scope 1 and Scope 2) Greenhouse Gas (GHG) emissions by 2040. This target reflects not only regulatory alignment but also the Company's proactive leadership in driving the energy transition.

Renewable energy has become a key strategic priority for BPCL, with plans to progressively meet internal demand through clean energy solutions and develop a renewable energy portfolio of 10 GW by 2035 through organic and inorganic routes.

As of FY 2025-26, BPCL's total installed renewable energy capacity stands at 251.14 MW, comprising 239.34 MW from solar and 11.8 MW from wind sources. In addition, two wind energy projects totaling 100.8 MW are under execution in Maharashtra and Madhya Pradesh.

- Notably, BPCL commissioned a 71 MWp solar power plant at Prayagraj, Uttar Pradesh, and is supplying green power to BPCL's refineries located in Mumbai and Kochi.
- BPCL has secured 150 MW capacity through NTPC's solar utility tender, marking a significant milestone in strengthening its green energy portfolio.
- In the green hydrogen space, BPCL has commissioned a 5 MW electrolyzer at BR, Madhya Pradesh.
- In the green hydrogen mobility sector, a 200 Nm³/hr Green Hydrogen Refueling Station at Kochi in collaboration with Cochin International Airport Limited has been setup.
- Under the biomass-based green hydrogen production projects (2,000 MT awarded under SIGHT Scheme Mode-1, Tranche-1), a 500 MT per annum plant based on municipal waste at KR was commissioned. Additionally, a 1,500 MT per annum plant at BR is currently under implementation.
- Strengthening its hydrogen value chain, BPCL has awarded a contract for the supply of 5 KTPA of green hydrogen on a Build-Own-Operate (BOO) basis at BR under SIGHT Mode 2-B.
- BPCL has signed a Memorandum of Understanding (MoU) with the Energy Department, Government of Odisha, through GRIDCO Limited, for the development of 500 MW of renewable energy projects in the State of Odisha.

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- BPCL's 50:50 joint venture with Sembcorp Green Hydrogen India, NeuEN Green Energy emerged as the winner of Numaligarh Refinery Limited's green hydrogen tender in February 2026. It secured mandate to supply 10,000 tons per annum of green hydrogen on Build Own Operate Basis.

Biofuels

The Company continued to strengthen its Biofuels portfolio in alignment with the Ethanol Blended Petrol (EBP) Program and the Sustainable Alternative Towards Affordable Transportation (SATAT) initiative. In FY 2025-26, it recorded significant progress across Ethanol, CBG and Bio-refinery operations, building on the momentum established in FY 2024-25.

Ethanol Blending and Biodiesel

The Company achieved its highest-ever Ethanol blending of 19.87% in FY 2025-26, compared with 16.35% in FY 2024-25. A monthly blending rate of 20% was achieved for the first time in October 2025 and sustained through March 2026. Ethanol procurement reached 315.8 crore liters, valued at ₹ 22,560 crore, representing growth of about 30% over the previous year. As Industry Coordinator, the Company also finalized Ethanol allocation of 1,127 crore liters, valued at over ₹ 75,000 crore, for Public Sector Oil Marketing Companies (OMCs).

The Ethanol vendor base expanded to 477 from 409 in the previous year, with the addition of 68 new vendors, including 28 Dedicated Ethanol Plants (DEPs). The Company also enabled allocation of 52 lakh metric tons (MT) of surplus rice from the Food Corporation of India (FCI) for production of approximately 234 crore liter of Ethanol, supporting productive utilization of excess rice stocks. The development of alternate feedstocks, including sweet sorghum for Ethanol production and Iso Butyl Alcohol (IBA) as a bio-component for blending in Diesel was also advanced.

The Company developed and introduced the "Tank Truck Master" and "Handing Over Taking Over" modules in the Integrated Ethanol Management System (IEMS) to strengthen governance and enhance ease of doing business. The optimizer allocation feature in IEMS enabled a 13% reduction in actual Ethanol transportation cost from distilleries to the Company's terminals, lowering the average cost from ₹ 1.75 per liter in FY 2024-25 to ₹ 1.55 per liter in FY 2025-26. The resulting savings in FY 2025-26 were approximately ₹ 63 crore.

The Company, together with other OMCs, continued to support the Biodiesel ecosystem by expanding the registered vendor base to 137 suppliers with an aggregate nameplate production capacity of 564 crore liters per annum.

Bargarh Bio-Refinery

The Bio-refinery project at Bargarh, which had reached an advanced stage of completion in FY 2024-25, achieved commissioning during the year under review. First-generation

(1G) Ethanol production commenced with the first drop produced on October 6, 2025, while the second-generation (2G) Ethanol plant was commissioned with its first drop on March 19, 2026. During the year, the facility produced approximately 88 kilo liters of fuel-grade 1G Ethanol and 76 kilo liters of 2G Ethanol. By-products such as Distillers Dried Grains with Solubles (DDGS) were commercialized through the Industrial & Commercial SBU, with sales of approximately 38 metric tons during the year.

Compressed Bio-Gas (CBG)

The Company commissioned its first Municipal Solid Waste (MSW)-based CBG plant at Kochi in February 2026, with a production capacity of approximately 6 tons per day (TPD).

During the year, the Hon'ble Prime Minister laid the foundation stone for an MSW-based CBG plant at Yamunanagar, Haryana, with a planned production capacity of approximately 7 TPD. The plant is expected to be commissioned in early 2028.

With a focused strategy to expand MSW-based CBG capacity in the country, the Company signed concession agreements for 10 CBG projects with various Urban Local Bodies and government agencies across Chhattisgarh, Haryana, Karnataka, Kerala and Uttar Pradesh. Once commissioned, these projects will have the capacity to process up to approximately 5 lakh MT of Municipal Solid Waste per annum.

The Company achieved CBG blending of 4.15%, significantly exceeding the mandated level of 1%. CBG sales increased to 23,670 MT, representing growth of 171% over the previous year. The number of Retail Outlets supplying CBG rose to 245 from 112 in the previous year. The Company also retained the highest market share in CBG sales, at approximately 50%, among Oil Marketing Companies.

To encourage broader participation across the CBG value chain, the Company continued stakeholder engagement and ecosystem development through CBG awareness programs and workshops under the aegis of the Ministry of Petroleum & Natural Gas (MoPNG), bringing together SATAT Letter of Intent holders, financial institutions and technology providers.

CBG Joint Ventures

The Company's first joint venture for setting up CBG plants, Bharat GPS Bioenergy Private Limited, was incorporated in June 2025. Three paddy straw-based CBG projects in Uttar Pradesh have already been taken up for development, of which one agri-residue-based CBG plant in Maharajganj district is under construction.

Approval has also been received from the Ministry of Petroleum & Natural Gas (MoPNG) and the Department of Investment and Public Asset Management (DIPAM) for another joint venture with Praj Industries Limited.

Overall, the Company progressed from capacity creation to operational scale-up across its Biofuels portfolio during the year.

It reinforces the Company's role in supporting India's transition towards cleaner and more sustainable energy pathways.

Petrochemicals

FY 2025-26 was a landmark year for BPCL's Petrochemicals business. The year's progress encompassed institution building, market development, brand creation, and supply assurance, thereby creating a robust platform for future growth. Key milestones achieved during the financial year may be viewed under five strategic pillars, which together represent the foundation of BPCL's Petrochemicals business.

Organizational readiness remained the cornerstone. The formation of a dedicated Petrochemicals Taskforce ensured clear accountability and decision-making. Simultaneously, the Del-Credere Agent Channel Policy established the framework required for onboarding distribution partners across identified geographies.

On the market-facing front, customer engagement programs in Kochi, Indore and Chennai introduced BPCL's Petrochemicals value proposition to key stakeholders across the value chain, including compounders, molders, processors and fabricators. MoU signed for trial quantities reflected tangible customer interest and validated the underlying market opportunity.

Product availability was de-risked through bilateral engagements with multiple domestic and international supply sources, ensuring continuity during the seed marketing phase. Concurrently, sustained engagement with industry bodies such as the All India Plastic Manufacturers' Association and other regional plastics associations has strengthened BPCL's credibility as a thought leader and policy contributor within the sector.

The engagement of M/s Interbrand for the development of brand identity marks an important step towards creating a distinct and trust-inspiring brand for BPCL's polymer portfolio, one that will resonate strongly with industrial buyers and channel partners.

In a significant strategic development, BPCL signed a MoU with Rossari Biotech Limited for the setting up of a downstream petrochemical plant in the vicinity of Bina, Madhya Pradesh. This development represents a pivotal step in catalyzing a downstream petrochemical ecosystem around the BR by creating a value-added processing cluster that is expected to enhance polymer offtake, stimulate regional industrial activity, and position Bina as an emerging petrochemicals hub in Central India.

Building on the foundation laid during FY 2025-26, the Petrochemicals business is well positioned for active market entry and accelerated growth in FY 2026-27. The roadmap ahead is centered on key focus areas designed to translate organizational preparedness into commercial momentum. BPCL's petrochemicals foray will be driven through a structured market-entry and growth strategy encompassing brand creation, phased seed marketing and strategic capability building. The launch of a dedicated polymer brand, supported by participation in major industry exhibitions and targeted customer engagement

programs, is expected to create strong market visibility and deepen connect with the plastics processing ecosystem. In parallel, seed marketing will be undertaken in phases—beginning with key southern markets to build early relationships and market share, followed by expansion across a broader PP/PE product portfolio through focused channel outreach. This will be complemented by the development of a robust supply chain strategy to ensure cost efficiency and reliability, alongside entry into high-value segments. Digital enablement through CRM and customer engagement platforms will further strengthen data-driven decision-making, customer retention and long-term competitive positioning.

Brand and Public Relations

In FY 2025-26, the Brand & Public Relations function played a central role in strengthening Bharat Petroleum's reputation, visibility, and stakeholder engagement during a landmark year that marked the Corporation's Golden Jubilee. Through strategic campaigns, high-profile national engagements, integrated media outreach, digital storytelling, and proactive reputation management, communication initiatives amplified BPCL's business achievements, energy transition efforts, customer-centric innovations, and nation-building contributions. The year was characterized by strong alignment between communication strategy and business priorities, resulting in enhanced brand visibility and deeper stakeholder connect.

Strategic Brand Campaigns and National Engagement

The year witnessed sustained communication around BPCL's Golden Jubilee celebrations. Special campaigns, milestone storytelling, commemorative creatives, the rollout of the BPCL Anthem Audio Visual (AV), and a dedicated 50 Year visual identity helped strengthen BPCL@50 recall across stakeholder groups while celebrating the Corporation's rich legacy and future aspirations. Communication initiatives also amplified BPCL's growing role in clean energy, infrastructure development, renewable energy, city gas distribution, green hydrogen, and biofuels, reinforcing the Corporation's position as a key contributor to India's energy transition journey.

The continued association of Rahul Dravid as Brand Ambassador for Pure For Sure (PFS) and MAK Lubricants further reinforced the trust, credibility and continuity associated with BPCL's flagship brands.

Landmark Events and Industry Leadership

Several strategic projects inaugurated by the Hon'ble Prime Minister of India received extensive visibility during the year. These included the CBG Plants at Mukarabpur and Brahmapuram, the LPG Bottling Plant at Hathua, City Gas Distribution projects in West Bengal and Tamil Nadu, and the Polypropylene Project at KR. Integrated communication efforts ensured widespread awareness of these nationally significant projects and highlighted BPCL's contribution to India's energy infrastructure and clean energy ambitions.

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The year also witnessed the successful execution of several flagship corporate events. Initiatives such as the Brand Quiz Baadshah Grand Finale and Energy Technology Meet 2025 strengthened engagement with employees, customers, partners, and stakeholders while reinforcing a consistent BPCL brand experience. The Corporation's 50th Foundation Day celebrations emerged as a major highlight of the year, generating strong participation and emotional connect across employees, customers, channel partners and communities.

India Energy Week and Global Presence

BPCL established one of the strongest brand presences at India Energy Week 2026. The BPCL Pavilion, themed "Shaping the Future", emerged as one of the most appreciated showcases at the event, highlighting innovations across customer-centric solutions, sustainable mobility, future-ready technologies, and energy transition initiatives. BPCL also curated the industry Net Zero Pavilion, showcasing pathways and technologies supporting the transition towards a low-carbon future and reinforcing its leadership position in sustainability conversations.

The event witnessed 23 strategic MoUs being signed and seven major launches, at the BPCL Pavilion, alongside visits by the Hon'ble Minister of Petroleum & Natural Gas, Secretary, MoPNG, and other senior dignitaries. Extensive media engagement and leadership interactions resulted in a leading share of voice among Oil Marketing Companies and private sector participants, strengthening BPCL's positioning as a forward-looking energy company.

BPCL's participation at Abu Dhabi International Petroleum Exhibition and Conference (ADIPEC) in Abu Dhabi and Gastech in Milan further enhanced its global visibility, showcasing the Corporation's role in India's evolving energy landscape and fostering engagement with international stakeholders and industry leaders.

Corporate Communications, Media Relations and Reputation Management

BPCL maintained strong year-round visibility across financial, strategic, operational, and sustainability narratives. Extensive media coverage was secured for quarterly financial results, major project milestones, strategic partnerships, infrastructure developments, and energy transition initiatives, reinforcing BPCL's position as a leading energy company.

Numerous high-impact press releases were issued during the year across business areas including gas, renewables, pipelines, aviation, city gas distribution, CBG, and infrastructure projects. Strategic media engagements, leadership interactions, curtain raisers, and stakeholder briefings further strengthened narrative building and public visibility.

BPCL sustained a strong media presence with approximately 26.70% share of voice across more than 72,000 media articles, supported by an Advertising Value Equivalent exceeding ₹ 350 crore. This established BPCL as the second

most visible energy sector player in the country and a consistent voice in industry discourse.

Effective communication also played a critical role during sensitive situations across businesses and geographies. Timely dissemination of accurate information, coordinated media engagement, and proactive stakeholder outreach helped address public concerns, mitigate misinformation, and reinforce stakeholder confidence.

Digital Reach and Social Media Impact

BPCL continued to strengthen its position as one of the most engaging Oil & Gas brands in the digital space, with a social media community exceeding 35 lakh followers across platforms. A sharper content strategy, streamlined workflows, and platform-specific optimization contributed to stronger engagement, improved discoverability and wider audience reach.

The Corporation executed several high-impact campaigns around themes such as BPCL@50, Ethanol Blended Petrol, Swachhata Pakhwada, Women's Day, Yoga Day, Independence Day, India Energy Week, and national infrastructure projects. Influencer collaborations, topical storytelling, and leadership-led content enhanced brand relatability while helping reach new and younger audiences.

A key strength during the year was the amplification of leadership voices on LinkedIn, helping establish BPCL as a thought leader across business verticals including LPG, digital transformation, sustainability, infrastructure, and innovation. Digital platforms were also leveraged effectively during periods requiring real-time communication, helping address misinformation, reassure consumers and reinforce trust.

BPCL's social media performance reflected strong growth across platforms. Instagram recorded significant gains in impressions and reach through reels and non-follower discovery. Facebook continued to deliver scale and audience retention through high-performing campaigns and video content. X emerged as a powerful real-time engagement platform, recording exceptional growth in impressions and interactions during critical communication periods. LinkedIn consistently delivered engagement rates significantly above industry benchmarks while strengthening BPCL's influence among professionals, policymakers, industry stakeholders, and prospective talent.

Recognition and Awards

The year witnessed significant recognition for BPCL's branding and communication excellence. The Corporation was honored as 'Brand of the Year' at the Marksmen Awards, reflecting its growing brand strength and stakeholder relevance. BPCL also emerged as the 'Champion of Champions' at the PRCI Global Communication Conclave, winning multiple awards across communication categories and reinforcing its leadership in corporate communications and public relations.

BPCL was additionally recognized among the Top 100 Corporate Startup Stars globally, strengthening its innovation

narrative and engagement with the startup ecosystem. The Corporation's association with sporting excellence was also recognized by the Indian Olympic Association, further reinforcing BPCL's long-standing commitment to supporting India's sporting aspirations.

As BPCL celebrated its Golden Jubilee year, communication initiatives across FY 2025-26 helped honor a rich legacy while building momentum for the future. By amplifying business achievements, sustainability initiatives, customer-centric innovations, and strategic investments, BPCL further strengthened its connection with customers, investors, policymakers, partners, and employees. These efforts enhanced visibility, reinforced trust, and strengthened BPCL's position as one of India's most respected energy brands, supporting the Corporation's journey towards a more sustainable, innovative, and future-ready energy ecosystem.

BPCL's Pipelines division has been awarded the FIPI Award 2025 for Pipeline Transportation Company of the Year. Pipelines division was also conferred with the CII (Confederation of Indian Industry) Best Practices Award 2025 for Emergency Preparedness & Response in the category of Large Enterprises – Construction / Infrastructure / Projects, and the 10th Governance Now PSU IT Awards for the ROU e-NOC initiative under the Digital Transformation Excellence category.

Project Anubhav – BPCL's Digital Transformation Initiative

BPCL continues to embrace emerging technologies to build digital-first platforms that enhance customer experience, improve operational efficiency, and drive business growth across the energy ecosystem. Its flagship customer platform, HelloBPCL, has evolved into a comprehensive digital ecosystem that enables customers to seamlessly manage their energy requirements—from fuel purchases and loyalty benefits to LPG booking, service requests and delivery tracking. Today, more than 1 crore customers rely on HelloBPCL for their everyday energy needs.

During the financial year:

- Over 1.2 crore LPG bookings were processed through the platform.
- SmartFleet, BPCL's flagship fleet management solution with over 1.6 lakh active customers, facilitated more than 3.7 crore transactions valued at approximately ₹ 59,442 crore.
- BPCL's unique UFill technology continues to reshape the future of fueling, recording 14.91 crore transactions with a market value of ₹ 6,125 crore.
- Industrial and commercial customers used digital platforms for order placement and delivery tracking, generating over 2.5 lakh invoices worth approximately ₹ 45,743 crore.

In the Lubricants business, the Secondary Sales Management platform digitally connects distributors and retailers, supporting

over 54,000 retailers, processing more than 3 lakh invoices, and enabling business transactions valued at over ₹ 600 crore.

As India rapidly transitions towards a gas-based economy, BPCL has launched a comprehensive digital ecosystem for PNG operations, integrating customer, channel partner and gas administration portals to enable a seamless and scalable PNG business model.

Within Aviation, an end-to-end automation platform powered by IoT and cloud technologies has been implemented. The Wingtip Automation platform, BeWinged, has automated operations across 53 Aviation Fueling Stations (AFS), driving greater accuracy, safety, compliance, and operational visibility.

To strengthen LPG delivery operations, HelloBPCL for Operators enable OTP-based LPG delivery and streamline last-mile execution. In FY 2025-26, the platform facilitated over 25 crore delivery-related transactions, significantly improving operational efficiency and strengthening customer trust.

To further enhance LPG logistics, BPCL deployed PFS Route Optimization, an intelligent trip-planning solution that improves delivery productivity and reduces turnaround time for LPG delivery personnel. Large-scale digital e-KYC was also enabled to simplify customer onboarding and enhance service delivery. For capability building, over 1 lakh Delivery Salesmen (DSMs) use the Sangam App, a multilingual digital learning platform that supports training, certification, compliance, and continuous skill development.

For sales and marketing businesses, enterprise-grade CRM platforms are deployed to manage customer and channel partner interactions, enabling more data-driven engagement and improved business outcomes. Advanced AI models have been developed to empower the field force, proactively driving customer retention, elevating service experiences, and strengthening operational governance.

Significant investments have been made in Conversational AI through the virtual assistant, Urja, which supports over 70 lakh unique users across 13 languages. Urja assists customers in booking LPG cylinders, resolving service queries, accessing information, and receiving support through a consistent and scalable digital experience. Over 1.2 crore LPG bookings were processed through the platform.

Underlying all these initiatives is the growing focus on Analytics, Artificial Intelligence, Machine Learning, and Geospatial Intelligence, which are increasingly being leveraged to drive data-led decision-making, improve operational efficiency, optimize networks, and enhance customer experiences across the organization.

At the enterprise level, BPCL has established an Enterprise Digital Centre (EDC) that provides near real-time visibility into key performance indicators across Refineries, Marketing, Supply Chain, Information Technology, Human Resources and Finance. The EDC enables leadership teams to monitor critical business

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metrics and make informed strategic decisions through a unified digital dashboard.

Complementing this is IRIS, BPCL's integrated command-and-control platform, which leverages AI, ML and video analytics to monitor operations, detect anomalies, and proactively manage exceptions. IRIS provides end-to-end visibility across BPCL's operating value chain, covering:

- Above 24,000 Retail Outlets
- 81 Fuel Terminals
- 55 LPG Bottling Plants
- Above 14,000 Tank Trucks

By integrating these assets on a single intelligent platform, IRIS enhances operational efficiency, strengthens governance, improves safety monitoring, and enables faster decision-making across the enterprise.

These milestones underscore BPCL's commitment to building a people-first, digitally empowered energy ecosystem. By combining intelligent operations with data-driven decision-making, the Company continues to deliver value to millions of customers and business partners across the country, taking a definitive leap towards 'Humanizing Technology'.

Corporate Strategy

The global energy landscape in FY 2025-26 was marked by heightened uncertainty, geopolitical tensions and evolving trade dynamics. Ongoing conflicts in key energy-producing regions, disruptions to traditional supply chains, sanctions on producing nations, and volatility in crude oil and natural gas markets reinforced the importance of energy security, supply diversification and operational resilience across the global energy sector. These developments further underscored the need for balanced energy transition pathways that ensure affordability, accessibility and sustainability while continuing to meet the growing energy requirements of developing economies. The global energy industry is increasingly navigating a dual challenge of ensuring energy security while simultaneously progressing towards low carbon intensity based growth.

Against this backdrop, the Company continued to advance its long-term strategic agenda through Project Aspire, the Company's five-year strategic roadmap launched in FY 2024-25. Project Aspire is built on two strategic pillars: Nurturing the Core and Building Future Big Bets. The roadmap focuses on strengthening the Company's core Upstream, Refining and Marketing businesses while accelerating growth in emerging areas such as Petrochemicals, Natural Gas, Biofuels, Renewable Energy, Green Hydrogen, Digital Businesses, Mobility Solutions and Non-Fuel Solutions, thereby supporting the Company's transformation into a future-ready integrated energy and solutions company.

During the year, the Corporate Strategy function continued to play a central role in driving the execution of Project Aspire across the organization. The department worked closely with business units and functional entities to monitor strategic initiatives,

assess emerging opportunities and challenges, and ensure alignment with the Company's long-term growth objectives.

The Corporate Strategy function also continued to monitor developments in the global energy ecosystem, including advancements in clean energy technologies, evolving policy and regulatory frameworks, shifts in energy demand patterns and emerging business models. Insights from these developments were leveraged to support informed decision-making and strengthen the Company's preparedness for future market transitions.

As India continues to emerge as one of the fastest-growing energy markets globally, the Company remains committed to contributing to the nation's energy security while advancing its vision of becoming an integrated energy company. Through disciplined execution of Project Aspire, the Company is building a resilient and diversified portfolio capable of delivering sustainable growth, creating long-term stakeholder value and supporting India's evolving energy aspirations.

Project Ankur

India, over the last few years, has become a home to a flourishing ecosystem for Startups. Under Startup India Initiative, the Department for Promotion of Industry and Internal Trade (DPIIT) has recognized over 2.35 lakh companies as Startups as of March 2026. Equipped with agile ways of working, technology driven businesses, to innovative approach to solve challenges in various sectors- Startups have emerged as favourite destination for angel investors, Venture Capital Funds and Corporates for investments.

The Company, in its own way, has become part of India's Startup growth story through its Startup initiative, 'Project Ankur'- supporting budding and promising Startups through grant funding and collaboration since 2016. The Company with an initial corpus of ₹ 25 crore, has supported 25 Startups in various sectors with grant funding of up to ₹ 1.5 crore per startup in Phase I. As part of phase II, the Company supported 6 more Startups through BPCL Startup Grand slam Season#1 (a pan-India business challenge for Startups) with grant funding of ₹ 50 lakh each and a total corpus of ₹ 3 crore. As on March 2026, the Company has supported 31 Startup projects through grant funding of approximately ₹ 28 crore.

To amplify the outreach and effectiveness of Ankur, the Company continuously engages with the Startup ecosystem in India, including Startup India, leading academic institutions, incubators, accelerators and venture capital investors.

Continuing this commitment, the Company has established "BPCL Ankur Fund" for doing investments in Startups, with an initial corpus of ₹ 50 crore. The objective of these investments is to support high potential early-stage Startups, primarily working in sectors aligned with the Company's business areas. BPCL Ankur Fund launched its first Startup cohort, Emerge, focused on supporting innovations in Energy Efficiency and City Gas Distribution (CGD), reflecting the Company's commitment

to building a sustainable and technology-driven energy future. Fund launched its second cohort, Elevate, focused on supporting innovative startups working in the areas of Green Tech and Cybersecurity & Resilience for Energy Operations. The shortlisted startups are at various stages of evaluation.

The Company has been recognized by the International Chamber of Commerce and Mind the Bridge as one of the Top 100 Corporate Startup Stars (CSS) worldwide. The Company was the only Indian organization featured on this prestigious list of CSS, celebrating the world's most exemplary corporate champions of startup collaboration. The CSS Awards 2025 recognized 100 top companies from the Forbes Global 2000 and Fortune Global 500 for their commitment to open innovation, startup engagement, and ecosystem development.

Health, Safety, Security & Environment (HSSE)

For details on HSSE, refer page 233 under the Business Responsibility and Sustainability Report.

Human Resources

BPCL's people philosophy is anchored in the belief that "Good People Spread Good Energy." This ethos continues to shape the way it builds talent, fosters leadership and nurtures a workplace culture that is collaborative, future-focused and purpose-driven. As BPCL advances its transformation journey towards becoming a globally respected and future-ready energy enterprise, its people remain the cornerstone of this progress. Drawing strength from a legacy of trust, service, and excellence, it continues to invest in creating an environment where individuals are empowered to contribute meaningfully, grow continuously and lead with confidence.

In line with the Corporation's strategic priorities, HR remains focused on building a resilient and future-ready talent ecosystem capable of navigating the rapidly evolving energy landscape. Through robust talent acquisition frameworks, targeted capability development initiatives, and continuous learning interventions, BPCL is nurturing a workforce that is agile, innovation-led, digitally enabled, and aligned with the organization's growth ambitions. As BPCL accelerates its focus on new energy businesses, digital transformation, customer-centricity, and large-scale infrastructure expansion, the role of people capability becomes increasingly critical. Our approach therefore extends beyond conventional talent development and seeks to cultivate leadership, strengthen organizational agility, and build enterprise-wide readiness for the future. Guided by the aspiration of positioning BPCL among the most intelligent and future-oriented energy companies, HR initiatives are increasingly oriented towards fostering digital fluency, innovation mindsets, cross-functional collaboration, and leadership stewardship across all levels of the organization.

The Company firmly believes that sustainable business success is intrinsically linked with the growth and well-being of its people. Accordingly, BPCL continues to create platforms that enable employees to unlock their potential, nurture creativity, and enhance both professional and personal Fulfillment. Through

thoughtfully designed interventions spanning learning, employee experience, leadership development, wellness, engagement, and culture-building, the Corporation is fostering a workplace where individuals feel valued, trusted, and inspired to deliver their best. This people-centric approach received significant global recognition during the year, with BPCL being featured among the "Forbes World's Best Employers 2025", securing the 19th rank among Indian multinational companies and the 645th position globally. This prestigious recognition reflects BPCL's sustained focus on empowering employees to learn, grow, innovate and thrive while contributing meaningfully to the organization's success.

BPCL's Talent Management framework, ASCEND, continued to play a pivotal role in building a strong and sustainable leadership pipeline by systematically identifying and developing talent across the organization. The framework incorporates periodic Assessment Centers followed by Talent Review Panels, with the outcomes being integrated into key HR processes such as career progression, succession planning, and role placement. The process is further strengthened through structured feedback conversations and Individual Development Plans, enabling targeted capability building aligned with organizational priorities. Over the years, the framework has continuously evolved in line with changing business priorities and leadership requirements. During the year, ASCEND 6.0 was launched for the 2025–27 cycle, with level-specific assessment methodologies introduced across leadership bands, covering approximately 3,750 employees in Phase I. Subsequently, Talent Review Panels (TRPs) were conducted for around 1,030 employees, enabling comprehensive talent mapping, strengthening the succession pipeline, and supporting data-driven decisions on development and role deployment.

Guided by the philosophy "Development of People is the Only Way to Success" and BPCL's vision of being a Learning Organization, the Company continued to make significant investments in building a workforce that is agile, future-ready, and equipped to thrive in an increasingly dynamic business environment. In FY 2025-26, BPCL delivered more than 1,200 learning interventions, generating 3,48,868 learning hours and reaching over 6,500 employees in the management cadre across the organization. On average, every management employee underwent nearly 6.5 learning days during the year, reflecting the scale and strategic importance of capability development across the enterprise.

The behavioral, managerial and leadership development agenda for Management cadre is led by the Bharat Petroleum Learning Centre (BPLC), BPCL's Corporate learning and development engine. Learning priorities are closely aligned to organizational strategy and delivered through an integrated ecosystem comprising classroom interventions, executive education, coaching, simulations, outbound learning, and digital learning platforms. FY 2025-26 marked a significant year for capability building and leadership development, with BPLC delivering over 100 interventions, creating more than 1,50,000 learning hours and reaching over 6,000 unique employees. To enhance

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contextual relevance and workplace application, more than 35 BPCL-specific caselets were developed and embedded into customized learning journeys, enabling employees to engage with real business challenges, leadership dilemmas and organizational experiences.

A major milestone during the year was the redesign of BPCL's leadership development architecture. Built around the principles of Experience, Exposure, and Education, the redesigned framework seeks to strengthen leadership readiness across levels and build a robust pipeline of future leaders capable of navigating complexity, driving transformation, and delivering business outcomes. Complementing these efforts, over 120 employees were nominated to Executive Education programs at premier institutions, providing exposure to contemporary business thinking, global perspectives, and emerging leadership practices.

Digital learning continued to emerge as one of the strongest growth areas during the year, with employees clocking nearly 40,000 e-learning hours, representing a substantial increase over the previous year. At the heart of this transformation is My Sphere, BPCL's Learning Experience Platform, which continues to democratize access to learning by enabling employees to learn anytime, anywhere and at their own pace. The year also witnessed the launch of several strategic learning initiatives, including the My Sphere Mobile App, My Sphere Leaderboard, Daily Learning Nuggets, Harvard ManageMentor and EBSCO, significantly enriching the learning ecosystem and expanding access to world-class content. Through Coursera alone, BPCL achieved a completion rate significantly above global benchmarks, reflecting a strong culture of self-directed learning and continuous development.

Beyond structured interventions, BPCL continued to strengthen alternate and experiential learning platforms that foster innovation, strategic thinking and cross-functional collaboration. Talent Triathlon 2026 recorded its highest-ever participation and generated over 7,000 learning hours, providing employees with opportunities to solve business challenges through strategy competitions, storytelling, simulations, and experiential learning expeditions. Anchored around the theme of "Anti-Fragile," the 2026 edition encouraged participants to convert uncertainty into opportunity and emerge stronger through change capabilities that will become increasingly critical as BPCL navigates a rapidly evolving energy landscape. Learning beyond organizational boundaries also remained a key focus area, with more than 800 nominations made to conferences, seminars, management development programs, and professional forums, enabling employees to benchmark against leading practices, gain fresh perspectives, and bring valuable insights back into the organization.

Extending our commitment to national skill development and youth employability, we actively participated in the Prime Minister's Internship Scheme (PMIS). During the first two pilot phases, we offered 800 internship opportunities and

facilitated over 3,200 internship appointments, with more than 150 interns joining BPCL. In the third pilot phase, launched on March 31, 2026, BPCL re-posted an additional 300 internship opportunities on the PMIS portal.

The quality, innovation, and impact of BPCL's learning ecosystem continued to receive national recognition during the year. BPCL received the ISTD Promising Innovator Award and multiple honors at the TISS LeapVault Awards, including recognition for L&D Team of the Year, Best Leadership Development Program, and Best Blended Learning Program, reaffirming the organization's commitment to building a high-impact and future-focused learning culture.

BPCL also advanced its commitment to data-driven decision-making through the HR Analytics and Innovation Cell, embedding AI-led intelligence across critical HR processes. During the year, AI-assisted succession planning models generated data-backed recommendations for leadership roles, enabling senior management to make informed decisions. Enterprise-wide dashboards across HR functions enhanced visibility into key workforce metrics, while VerifAI – a talent analyzer – streamlined candidate document verification, improving efficiency and accuracy. A key innovation was Talent Lens, an AI-powered agent that distills qualitative inputs from Talent Review discussions into balanced insights on employee strengths and development areas. These insights feed into the Talent Management Dashboard, creating dynamic talent profiles and serving as critical inputs for annual transfers and promotions. AI-enabled loop validation further ensured consistency and accuracy, enabling publication of outcomes in record time. These initiatives significantly strengthened analytics-led workforce planning and talent management, and the impact of these efforts was recognized at the Governance Now 12th PSU Awards, supported by the Ministry of Heavy Industries, where BPCL received honors for Best Use of AI and Automation in HR and Excellence in HR Data Analytics and Workforce Planning.

Strengthening a culture of appreciation and recognition remained a key organizational priority during the year, with the KUDOS platform emerging as a vibrant medium to celebrate employee contributions aligned with BPCL's core values. The platform witnessed extensive participation across the organization, with nearly 85% employee engagement. During the year, 5,227 employees were recognized, while 2,152 unique employees appreciated their colleagues, reflecting a deeply collaborative and inclusive work culture. In total, 21,194 badges and 2,165 certificates were awarded, reinforcing an environment where achievements are celebrated, contributions are valued, and employees feel motivated and empowered.

Simultaneously, the IDEAS platform continued to foster a strong culture of innovation and continuous improvement across the organization. During the year, employees submitted 690 ideas, with several shortlisted for replication, highlighting the growing enthusiasm among employees to contribute innovative, scalable and future-focused solutions.

As BPCL advances on its transformation journey under Project Aspire, people development will remain a critical enabler of sustainable growth and long-term competitiveness. By strengthening leadership, accelerating learning, fostering innovation and nurturing future-ready talent, BPCL is not merely preparing people for the future of energy – it is empowering them to create it.

Employee Satisfaction Enhancement (ESE)

The Employee Satisfaction Enhancement (ESE) entity is a flagship initiative of BPCL, reinforcing BPCL's commitment to becoming "A Great Place to Work." With a dedicated focus on enriching the employee experience, ESE aims to cultivate a vibrant, energized, and emotionally resilient workforce by fostering a culture of psychological safety and holistic well-being.

In FY 2025-26, the Employee Support & Engagement (ESE) team made meaningful progress in embedding emotional well-being at the heart of BPCL's people philosophy. Through every initiative, session, and interaction, ESE continued to shape a workplace where employees feel acknowledged, supported and valued, nurturing not just performance, but also a sense of purpose and belonging. As part of its extensive outreach, ESE role holders conducted 131 Roshniplus Awareness Workshops across the country, directly engaging with over 2,529 employees. These interactions served as vital touchpoints, offering a safe and empathetic space for employees to voice concerns, navigate challenges, and access confidential support.

At the heart of ESE is Roshni Plus, BPCL's comprehensive Employee Assistance Program (EAP), offering professional psychological counselling services to employees and their dependent family members—entirely confidential and cost-free. BPCL has partnered with YourDOST as our EAP provider. A total of 2,271 employees were registered in the year.

Additionally, 59 Sahkarmi Mitras, trained employee peer counsellors at large locations, were onboarded and sensitized through in-person training sessions. These champions act as emotional first responders, playing a critical role in normalizing conversations around mental health at the grassroots level. These Sahkarmi Mitras are given soft skills training to hone their talents.

This Year ESE Team coordinated with HRS Sports and introduced the initiative of "Wellness Thru Sports" at locations w.e.f. September 2025. A total of 125 Sports Coordinators were appointed covering 128 Locations across Regions and Refineries.

55 locations across Regions covering 1,494 employees participated in wellness through sports activities - Volleyball, Badminton, Football, Carrom, Table Tennis and Cricket in the period from September 25 to March 26.

18 Wellness through sports activities were conducted at the KR Housing Complex including badminton, carrom, cricket, football, volleyball etc. A total of 364 employees/family members participated.

13 Wellness through sports activities were organized at BR Housing Complex, under various Sports Activities including badminton, table tennis, cricket, walkathon etc. A total of 1,356 employees and family members participated in the events 100 days weight loss campaign arranged in BR in January 2026. 144 employees/family members actively participated.

A total of 14 curated sessions focused on work-life balance, mindfulness and healthy living were delivered fortnightly in the form of Activ Life Webinars.

A strong content-led approach anchored BPCL's emotional wellness initiatives under the theme Inform. Inspire. Impact. Over the year, 24 editions of Interconnect, BPCL's fortnightly wellness e-publication, were released to provide timely insights and support emotional well-being. ESE EnerG, the quarterly e-magazine, brought out four vibrant editions focused on positive psychology and uplifting employee stories. Additionally, 24 ESE Mailers were shared across the organization, offering curated insightful articles, self-assessments, and practical wellness tips, further strengthening its commitment to building a resilient and emotionally healthy workplace.

Another initiative by ESE Team was conducting Seminars followed by Confidential Face to Face Counselling at 22 Locations across Regions/Refineries on Topics related to Holistic Health. 731 people including Employees/Family members participated and 389 people took confidential counselling.

In October 2025, BPCL's Employee Support & Engagement (ESE) team led an impactful Mental Health Awareness Campaign to mark World Mental Health Day (October 10, 2025). As part of the initiative, employees across locations took a Mental Well-being Pledge at their workplaces, reaffirming a shared commitment to emotional wellness. The campaign also featured online contests and offline seminars, which enhanced awareness, encouraged meaningful conversations, and strengthened the culture of mental well-being across the organization.

Recognizing the vital link between leadership well-being and organizational resilience, BPCL hosted two exclusive Residential Wellness Retreats for 58 senior leaders. Designed as immersive experiences, these retreats offered a rare opportunity to pause, reflect, and rejuvenate, blending ancient healing traditions with modern scientific approaches. With a strong focus on daily self-care rituals, the initiative reinforced the importance of holistic well-being at the leadership level. The overwhelmingly positive feedback underscored the retreats' impact in fostering personal vitality and enhancing leadership effectiveness.

The ESE Department collaborated with Ayurveda Kendra Kottakal for conducting Seminars followed by one-to-one consultation across Regions/Refineries and Housing Complexes. A total of 5 camps were conducted across Regions/Refineries.

The department also collaborated with CHSSE Department to send Birthday Wishes to employees. It carried a message that a tree has been planted in their honor, wishing them a bright and green tomorrow.

Management Discussion and Analysis Report (Contd.)

Integrated Information Systems (IIS)

In FY 2025-26, the Information Systems (IS) function supported the Company's operations and strategic priorities through deployment and enhancement of technology solutions, support to Government initiatives for LPG Consumers & others, strengthening of cyber security measures, modernization of IT infrastructure, and enablement of digitalization across business processes. IS provided continuous (24×7) support to core business operations through enhancement of applications across ERP, cloud-based platforms, and AI-enabled initiatives, supporting LPG, Gas, Retail, Finance, Human Resources, and other business functions. System enhancements were undertaken in support of government initiatives for LPG consumers, while deployment of the PNG solution provided a scalable digital platform to support expansion of the Gas business. IS accelerated innovation by leveraging AI adoption and automation initiatives to improve efficiency, agility and decision-making across the organization. Cyber security measures were strengthened through continuous monitoring of IT and OT environments by establishing an Integrated Security Operations Center, aligned with applicable national cyber security frameworks. Capacity planning and infrastructure upgrades in data centers and network modernization helped improve system availability and resilience, ensuring high system uptime and availability even during peak demand scenarios. The proactive upgrades, optimization and continuous monitoring measures adopted by IS enabled BPCL to withstand increased transaction volumes, including panic LPG bookings during recent geopolitical disruptions, thereby ensuring uninterrupted business continuity.

International Trade and Risk Management (ITRM)

BPCL's ITRM set-up is responsible for all activities related to the import of Crude Oil, import/export of products and Commodity Risk Management through derivative transactions. To meet the requirement of BPCL Refineries, ITRM procures Crude Oil, both indigenously and through imports. After considering the domestic demand and supply situation, petroleum products are imported and exported. Allied services of ship chartering and operations are also facilitated by ITRM. Further, the ITRM set-up includes an active Derivatives Desk engaged in risk management activities via the paper (financial derivatives) market.

During the financial year 2025-26, the highest-ever quantity of 41.25 MMT of Crude Oil was procured for BPCL Group refineries. Six new grades of Crude Oil were procured for processing during the year. Continuing its success in procuring spot Crude Oil through its own Crude Oil Trading Desk, a total of 17.1 MMT was bought through spot procurement in the fiscal year, thereby capturing opportunities in the oil market across the globe.

During the financial year 2025-26, BPCL has sourced 4.93 MMT of LPG to cater the requirements of domestic and commercial LPG requirement which is about 60% of total LPG requirement. The sourcing has been diversified from Arab Gulf region and

other regions including US. During the year total 48% spot volumes and about 3 % of term volume has been sourced from countries outside gulf region.

ITRM has been successful in mitigating the geopolitical and concentration risks by diversifying the crude basket across geographies and suppliers. The Trading Desk follows a comprehensive trading policy and has a robust governance framework that always ensures the highest levels of controls in spot Crude Oil procurement.

FY 2025-26 continued to be a tumultuous year for the oil market with unprecedented supplies disruption. Restrictions on Russian exports continued, the Russia-Ukraine crisis continued to linger and the year ended with the War in the Middle East. The geopolitical issues in the Middle East have destabilized global energy flow and created an unprecedented oil crisis. Despite these headwinds, the ITRM team demonstrated exceptional resilience and agility by leveraging deep market intelligence, ensuring an uninterrupted supply of crude to our refineries and refined products, to cater to the domestic demand. The ITRM team always looked into opportunities across geographies to diversify the sourcing, to ensure optimal import cost for the Corporation.

The ITRM Chartering team was always cognizant of the freight arbitrage that arises periodically between Suez-Max and VLCC vessels and captured significant value for the Corporation by exploiting such arbitrage opportunities throughout the year.

During the year, the Risk Management practice of ITRM was recognized at the 11th edition of the CNBC TV18 India Risk Management Awards under the Supply Chain risk management category. Competing with nearly 500 top companies, BPCL's stellar risk management practices stood out at these awards. This is the second straight year that BPCL has been recognized at these highly reputed awards. In addition to this, the Risk Management team was also felicitated as Mentor in the Annual MCX Awards for the second consecutive year. The Risk Management team expanded the scope of their activities to execute Option Strategies for LNG and Platinum exposures.

ITRM has proved to be an invaluable asset for the Corporation in creating value through identifying new geographies for sourcing better-value Crude Oils, efficient freight management by leveraging all options available in the market, containing the risk of volatile prices through effective risk management, and meeting the challenges of ever-changing and dynamic oil markets. These achievements are a result of synergies that are nurtured through interactions with various stakeholders. With robust policies, a sound governance framework, and a world-class team of professionals at the helm, ITRM continues to contribute in BPCL's journey toward excellence.

Research and Development (R&D)

The Company continued to strengthen its technology leadership through focused research and innovation initiatives led by its Corporate Research & Development Centre (CRDC),

Greater Noida, and the Product & Application Development Centre (PADC), Mumbai. Aligned with the Company's strategic priorities, R&D efforts during FY 2025-26 delivered significant advancements across decarbonization, hydrogen technologies, biofuels, refinery process optimization, lubricants, specialty fuels, petrochemicals, digitalization, and sustainable product development.

Key Highlights of R&D Activities in FY 2025-26

- Decarbonization: Carbon Capture and Utilization (CCU)
 - Initiated installation of a 15 tons per day (TPD) CO₂ Capture and Utilization demonstration unit at BR in collaboration with UrjaNovaC (IIT Bombay incubated start-up), incorporating conversion of CO₂ into value-added calcium carbonate.
 - Advanced HiGee-based carbon capture technology utilizing next-generation solvent systems, progressing through pilot-scale design and techno-economic evaluation.
 - Developed in-house Simulated Moving Bed (SMB) CO₂ capture technology, demonstrating superior CO₂ purity with significantly lower energy consumption compared to conventional processes.
- Hydrogen Technologies and National Green Hydrogen Mission
 - Commissioned an indigenous alkaline electrolyzer based on BARC technology at Cochin International Airport for a green hydrogen-powered refueling station.
 - Progressed BharatH2Sep membrane-based hydrogen recovery technology towards commercialization, achieving >95% hydrogen purity during continuous refinery operations and initiating detailed engineering for a 500 kg/hr commercial plant.
 - Designed and demonstrated a hydrogen burner prototype for safe and efficient hydrogen utilization.
- Digitalization and Advanced Process Optimization
 - Successfully developed and deployed BPMARRK®– Aspen HYSYS® Integrated Digital Twin-based Real-Time Optimization (RTO) solution in open-loop mode at KR CDU-3, establishing a foundation for enterprise-wide optimization.
 - Developed BPMARRK® 2.0, a comprehensive web-based platform for crude assay management, yield prediction, and crude evaluation, integrated with supply chain optimization systems.
 - Advanced development of AI-enabled corrosion prediction software for refinery overhead systems, progressing towards pilot deployment.
- Sustainable Aviation Fuel (SAF) and Renewable Fuels
 - Successfully developed indigenous hydro-deoxygenation and hydro-dewaxing catalysts for production of SAF from Used Cooking Oil (UCO).
 - Enabled SAF utilization in commercial flight operations in collaboration with Akasa Airlines.
 - Developed advanced catalyst systems for SAF production via CO₂-derived syngas pathways at laboratory scale.
 - Initiated a strategic program for bio-based isobutanol production and diesel blending, in collaboration with Praj Industries, SIAM, and ARAI.
- Petrochemicals and Specialty Chemicals
 - Achieved significant progress in commercialization of Super Absorbent Polymer (SAP) technology, including completion of the Basic Design Engineering Package (BDEP) for a 20 KTPA plant.
 - Successfully demonstrated pilot plant operation for Methacrylic Acid (MAA) production from refinery isobutene streams.
 - Advanced development of high-value naphthenic base oils from low-value refinery streams.
- Refinery Process Technologies and Operational Excellence
 - Demonstrated significant yield improvement through Bharat Bottom Cracking Additive (BCA) during commercial FCC trials, delivering measurable economic benefits.
 - Developed indigenous FCC additives, including nickel passivators and SO_x reduction additives, and progressed scaling-up activities.
 - Validated Bharat Hi²CAT indigenous dewaxing catalyst, approved for refinery deployment by the process licensor.
 - Developed heavy oil upgradation technology (SDA²) for enhanced conversion of residual streams.
- Biofuels, Circular Economy and Waste Valorization
 - Improved and validated biodegradable binder technology from DDGS for bio-plastics and blown film applications.
 - Advanced green silica technology from biorefinery boiler ash towards demonstration scale.
 - Scaled up Enriched Fermented Organic Manure (e-FOM) production and conducted multi-crop validation trials.
 - Progressed development of indigenous cellulase enzymes and engineered microbial systems to improve second-generation ethanol economics.

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- Achieved encouraging results in bio-based 1,4-butanediol (BDO) production through collaboration with ICGEB.

Specialty Fuels and Consumer Products

Unveiled Bharat-Shakti, an advanced LPG formulation offering improved thermal efficiency and lower emissions, at India Energy Week 2026.

Developed and validated Winter Grade LPG for reliable performance under extreme climatic and high-altitude conditions.

Successfully developed and field-tested Extreme Winter Grade Diesel with ultra-low temperature operability for defense applications.

Lubricants and Product Development

R&D efforts were focused on next-generation lubricant products aligned with evolving automotive, industrial, and electrification requirements:

Long-life stationary gas engine oils

Premium mineral-based refrigeration compressor oils

Fuel-efficient motorcycle engine oils for new-generation vehicles

Lubricants for LNG-powered commercial vehicles

Long-drain axle oils for heavy-duty applications

Synthetic automatic transmission fluids for modern drivetrains

Advanced EV fluids for thermal management and efficiency

Long-life greases with extended re-lubrication intervals

provides BPCL access to equity oil, resource growth, natural hedging, capacity development and strategic participation in key developments.

BPRL holds Participating Interest (PI) in 15 blocks (8 in India, 7 overseas) and equity stakes in two Russian entities with four producing blocks. Overseas assets (Brazil, Mozambique, Indonesia, UAE and Russia) are held via step-down subsidiaries/ JVs in the Netherlands and Singapore.

Aligned with BPCL's long-term growth strategy, BPRL is focused on enhancing production and reserves by 2030 through the development of key international assets and the creation of a balanced portfolio of producing and near-producing assets. As part of this strategy, the Company is transitioning from an exploration-led portfolio to a production-oriented business, with major developments in Mozambique and Brazil expected to strengthen BPCL's access to equity oil. Going forward, BPRL will prioritize advancing these projects, pursuing selective value-accretive investment opportunities and strengthening its operating model to deliver sustainable long-term growth.

Current Status of Blocks

BPRL has Participating Interest (PI) in fifteen blocks, of which eight are in India and seven overseas, along with equity stakes in two Russian entities holding the license to four producing blocks in Russia. Five of the eight blocks in India were acquired under different rounds of the New Exploration Licensing Policy (NELP), one block was awarded under Discovered Small Fields (DSF) Bid Round 1 and two blocks were awarded under the Open Acreage Licensing Policy (OALP) Bid Round I. Out of the seven overseas blocks, three are in Brazil, two in the United Arab Emirates (UAE) and one each in Mozambique and Indonesia. BPRL has wholly owned subsidiary companies located in the Netherlands, Singapore and India for holding the assets. The subsidiary in India, viz., Bharat PetroResources JPDA Limited, held PI in one block in Timor Leste, which has been relinquished.

Overseas Assets

Russia

BPRL, Oil India Ltd. (OIL) and Indian Oil Corporation Ltd. (IOCL), collectively known as the Indian Consortium (IC), hold stakes in JSC Vankorneft (23.90%) and LLC TYNGD (29.90%) through joint ventures Vankor India Pte Ltd. (VIPL) and Taas India Pte. Ltd. (TIPL), respectively. In JSC Vankorneft, LLC Vostok is the operator with 50.10% shares and in LLC TYNGD, RN Upstream LLC is the operator with 50.10% shares. In FY 2025-26, JSC Vankorneft produced 8.05 MMT of oil and 3.74 BCM of gas, with BPRL's share being 0.63 MMT of oil and 0.29 BCM of gas. In FY 2025-26, TYNGD, produced 4.63 MMT of oil and 6.65 BCM of gas, with BPRL's share being 0.46 MMT of oil and 0.66 BCM of gas.

United Arab Emirates

Lower Zakum Concession

BPRL, IOCL, and OVL hold a 10% stake in the Lower Zakum Concession in Abu Dhabi, UAE, through Falcon Oil & Gas B.V., an SPV in the Netherlands. Abu Dhabi National Oil Company holds 60% and is the Operator. In FY 2025-26, the concession produced 18.79 MMT of oil (BPRL share: 0.56 MMT).

The long-term plan aims to extend and sustain the oil plateau through a three-phase development plan, with Phase 1 currently under implementation

Onshore Block 1 Concession

The block is held by Urja Bharat Pte Ltd. (UBPL), a 50:50 joint venture company of wholly owned subsidiaries (WOS) of BPRL and IOCL, incorporated in Singapore. There are two existing undeveloped discoveries in the area, named Ruwais and Mirfa, in addition to available prospects/leads for exploration.

The approval of Ruwais Field development plan has been received from the regulator in UAE and FEED Studies for Ruwais Field Development (FDP) was completed on March 27, 2026. Procurement strategy for construction of field facilities including the trunk line is being evaluated. Parallely, efforts are being made for early production and ADNOC has approved request for Early Production from Ruwais Field. Currently, Procurement related activities are ongoing for Early production System. First oil from the field is anticipated in Q3 2026. In the remaining part of the block area, exploration work is ongoing.

Mozambique

BPRL holds 10% PI in Offshore Area 1, Rovuma Basin Concession in Mozambique. TotalEnergies EP Mozambique Area 1 Limitada, a wholly owned step-down subsidiary of TotalEnergies S.A. is the Operator with 26.50% PI.

Offshore Area-1, Mozambique has five discovered gas fields namely, Golfinho-Atum, Prosperidade, Orca, Tubarao-Tigre and Tubarao. Water depth in the concession ranges from 500 m to 1800 m. These fields together hold around 70 Tcf of gas. Final Investment Decision (FID) to initially develop a 2x6.56 MMTPA-Train onshore LNG project was taken on June 18, 2019, however, due to security incidents, the consortium had declared Force Majeure. With the efforts from the Government of Mozambique towards the reestablishment of peace and improved security situation, the Project lifted Force Majeure on November 7, 2025.

In FY 2025-26, following the lifting of force majeure in November, intensive remobilization of equipment and personnel is underway, with over 6,000 personnel currently deployed at the site. The project has achieved approximately 42% completion and remains on its planned development trajectory.

Brazil

IBV Brasil Petroleo Limitada (IBV), incorporated in Brazil, currently holds PI in three deep-water blocks in two concessions.

In June 2026, BPRL Ventures BV acquired the remaining stakes of Videocon Energy Brazil Ltd. (VEBL) in IBV, thereby making IBV a wholly owned subsidiary of BPRL Ventures BV.

Sergipe Alagoas (BM-SEAL-11) Concession

IBV holds 40% PI in the BM-SEAL-11 concession, and the remaining 60% PI is held by the Operator, Petrobras. The Declaration of Commerciality (DoC) was submitted to the Regulator in December 2021. In FY 2025-26, procurement activities have been caried out for long lead items including the Floating Production Storage & Offloading vessel (FPSO). The Operator has completed the technical evaluation & negotiation phase in the FPSO tender, and the award of the contract is expected shortly. The project is under development phase now with first oil expected in 2031.

Campos (BM-C-30) Concession

In the BM-C-30 Concession, IBV holds 35.71% PI, and PetroRio Jaguar Petroleo Ltda, as the operator, holds 64.28% PI. The Development of Wahoo discovery in the Concession is under exclusive operations by the Operator.

Indonesia

BPRL holds 16.20% PI, while PT Pertamina Hulu Energi Nunukan Company (PHENC) holds the remaining 83.76% PI and is the operator. The Revised Plan of Development (POD) for Badik-West Badik fields has been approved. Re-FEED studies have been completed in April 2026. Efforts are being made to close the pending issues and start the development work.

Blocks in India

Operated Blocks

CB-ONN-2010/8 (Onshore Cambay Basin, Gujarat)

Under the NELP-IX Bid Round, a BPRL-led consortium was awarded the on-land block CB-ONN-2010/8 in the Cambay basin. The consortium includes BPRL as the Lead Operator, GAIL (India) Ltd. (Joint Operator), Engineers India Ltd. (EIL), and BF Infrastructure Ltd. (BFIL). During the initial exploration period, two discoveries were made, and the Field Development Plan was approved by the Directorate General of Hydrocarbons (DGH). However, due to unviable project economics, BPRL submitted a relinquishment proposal to DGH which was approved in April 2025. Subsequently, the Ministry of Petroleum and Natural Gas (MoPNG) issued the termination order in March 2026. The block is now a part of DSF Round IV, bidding for which has already been completed.

CB-ONHP-2017/9 (Onshore Cambay Basin, Gujarat)

The block CB-ONHP-2017/9 in Cambay basin, Gujarat was awarded to BPRL under Open Acreage Licensing Policy (OALP) Bid Round-I, and the Revenue Sharing Contract (RSC) of the block was signed with Govt. of India on October 1, 2018. BPRL is the lead Operator in the block with PI of 60% and ONGC is

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the partner with 40% PI. 3 wells were drilled in the block during 2023-24 and 2024-25. As the exploration results were not encouraging, the block is under relinquishment.

CY/ONDSF/Karaikal/2016 (Onshore Cauvery Basin, Tamil Nadu)

BPRL was awarded the Karaikal Contract Area in the Discovered Small Field (DSF) Bid Round of 2016 with 100% PI. The Petroleum Mining Lease (PML) for the block is still awaited from State Govt. of Tamil Nadu. BPRL is in the process of relinquishing the block.

Non-Operated Blocks

CY-ONN-2002/2 (Madanam Field, Onshore Cauvery Basin, Tamil Nadu)

BPRL has PI of 40% in an On-land block CY-ONN-2002/2 in Cauvery basin with ONGC being the Operator with 60% PI. During FY 2025-26, 60,886 MT of oil (BPRL share: 24,354 MT) and 35.47 mmscm of gas (BPRL share: 14.19 mmscm) has been produced from the block.

CY-ONN-2004/2 (Onshore Cauvery Basin, Tamil Nadu)

BPRL has PI of 20% in this block, and ONGC with PI of 80% is the Operator of the block. The Field Development Plan (FDP) was approved on July 13, 2017, and the first two development wells drilled did not yield the desired results. G&G studies have been carried out to understand the hydrocarbon prospectivity. Meanwhile, state government of Tamil Nadu granted conditional “Petroleum Mining License” (PML) stating that no wells shall be drilled in the area which falls under the Tamil Nadu Protected Agricultural Development Zone 2020. The JV partners are working on the way forward for the Block.

CB-ONN-2010/11 (Onshore Cambay Basin, Gujarat)

CB-ONN-2010/11, the onshore block was awarded by Government of India to the consortium, currently consisting of GAIL as Operator, BPRL and EIL. Total crude oil production in FY 2025-26 has been 2206 bbl. (306MT) at Consortium level (BPRL Share: 90 MT).

AA-ONN-2010/3 (Assam Arakan Basin, Assam)

AA-ONN-2010/3, an On-land block was awarded by Government of India to a consortium consisting of BPRL (20%), OIL (40%) & ONGC (40%) and under NELP IX Bid Round. The Minimum Work Program (MWP) has been completed and due to complications during drilling of the MWP commitment well SDYA-1, it was plugged and abandoned Based on Operator’s request, DGH granted a paid extension of two years in the exploration period effective from 07.11.2025, The JV partners are working on the way forward for the Block.

AA-ONHP-2017/12 (Assam Arakan Basin, Assam and Arunachal Pradesh)

The consortium partners of the block are BPRL (10%) and OIL (60%) is the Operator. The exploration period has been extended till February 08, 2028. As per revised committed Minimum Work Program (MWP), all activities viz. 2D and 3D Seismic data Acquisition, Processing and Interpretation are completed except for drilling of one well. Operator is planning to complete the MWP well.

Blocks Relinquished During the Year: Nil

Business Process Excellence Center (BPEC)

The Business Process Excellence Center (BPEC) is a centralized setup for handling various business processes enhancing efficiency, standardization, and optimization of manpower resources across the organization, covering processing of non-hydrocarbon vendor payments including Site Rentals, Road Transportation Payments, Accounts Receivable, Centralized GST, Centralized Payroll, Post-Retirement Benefits.

As a part of digital transformation and automation drive, BPEC has implemented The Digital Invoice Management (DIM) Portal, allowing vendors to upload their invoices seamlessly on a real time basis. Due to BPEC’s constant efforts, 89% of invoices are uploaded digitally via the DIM Portal, enhancing transparency, improving turnaround time, and supporting the green initiative.

During the journey towards centralization, BPEC has migrated various allied processes associated with standard processes namely, customer account clearing, collection management, dispute management through enhanced internal controls, improvement in working capital management, meaningful insights through data analytics as well as automation and standardization of processes, resulting in optimum utilization of resources, benchmarking best practices, excellence in execution and commitment for compliance.

BPEC processed 6.29 lakh vendor invoices amounting to ₹ 46,971 crore, with a substantial number of invoices processed within 10 days of receipt at BPEC. Recognizing the vital role that Micro, Small and Medium Enterprises (MSMEs) play in socio-economic growth, employment opportunities, eradication of poverty, etc. BPEC has created a separate cell for MSMEs to ensure uninterrupted and prompt payments to them.

BPCL has made timely payments to all MSE vendors as per MSMED Act. During the year, total procurement aggregated to ₹ 6,353 crore from 7,991 MSE vendors involving 2,21,783 invoices.

Further, the Company has implemented Trade Receivables electronic Discounting System (TReDS), which is a digital platform to support MSMEs to get their invoices financed at a

competitive rate, facilitating timely payment through an auction, where multiple registered financiers can participate. BPEC has onboarded all the aggregators in line with the MOU targets.

S. No.	Name	Date of onboarding
1.	RXIL	11/12/2018
2.	Invoice Mart	20/12/2018
3.	M1xchange	01/02/2019
4.	C2FO	20/03/2025
5.	DTX	25/06/2025

Consequent to the focused efforts for facilitating MSME bill discounting, there has been a considerable increase in the quantum and value of MSME bills discounted for the current year. BPCL discounted ~9,400 invoices valued at ₹ 1,879 crore during the current year, as against ₹ 1,050 crore during the previous year.

Internal Control System and its Adequacy

The Company 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 optimum utilization of resources and protects the Company’s assets and interests of investors. The Company has a clearly

defined organizational structure, well-documented decision rights, as well as 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. The Company has implemented role-based authorization to ensure necessary controls in ERP, to have a high degree of data integrity and professional standards. The SAP system provides an inbuilt audit trail for all business transactions that have taken place at any point of time. The Company has a whistle-blower policy and an anti-fraud policy to address fraud risks.

The Company’s independent Audit function, consisting of professionally qualified persons from accounting, engineering, IT and marketing domains, reviews 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 aspects 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. The Audit Committee/ Board regularly reviews significant findings of the Internal Audit Department, covering operational, financial and other areas and provides guidance on internal controls, to ensure governance commensurate with the operations of the Corporation.

Details of Significant Changes in Key Financial Ratios

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations:

S. No.	Ratio Type	Unit	2025-26	2024-25	Variation (in %)	Explanation for Changes
1.	Debtors Turnover Ratio	No. of Days	5.00	6.46	(22.57)	
2.	Inventory Turnover Ratio	No. of Days	34.53	32.23	7.14	
3.	Interest Coverage Ratio (Profit Before interest and Tax + Depreciation)/Finance cost	Times	41.39	20.77	99.28	Interest Coverage Ratio has improved mainly on account of higher Profits and lower Finance Cost
4.	Current Ratio	Times	0.89	0.82	8.78	
5.	Debt Equity Ratio	Times	0.11	0.29	(62.07)	Debt equity ratio has decreased mainly on account of debt repayment.
6.	Operating Profit Margin Ratio (OPM) = (Profit before exceptional Items and Tax minus Other Income)/Revenue from Operations	%	6.07	3.27	85.59	The Operating Profit Margin Ratio has increased mainly on account of increase in refinery margins in the current year
7.	Net Profit Margin Ratio	%	4.46	2.65	68.05	The Net Profit Margin Ratio has increased mainly on account of higher Profit after Tax
8.	Return on Net Worth	%	24.47	16.40	49.23	The Return on Net Worth Ratio has increased mainly on account of higher Profit after Tax

Note: Explanations are furnished where variation is 25% or more, as per the disclosure requirement; ratio values rounded to two decimals from source workbook, variation as per source.