

Bharat Petroleum Corporation Limited

Investor Presentation

August 2020

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1. Corporate Overview

2nd

India's **2nd largest Oil Marketing Company** (OMC) with standalone domestic sales volume of over 43.10 MMT and Market share of 22% during FY20

309

Ranking on **Fortune 500- 2020 global list**

3rd

India's 3rd largest in terms of **Refining Capacity** (15.33 % of India's refining capacity)

44

44th Rank on **Platt's Top 250 Global Energy** Company Rankings 2019

6th

India's **6th largest** company by turnover

1200
Bn

BPCL's Market Capitalization recently touched ₹ 1200 Bn

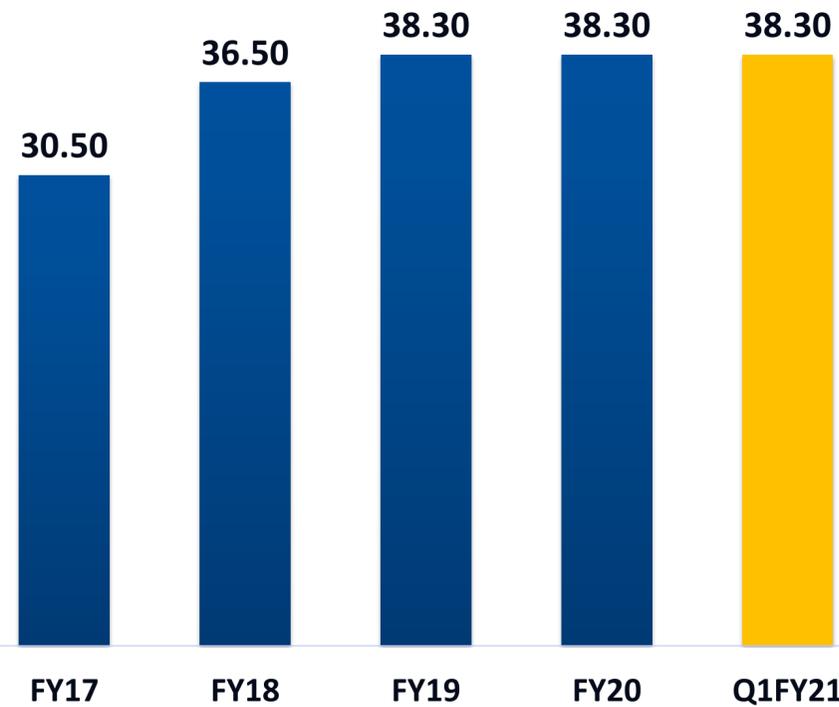
Recipient of **Star PSU Award** in 2018

The Govt. of India conferred BPCL with "**MAHARATNA**" status in Sep 2017

Balanced portfolio with **Strategically located Refineries and Marketing Infrastructure**

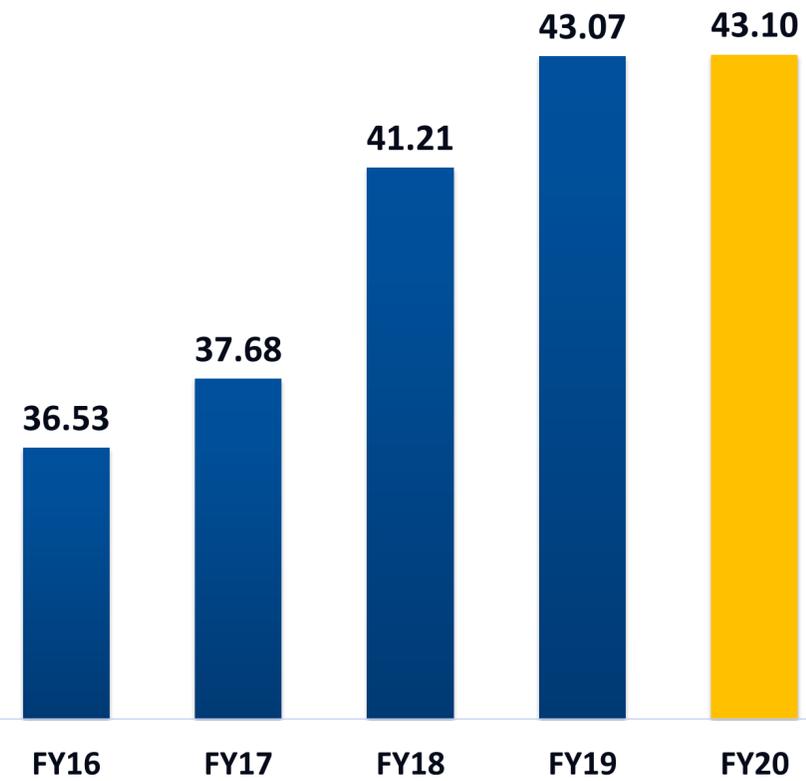
BPCL 5 Year Key Physical Indicators

REFINING CAPACITY (MMT)

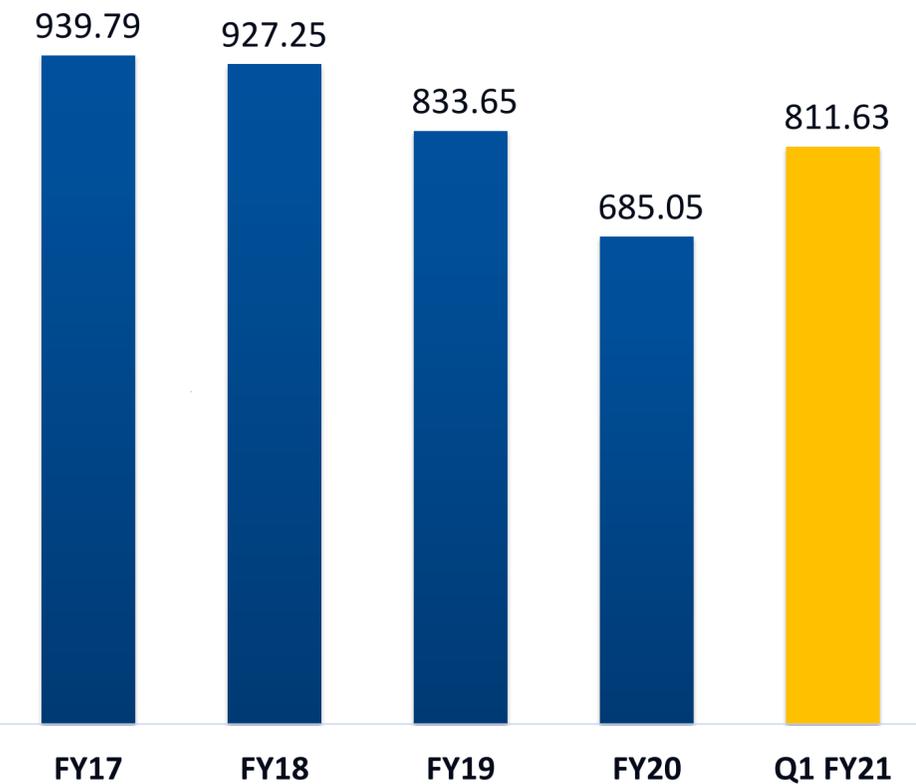


Entire throughput/capacity of Bina Refinery & NRL have been considered

MARKET SALES (MMT)



Market Capitalization (INR billion)



Market Capitalization figures as on period end

India's Leading Oil and Gas Company with presence across the Hydrocarbon Value Chain

BPCL Evolution

Gol acquired Burmah Shell Refineries. Name changed to BPCL in 1977



BPCL and GAIL formed a JV, IGL, for distribution of Natural Gas in entire capital region



BPCL entered the LNG market by signing a gas sales purchase agreement with Petronet LNG



Entered into upstream business and formed Bharat Petro Resources Limited (BPRL)



Kochi Refinery capacity enhanced to 9.5 MMTPA



CCR¹ unit at Mumbai Refinery commissioned in March 2014

Formation of Bharat Gas Resources Limited for focus on Gas business
Bina capacity enhanced to 7.8 MMTPA

conferred with "MAHARATNA" status in Sep 2017

KR modernized and capacity enhanced to 15.5 MMTPA

1976

1998

2002

2003

2005

2006

2008

2009

2011

2012

2014

2015

2016

2017

2018

Restructured business into corporate centre, Strategic Business Units (SBU) and Shared Entities



First in the Indian Oil Industry to roll out ERP Solution



Mumbai Refinery capacity enhanced to 12 MMTPA

Started operations at its Bina refinery by launching its crude distillation unit
Euro III / IV products launched at Mumbai and Kochi Refinery



Commissioning of 6 MMTPA Bina Refinery

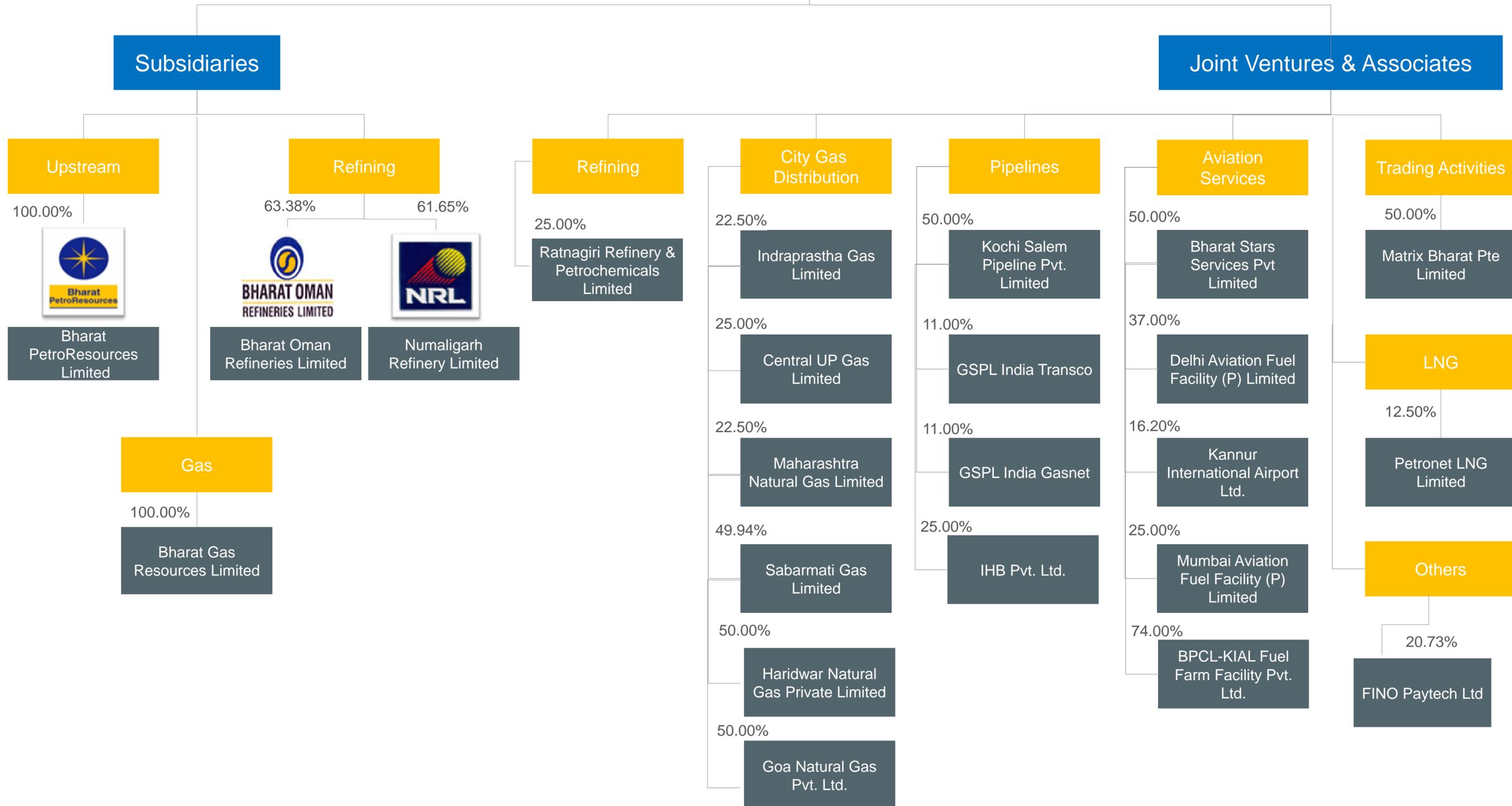


Refrigerated LPG storage and handling facility at JNPT and Uran LPG plant commissioned

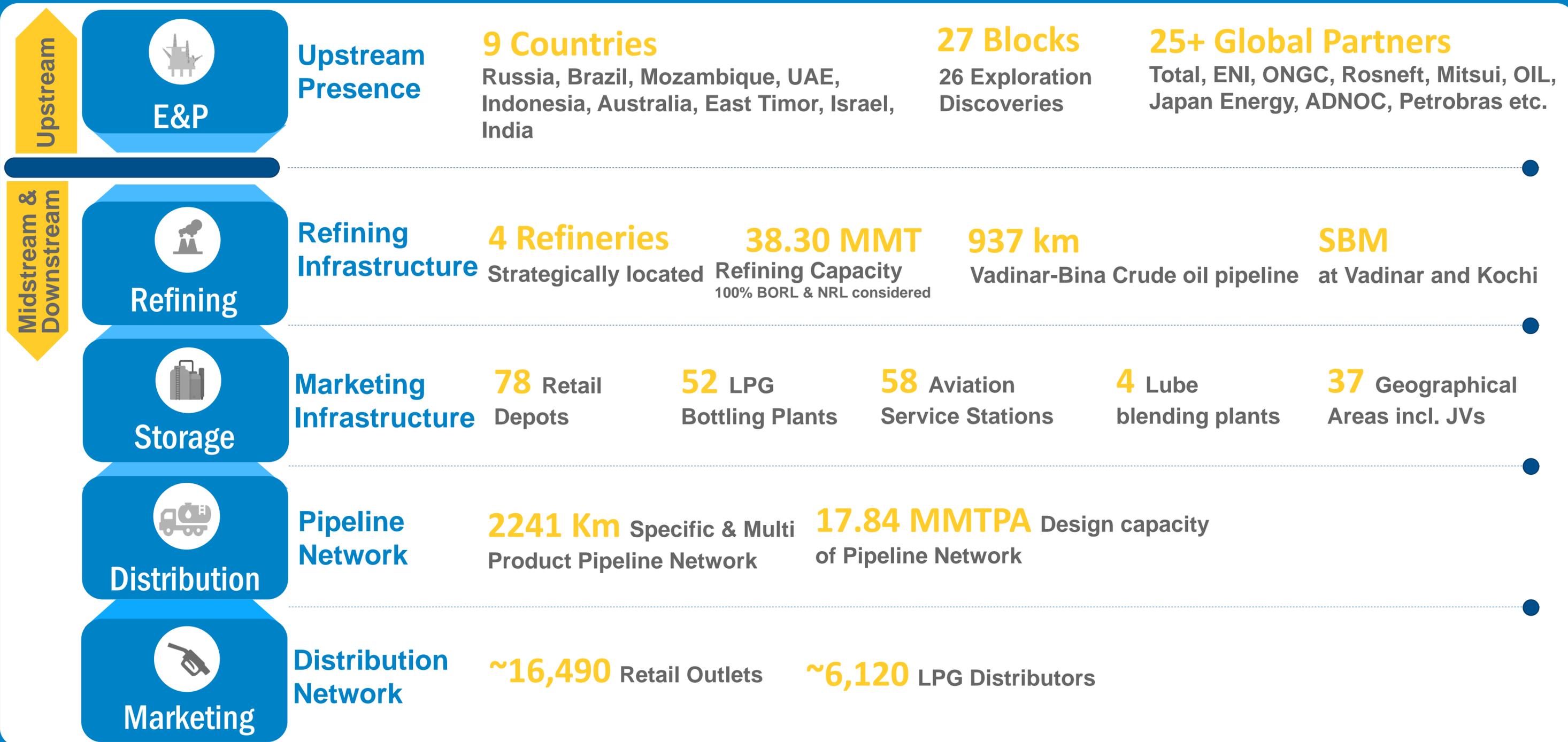
Commissioned Energy Efficient CDU IV with replacement of CDU I & II at Mumbai Refinery
Commissioned Kota Jobner Pipeline and Terminal

Acquisition of upstream assets in Russia
Integrated Refinery Expansion Project (IREP) at Kochi

Major Subsidiaries, JVs & Associates



2. Business Overview



STRATEGIC BUSINESS UNITS 7
 ENTITIES (Support Functions) 23
 EMPLOYEES 11,025

*Numbers in the slide are for period ending 30th June 2020.

Diversified Product Offering and Presence Across Value Chain

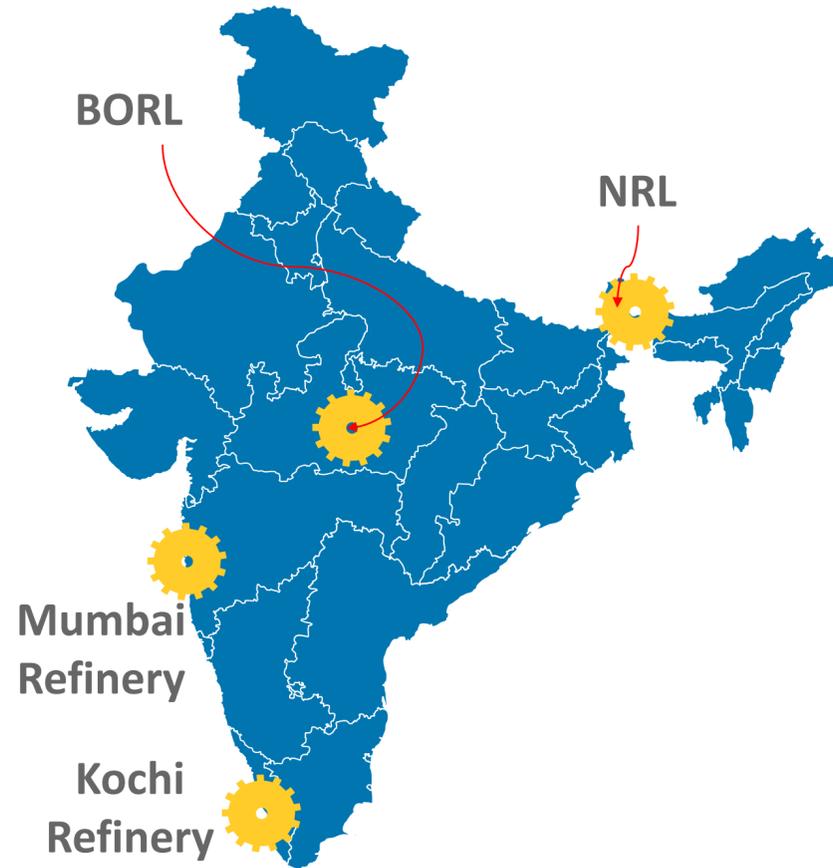
Refinery	Retail	LPG	Industrial/ Commercial	Aviation	Lubricants	Gas
 <ul style="list-style-type: none"> • Refining capacity of 38.3 MMTPA • 15% of the country's refining capacity 	 <ul style="list-style-type: none"> • 24.59% market share¹ • ~16,490 retail outlets • 78 depots /installations 	 <ul style="list-style-type: none"> • 25.70% market share¹ • Currently over 6120 distributors • 52 LPG bottling plants 	 <ul style="list-style-type: none"> • Currently 8,000+ customers 	 <ul style="list-style-type: none"> • 22.75% market share¹ in ATF • 58 Aviation service stations 	 <ul style="list-style-type: none"> • 17.55% market share¹ • Currently 18,000+ customers • More than 400+ grades of products 	 <ul style="list-style-type: none"> • 50+ major LNG customers
<ul style="list-style-type: none"> • Strategically located refineries 	<ul style="list-style-type: none"> • Pan India presence across products 	<ul style="list-style-type: none"> • Various Innovative offerings with ventures in allied business 	<ul style="list-style-type: none"> • Reliable, innovative and caring supplier of I&C products 	<ul style="list-style-type: none"> • Present at all the major gateways and airports for into plane services 	<ul style="list-style-type: none"> • Major OEM tie ups such as Tata Motors, Honda, Genuine Oil, TVS etc. 	<ul style="list-style-type: none"> • Emerging Markets
<ul style="list-style-type: none"> • Four refineries in Mumbai, Kochi, Numaligarh and Bina 	<ul style="list-style-type: none"> • Pioneer in branded retail outlets, branded fuels ex: Speed 	<ul style="list-style-type: none"> • Current Domestic customer base 8.29 Crores 	<ul style="list-style-type: none"> • Pioneer in IT integration and Supply Chain Management 	<ul style="list-style-type: none"> • Fuel Farm Operations through MAFFFL and DAFFL 	<ul style="list-style-type: none"> • Product customization 	<ul style="list-style-type: none"> • 100% subsidiary BGRL for focus on Gas business • Interest in 37 GAs

1. Market share includes sale by PSU as well as private oil marketing companies. For Lubricants it represents on PSUs share. All figures as of 30th June 2020.

2. Source : Ministry of Petroleum and Natural Gas, PPAC

3. Numbers in the slide are for period ending 30th June 2020

Refining Coverage



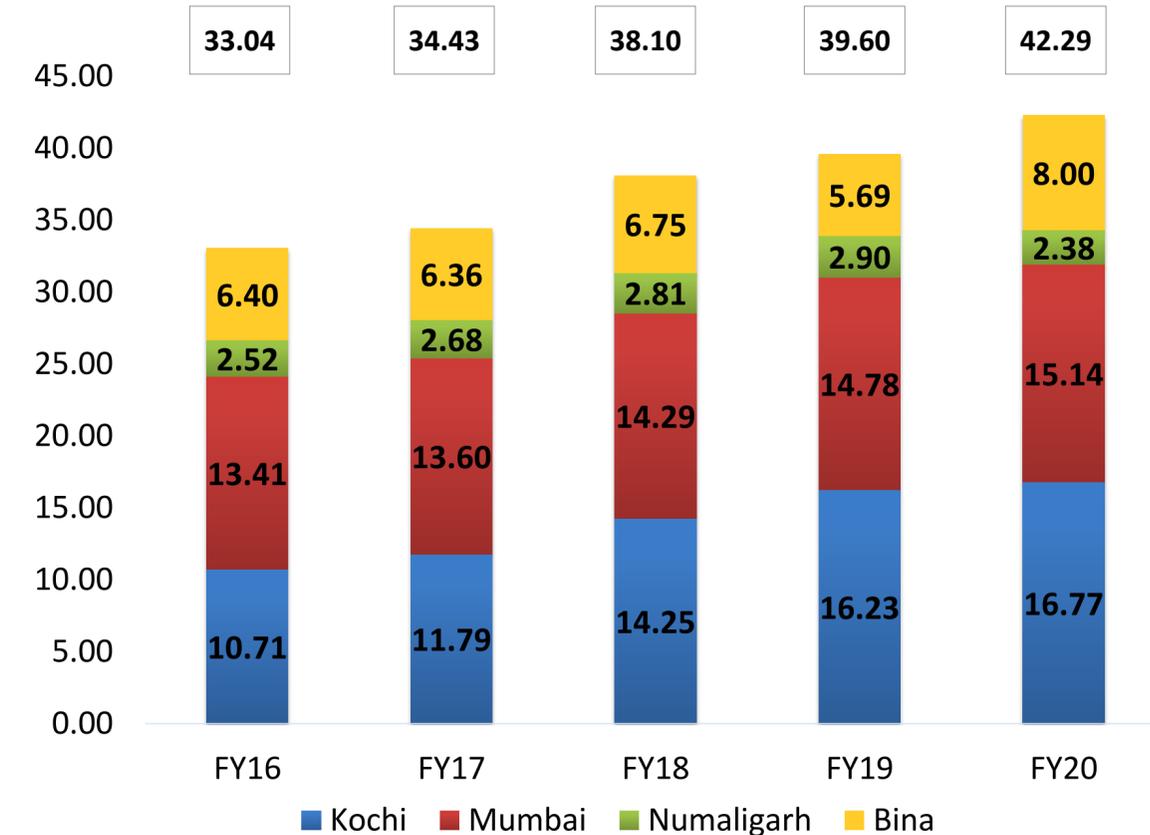
Installed Capacity

Refining Capacity



Entire throughput of Bina Refinery & NRL have been considered

Refining Throughput



Four Strategically located refineries across India

Refinery Utilization rates above name-plate capacities

Refineries are BS VI & IMO Compliant

Flexibility to process low & high sulphur Crude

937-km cross country pipeline to source crude to BORL



- Processed ~94 types of crudes
- API Range: 37 to 39.8
- Lubes refinery
- Hydrocracker & 2 FCCUs

- Commissioned in 1955 with processing capacity of 2.2 MMTPA now augmented to 12 MMTPA.
- Flexibility to process low & high sulphur Crude, consistently, refining throughput exceeds designed capacity
- Connected with MMBPL multi product pipeline from Mumbai to Delhi designed to evacuate 6 MMTPA of petroleum products
- Lowest SOX emission refinery of country (< 10 T/d)
- Ongoing Projects- Marine Oil Terminal Revamp, Lubricating Oil Base Stock Revamp, Reformer Feed Unit Revamp and Kerosene Hydro Treating Unit

MR is one of the most versatile refineries in India with state of the art monitoring tools covering entire functions of refinery



- Processed ~95 types of crudes
- API Range: 31.8 to 37.4
- Petrochemical FCCU & FCCU
- Delayed Coker unit for bottom upgradation

- Started its journey in 1966 with capacity of 50,000 bbl per day and currently largest PSU Refinery
- Equipped to receive crude oil in Very Large Crude Carriers (VLCCs) with SPM (Single Point Mooring)
- A 300 km long pipeline connects the refinery to various consumption points in Tamil Nadu
- Ability to swing between MS & HSD based on demand
- Ongoing Projects- PDPP and POPP (Niche Petrochemical Products), MSBP (MS production enhancement)

KR to meet fuel demand of the Indian Market and create synergy for diversification into petrochemical products



- **Processed 19 types of crudes**
- **API Range: 28 to 40**
- **Hydrocracker**
- **Delayed Coker unit for bottom upgradation**

- **Bharat Oman Refineries Limited (BORL) – BPCL Interest 63.38%* with 7.8 MMT Refining capacity at BINA**
- **State of art technologies - High Nelson Complexity Index 11.5**
- **Associated Facilities – SPM, Crude Oil Terminal, 937-km cross country crude oil pipeline from Vadinar to Bina (VBPL)**
- **Bina Kota Pipeline for evacuation of products**
- **Low cost capacity expansion from 6 MMTPA to 7.8 MMTPA**
- **GRM of \$3.1/bbl during Q1FY 21 and \$7.5/bbl during Q1 FY20.**

Bina refinery to consolidate refining portfolio required to support downstream retailing market in Northern and Central India



- Numaligarh Refineries Limited (NRL) – BPCL Interest 61.65% with 3 MMT Refining capacity in the north-eastern state of Assam
- Largest producer of paraffin wax in the country
- GRM of \$24.56/bbl during Q1 FY21 and \$26.36/bbl during Q1 FY20 (including ED Benefit)

Expansion Plans

- Capacity expansion from 3 to 9 MMTPA
- Total Project Cost of Rs.22,594 crores
- Integrated with an 8 MMTPA 1,398 km crude pipeline from Paradeep to Numaligarh
- Integrated with a 6 MMTPA 650 km product pipeline from Numaligarh to Siliguri

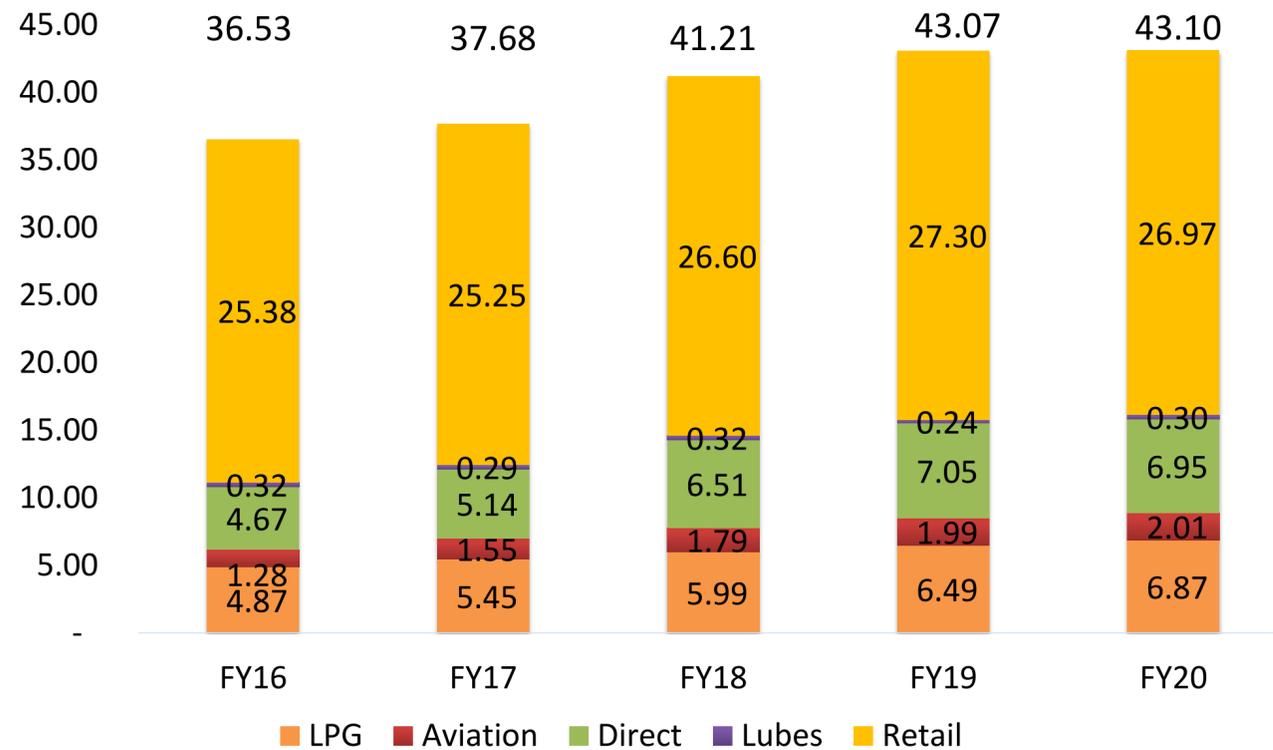
Other Projects

- Diesel Hydro-treater Project with capex of Rs.1031 crores completed in Jan 2018
- Bio-refinery through JV planned at a cost of Rs.1,259 crores at Numaligarh
- 129.5 km India Bangladesh Product Pipeline at a cost of Rs.346 crores including Government Grant-in-Aid of Rs.285 crores

Numaligarh refinery to consolidate refining portfolio required to support downstream retailing market in North-eastern India

Marketing Operations and Efficiencies

SBU Market Sales (MMT)

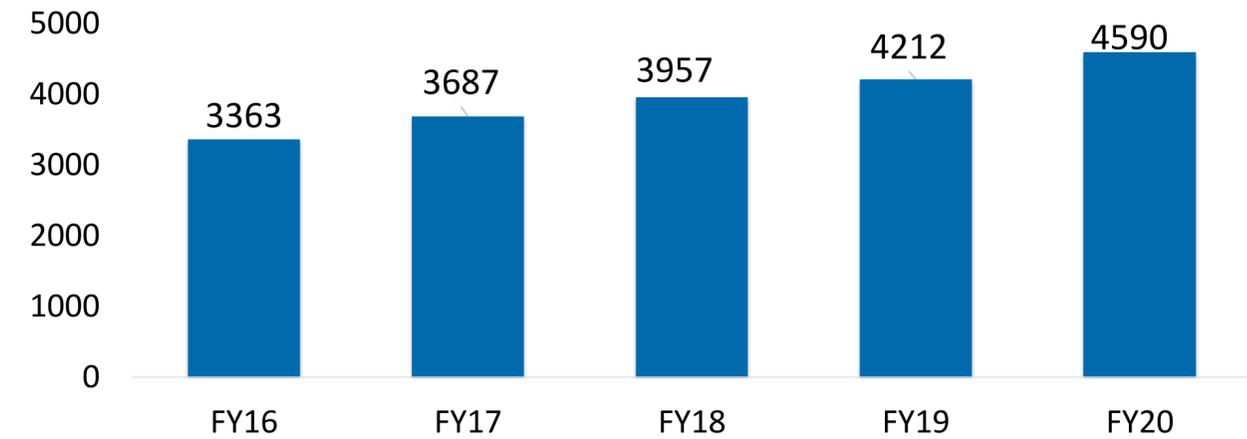


Retail Market Share MS & HSD*

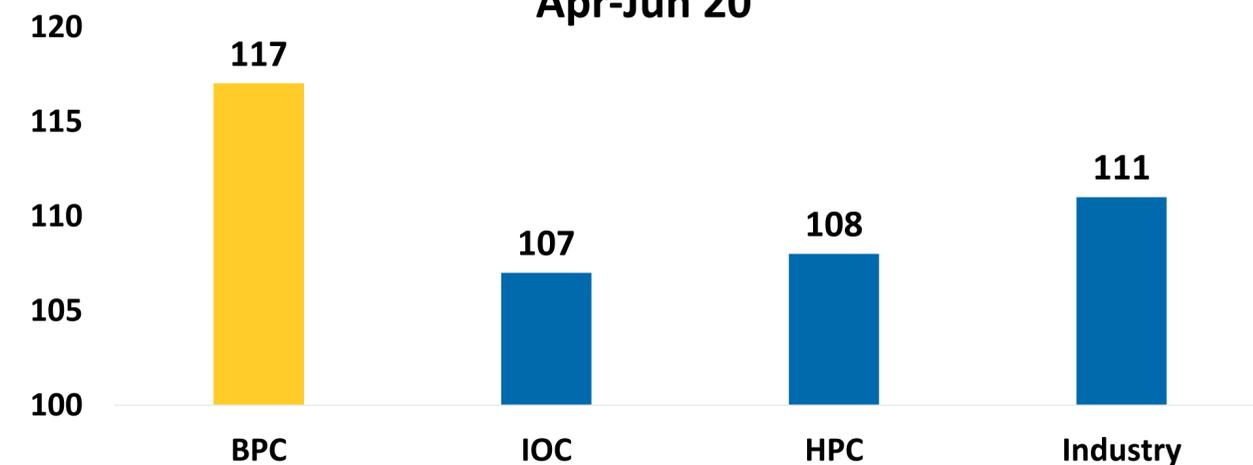
- MS > 28%
- HSD > 28%

*Market share is PSU Market share on Jun 20

LPG Bottling Capacity (TMTPA)



Thru'put per Outlet BPC Vs. Industry (KL/month) Apr-Jun 20



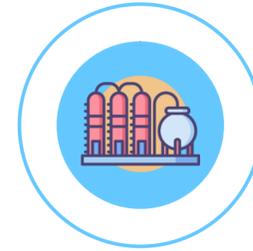
Leading Player with a Diversified product portfolio and a well-established Marketing and Distribution network

Ongoing Projects

Kochi Refinery – MS Block Project for
**BS VI grade gasoline and
Maximization of Naptha to
gasoline (₹ 32.89 Bn)**



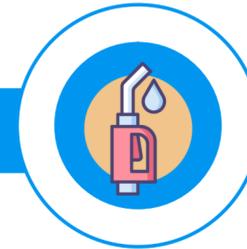
**LPG import terminal at Haldia, West
Bengal (₹ 10.98 Bn)**



Kochi – Diversification into **Niche
Petrochemicals PDPP Project- Acrylic
Acid, Oxoalcohol, Acrylates
(₹ 52.46 Bn)**



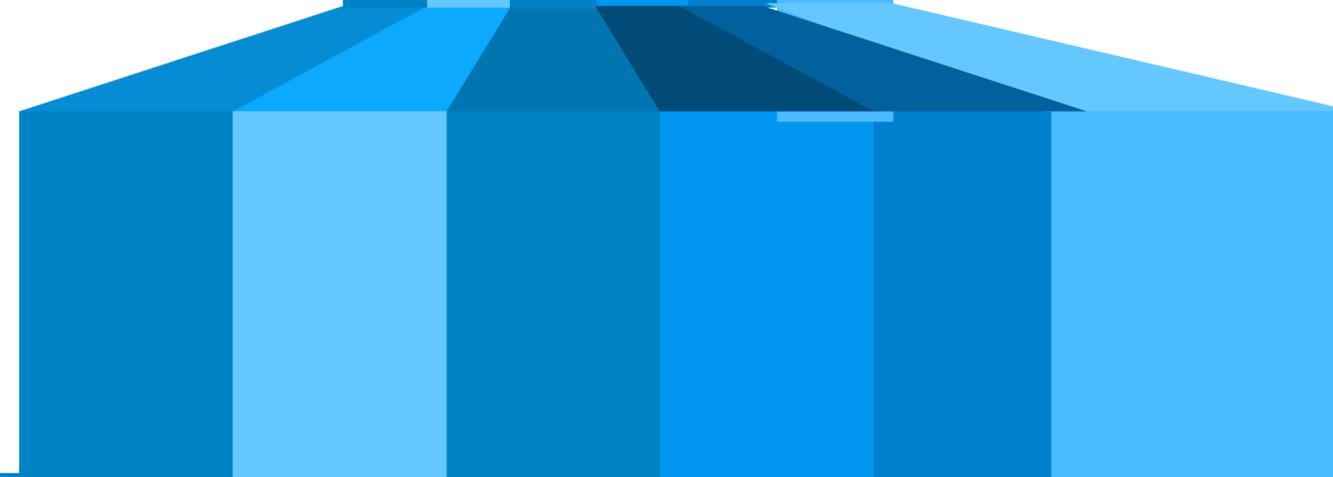
**Retail Infrastructure: POL Terminal
with Railway Siding at Pune,
Gulbarga, & Coastal terminal at
Krishnapatnam
(₹ 10.69 Bn)**



**Bina Kanpur Product Pipeline &
other pipelines (₹ 19.74 Bn)**



**2G ethanol refinery at Bargarh
Odisha
(₹ 16.07 Bn)**



Upcoming Projects

UPSTREAM



Investments in Mozambique – FID sanctioned. Project Financing agreement signed.

INVESTMENTS IN GAS



BPCL has been awarded 11 GAs in 9th round and 2 GAs in 10th round of bidding

MARKETING INFRASTRUCTURE



Expansion of marketing infrastructure across all business verticals including around 2500 new retail outlets in the next two years

PETROCHEMICALS



Petrochemical Project (Polyols) at Kochi to manufacture Propylene Glycol, Ethylene Glycol and Polyol

PIPELINES



Cross country LPG pipeline from Kandla to Gorakhpur through a JV

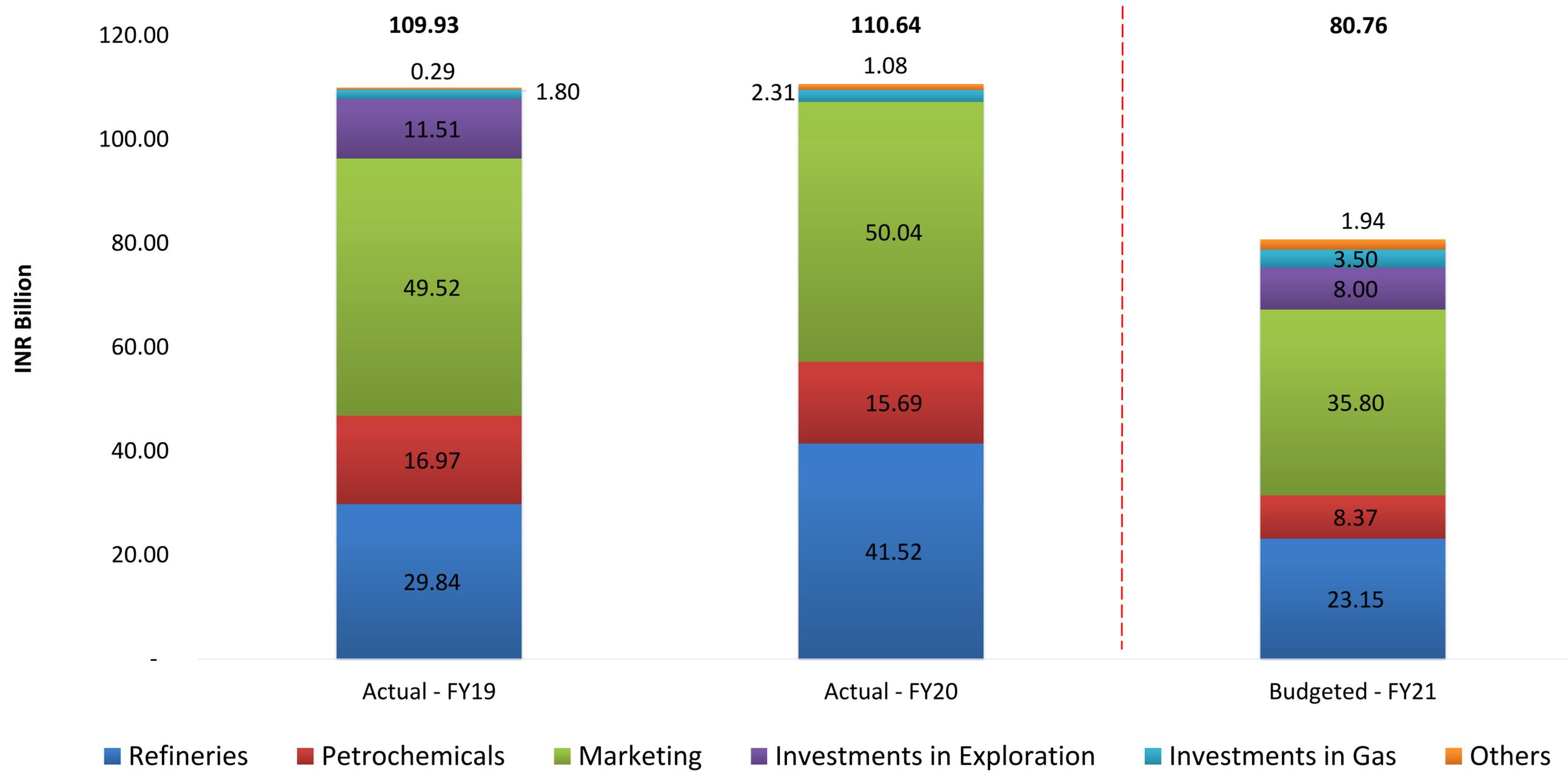
RASAYANI



Marketing Infrastructure & other facilities at Rasayani near Mumbai

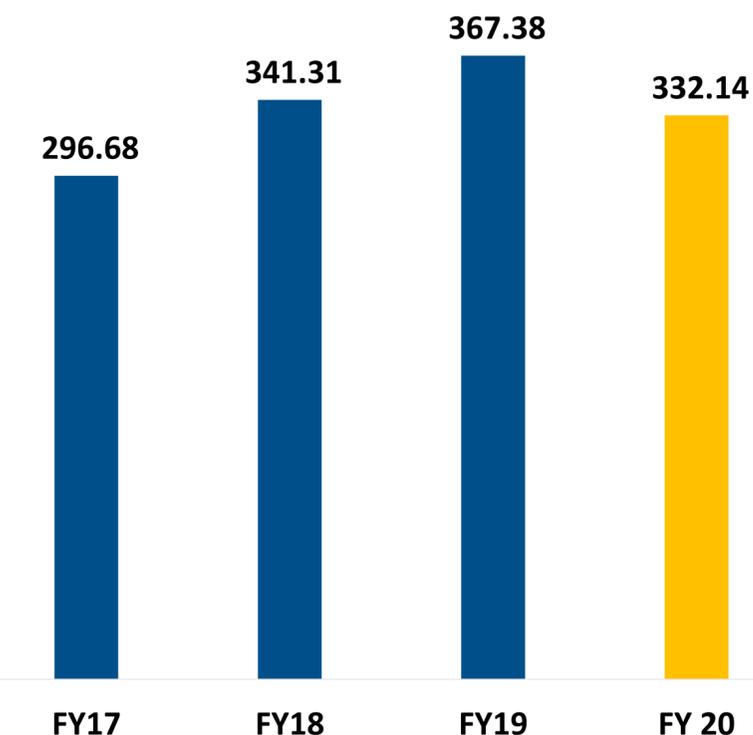
Capex outlay of INR 80.76 Bn for FY21 (Incl. investment in Subsidiaries/JVs)

CAPEX Strategy

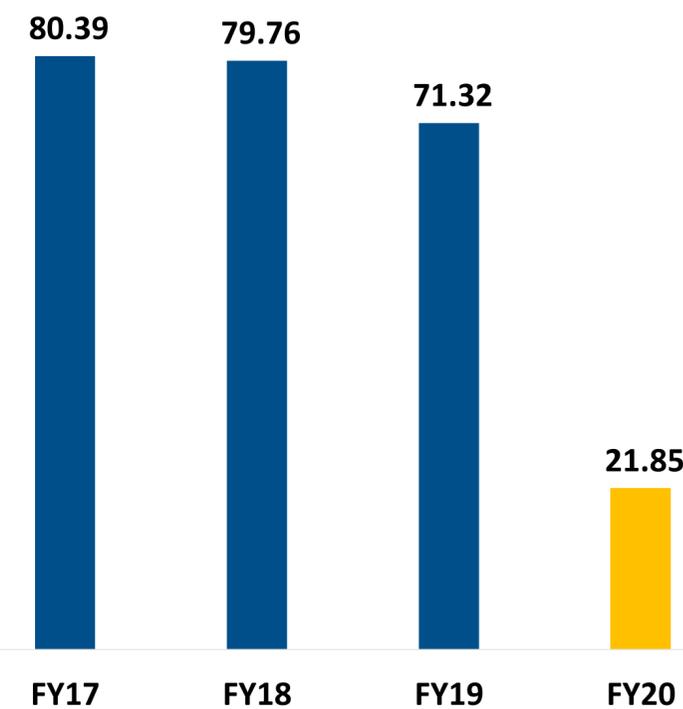


Significant Expansion in Upstream and Downstream business to drive future growth

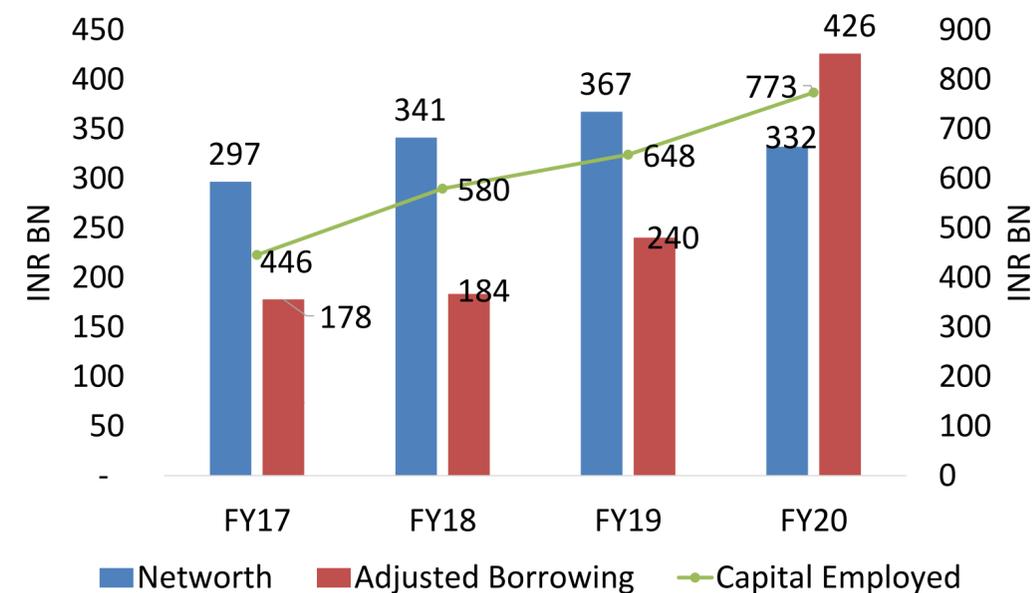
Net Worth (INR Billion)



PROFIT AFTER TAX (INR Billion)



CAPITAL EMPLOYED



Financial Ratios

Total Debt*/EBITDA

FY18

FY19

FY 20

Q1 FY 21

1.58

1.95

5.53

2.25

Total Debt-Equity

0.68

0.79

1.44

1.15

Adjusted Debt-Equity**

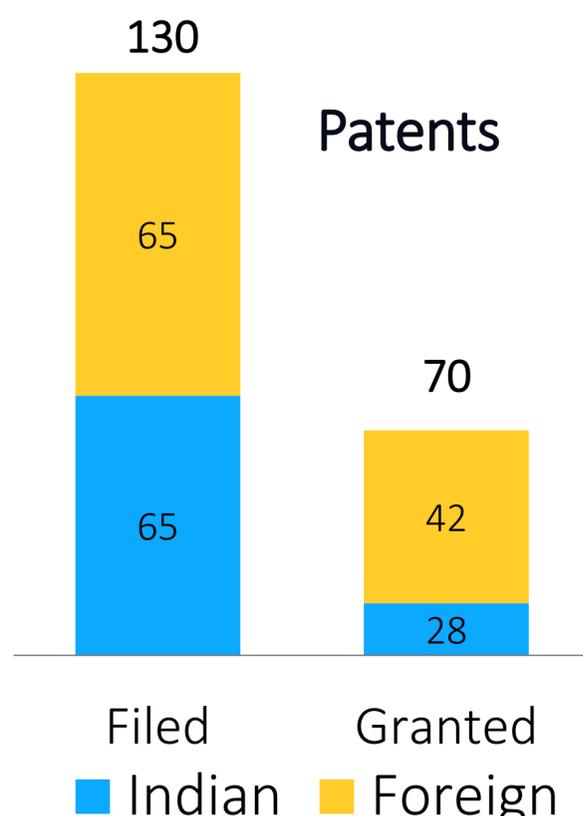
0.54

0.65

1.28

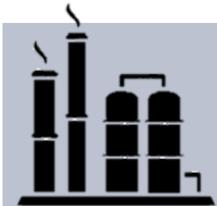
1.00

*Includes Lease Liability **Adjusted for the bonds O/s during the period



Over 200
Research Articles

5
Book Chapters



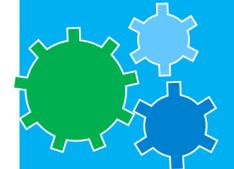
Operational Excellence

- Crude oil evaluation
- Modeling & Simulation
- Corrosion & fouling
- Advanced analytical support
- Optimal catalyst selection
- Solar Energy



Cost efficient and Innovative Products

- K Model
- BPMARRK®
- WDP
- BMCG 2nd GEN
- Ecochem: ethanol corrosion inhibitor
- HiCAT: dewaxing catalyst
- GSR CAT: Sulfur reduction catalyst
- High performance LPG burner



Process Design / Process Intensification

- Divided Wall Column
- HiGee Separations
- Cross flow reactor
- Low grade energy utilization
- Delayed coking
- H₂ separation through membrane



Polymers & Petrochemicals

- SAP / Agri-SAP
- Polyols
- Methacrylic acid
- Novel catalysts
- Biphenyl process



Bio-fuels / Environment

- Bioremediation
- Bio-ethanol process
- Bio-butanol process
- Efficient cellulose enzyme complex
- Waste plastic road
- Refinery sludge valorization



Supply

- LNG supply security:
 - Long term tie ups of 0.85 MMTPA valid till 2028 at Dahej
 - 0.56 MMTPA valid till 2036 at Kochi
 - 1 MMTPA LNG tied up from Mozambique starting 2025-26 for 15 years.
- Also, Short Term /Spot volumes ranging from 0.80 to 1.0 MMTPA are tied up based on demand.



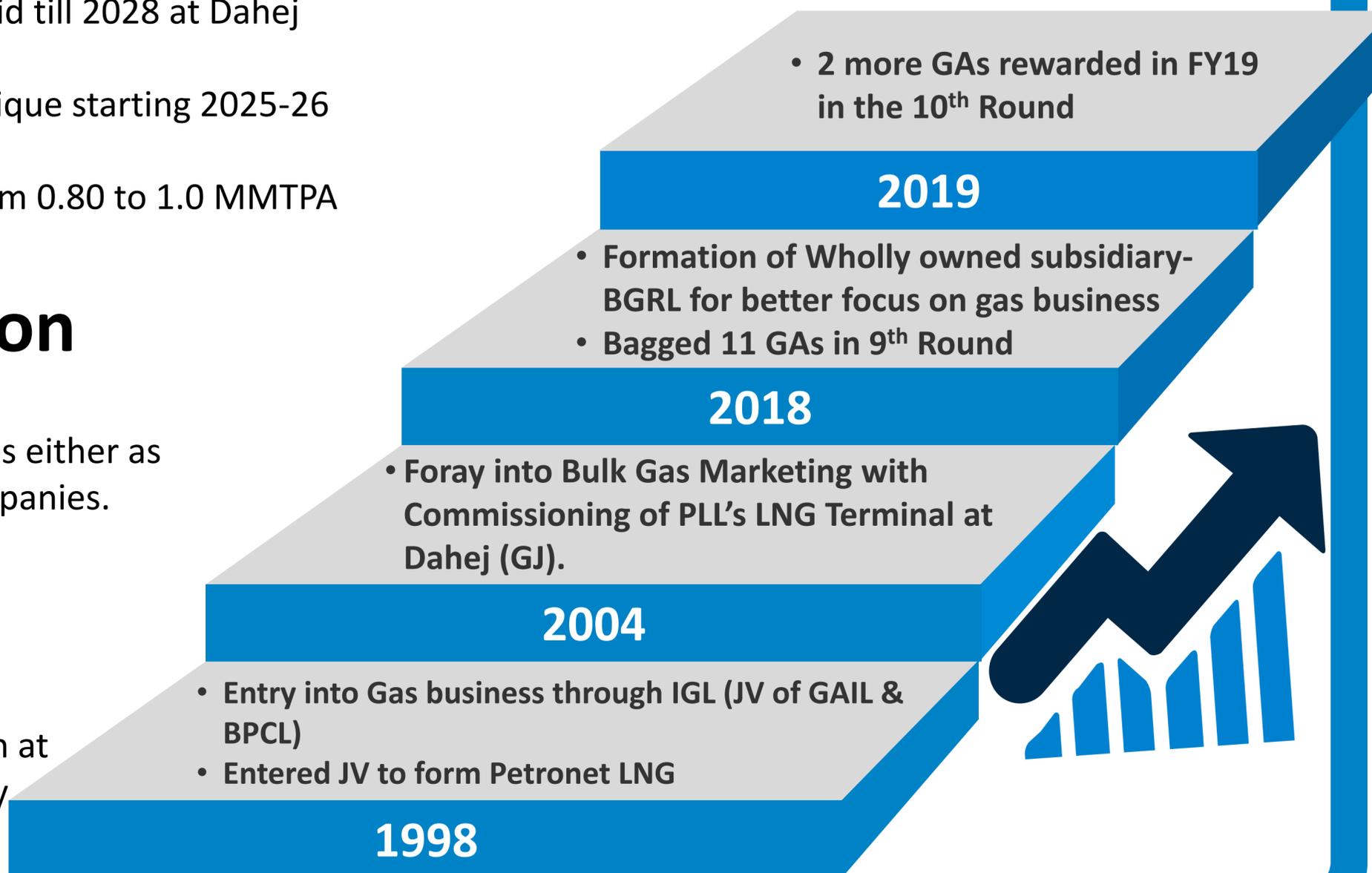
City Gas Distribution

- 37 Geographical Areas (GAs) which it operates either as wholly-owned or through JVs with other companies.

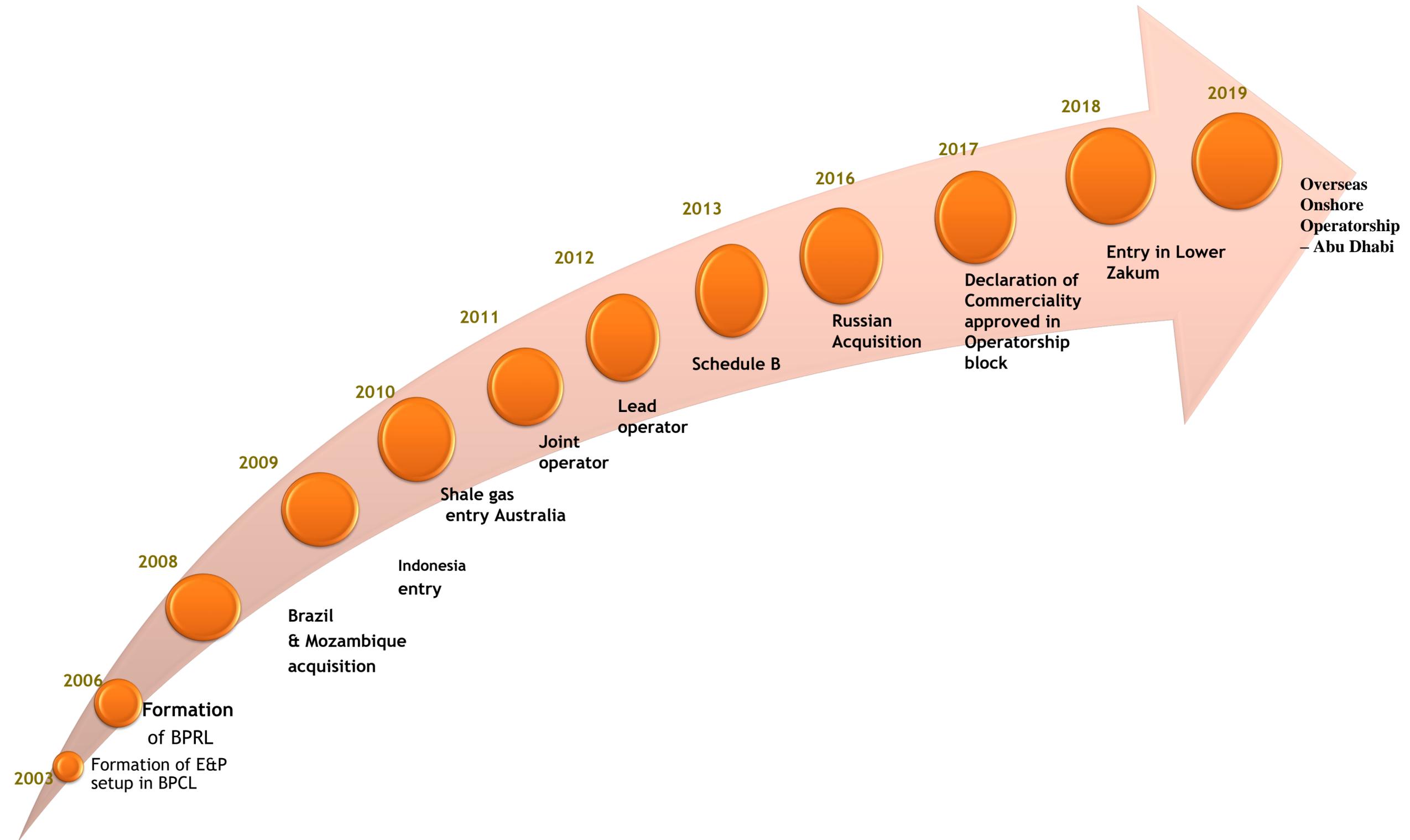


Upcoming Project

- Liquefied-CNG Pilot Project being undertaken at Aurangabad, Maharashtra (commissioning by December, 2020)

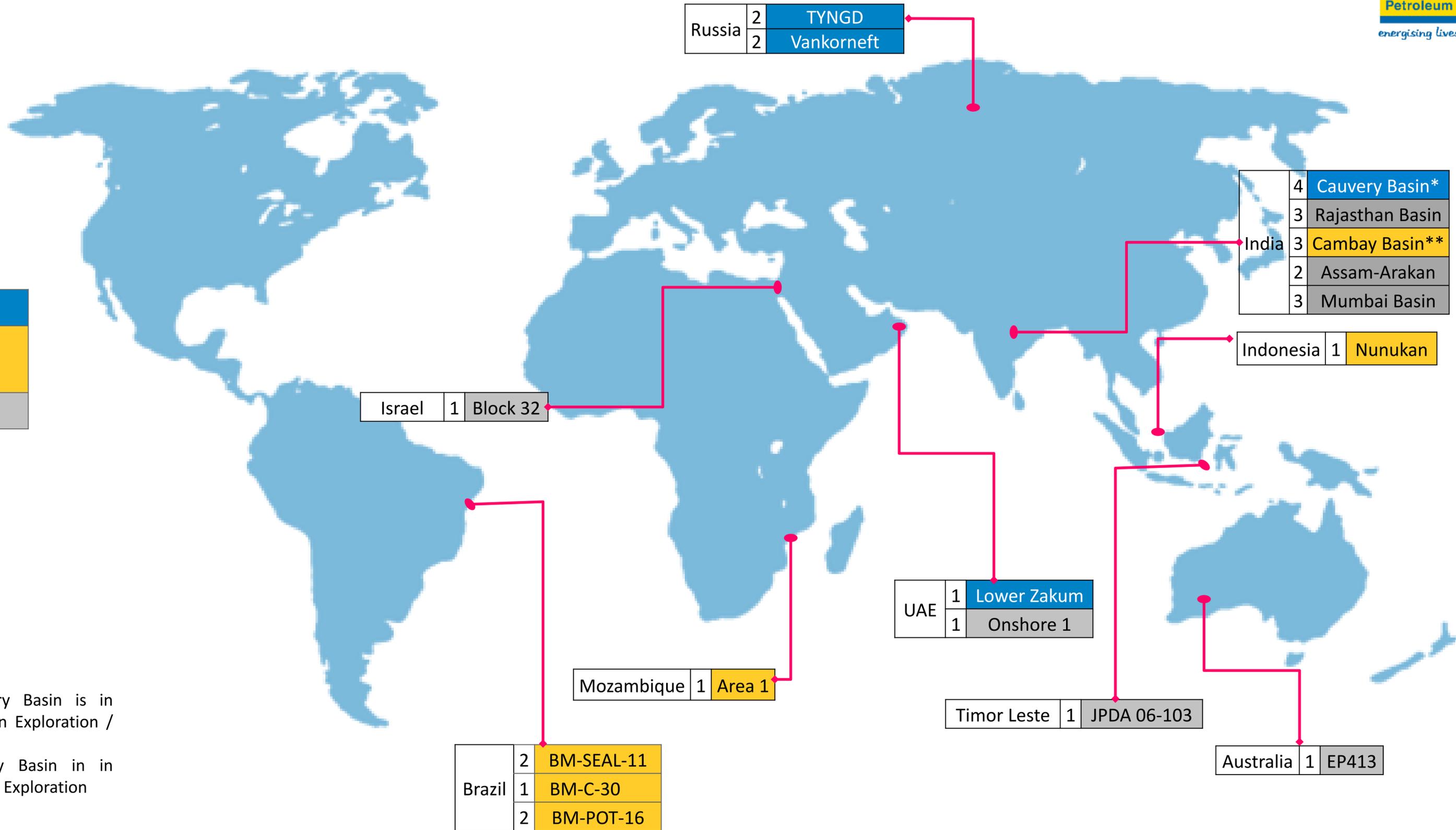


BPRL's Upstream Story over the years...



Upstream - Global Spread

Production
Appraisal / Development
Exploration



* 1 block in in Cauvery Basin is in Production, the rest are in Exploration / Development

** 2 blocks in Cambay Basin in in Development, the rest is in Exploration

Global Upstream Footprint

Partnership with established Oil and Gas operators expected to generate optimal returns for BPCL.

Within India			
Exploration Block	Operator	BPCL Stake	Partners
NELP—IV			
CY/ONN/2002/2	ONGC	40.0%	ONGC
NELP—VI			
CY/ONN/2004/2	ONGC	20.0%	ONGC
NELP—VII			
RJ/ONN/2005/1	HOEC, BPRL	33.33%	IMC
NELP—IX			
CB/ONN/2010/11	GAIL, BPRL	25.0%	EIL, BIFL, MIEL
AA/ONN/2010/3	OIL	20.0%	ONGC
CB-ONN-2010/8	BPRL, GAIL	25.0%	EIL, BIFL, MIEL
MB-OSN-2010/2	OIL	20.0%	HPCL
DSF 2016			
CY/ONDSF/KARAIKAL/2016	BPRL	100%	-
RJ/ONDSF/BAKHRI TIBBA/2016	BPRL	100%	-
MB/OSDSF/B15/2016	BPRL	100%	-
RJ/ONDSF/SADEWALA/2016	BPRL	100%	-
MB/OSDSF/B127E/2016	BPRL	100%	-
CB-ONHP-2017/9	BPRL	60%	-
CY-ONHP-2017/1	ONGC	40%	-
AA-ONHP-2017/12	OIL	10%	-

Brazil			
Exploration Block	Operator	BPCL Stake ¹	Partners
BM-SEAL-11 (2 blocks)	Petrobras	20.0%	Videocon
BM-C-30 (1 block)	BP	17.85%	Videocon, Total
BM-POT-16 (2 blocks)	Petrobras	10.0%	Videocon, Petrogal, BP

Mozambique			
Exploration Block	Operator	BPCL Stake	Partners
Mozambique Rovuma Basin	Total	10.0%	PTTEP, Mitsui and Co., ENH, OVL, BREML (OVL+OIL)

United Arab Emirates			
Block	Operator	BPCL Stake	Other Partners
Lower Zakum	ADNOC	3%	CNPC, INPEX, ENI, Total, Falcon Oil ³ , IOCL
Onshore 1	Urja Bharat	50%	(50:50 SPV of BPRL & IOCL)

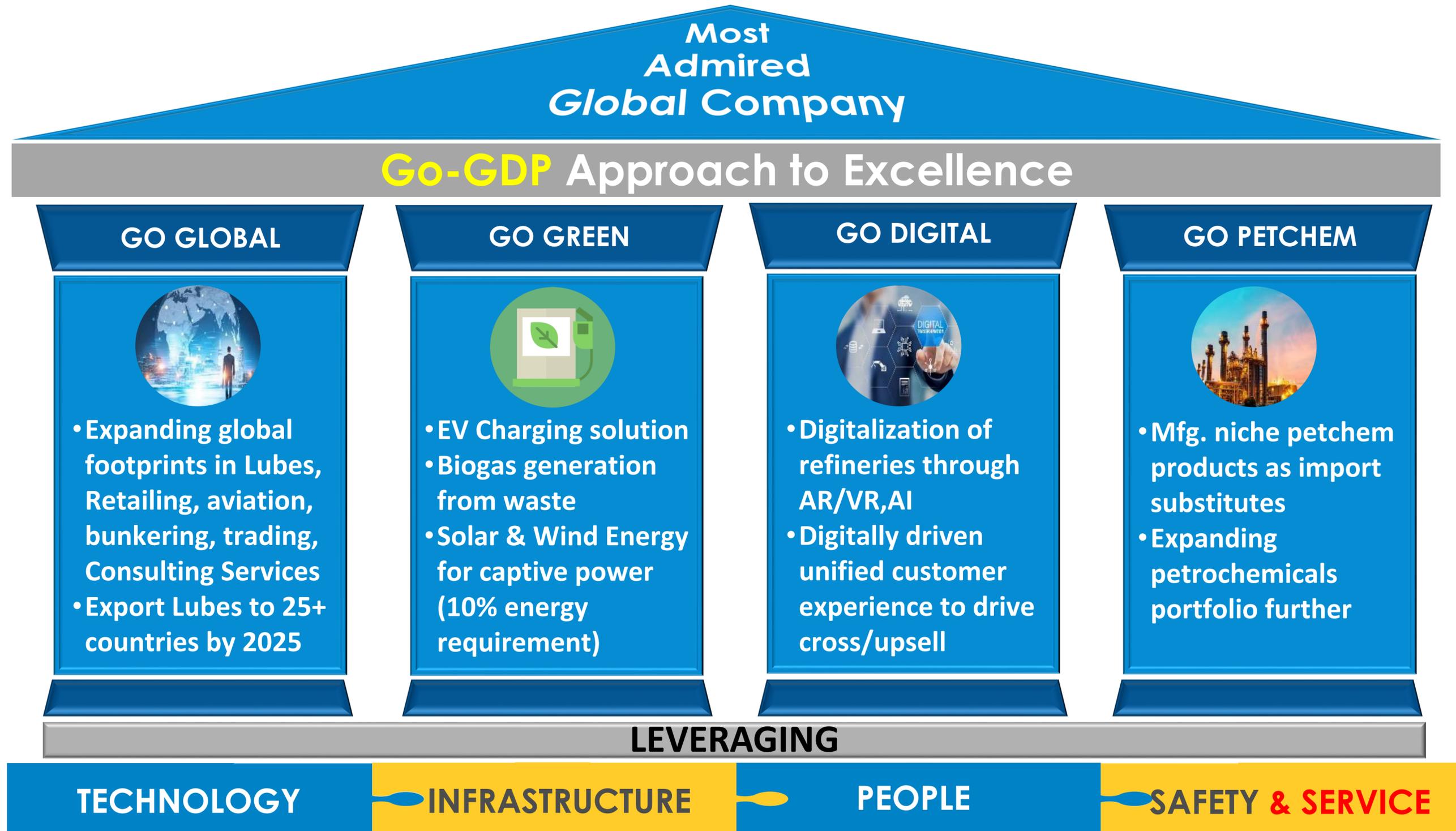
Australia and East Timor			
Exploration Block	Operator	BPCL Stake	Partners
JPDA 06-103	Oilex	20.0%	GSPC, Videocon, Japan Energy, Pan Pacific Petroleum
EP-413	Norwest	27.8%	AWE Perth Pty Limited

Russia			
Block	Operator	BPCL Stake ²	Partners
Vankorneft (2 Blocks)	Vankorneft	7.887%	Rosneft, OIL, IOCL, ONGC
TAAS- Yuryakh (2 Blocks)	TYNGD	9.867%	Rosneft, BP, OIL, IOCL

Israel			
Exploration Block	Operator	BPCL Stake	Partners
Block 32	ONGC Videsh	25%	IOCL, OIL

Indonesia			
Exploration Block	Operator	BPCL Stake	Partners
Nunukan PSC, Tarakan Basin	Pertamina	12.5%	Videocon Industries

1. BPCL's effective stake held through 50:50 JV with Videocon.
2. BPCL's effective stake held through SPV with OIL & IOCL
3. BPCL's effective stake held through SPV with ONGC Videsh & IOCL





Among top 20 Global Oil and Gas refining and marketing Cos



Oil Marketing - Company of the Year 2019



Sustainability Award for the Best Green Product Petrochemical sector 2019



Winner under Process Innovation Leadership Awards -
Frost & Sullivan PERP 2019



Digital PSU Award at the 7th PSU awards- *Governance Now*



Integrated Refinery Expansion Project – the Top Refining Project of the Year 2019- *Hydrocarbon Processing journal*.



Thank you!



1. PRSI: Public Relations Society of India
2. Federation of Indian Petroleum Industry- *Best Project Management Company 2018*
3. Golden Peacock (Institute of Directors) awarded BPCL *Excellent Corporate Governance 2018*

Meet the Leadership Team



N Vijayagopal
Director (Finance)

- Vast experience of 32 years in financial management
- He has held various senior positions in BPCL including its upstream and pipeline subsidiary companies and handled various areas of finance covering Refinery/ Corporate Accounts, Treasury Management, Risk Management, Taxation and Budgeting, Fund Management etc.

R Ramachandran
Director (Refineries)

- Over 34 years of industry experience
- Has previously held the post of MD, Bharat Oman Refineries Limited
- Has experience across refinery operations, product planning, technical services, project conceptualization and project financing

D Rajkumar
Chairman & Managing Director

- He has been acclaimed as **one of the top 100 “Most Influential CEOs”** in the world, by the CEOWORLD Magazine July’19
- He has over 33 years of experience out of which 15 years of experience as MD of BPCL’s JV & Subsidiary companies
- Has experience across integrated upstream and downstream oil sector

Arun Kumar Singh
Director (Marketing)

- Over 34 years of experience in Oil Marketing
- Director on the board of Bharat Gas Resources Ltd.
- Previously held posts of Chairman, Indraprastha Gas Ltd. & President, BPRL looking after Africa and Australasia.
- He has headed various Business Units and Entities in BPCL viz. Retail, LPG, Pipelines and Supply Chain Optimization etc

K Padmakar
Director (HR)

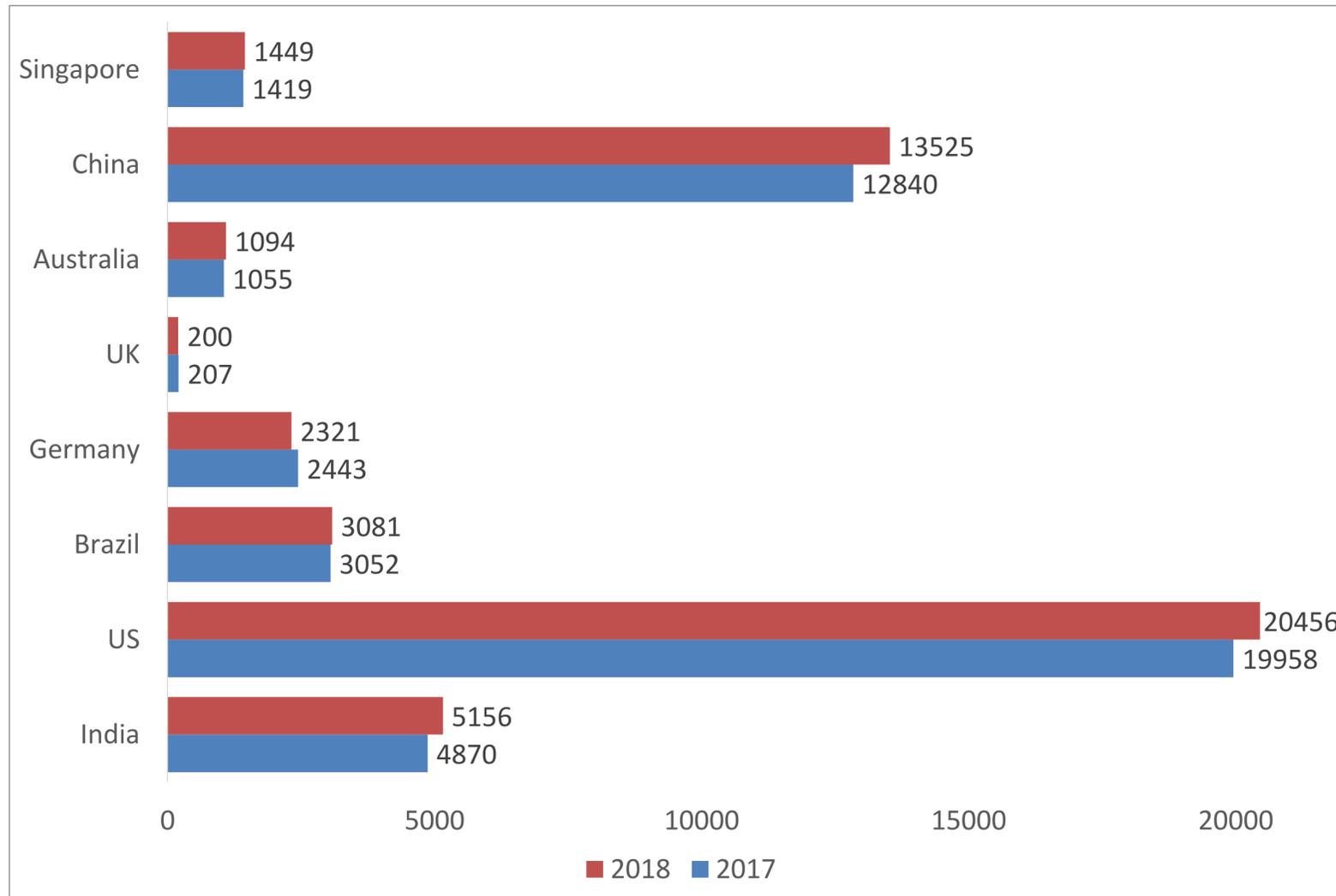
- Over 35 years of experience with BPCL having worked across the entire Human Resource Management landscape
- He has also held various positions of responsibility encompassing HR Policy and strategy and was responsible for Organizational Learning & Talent Management

3. Industry Overview

India – Attractive Industry Dynamics

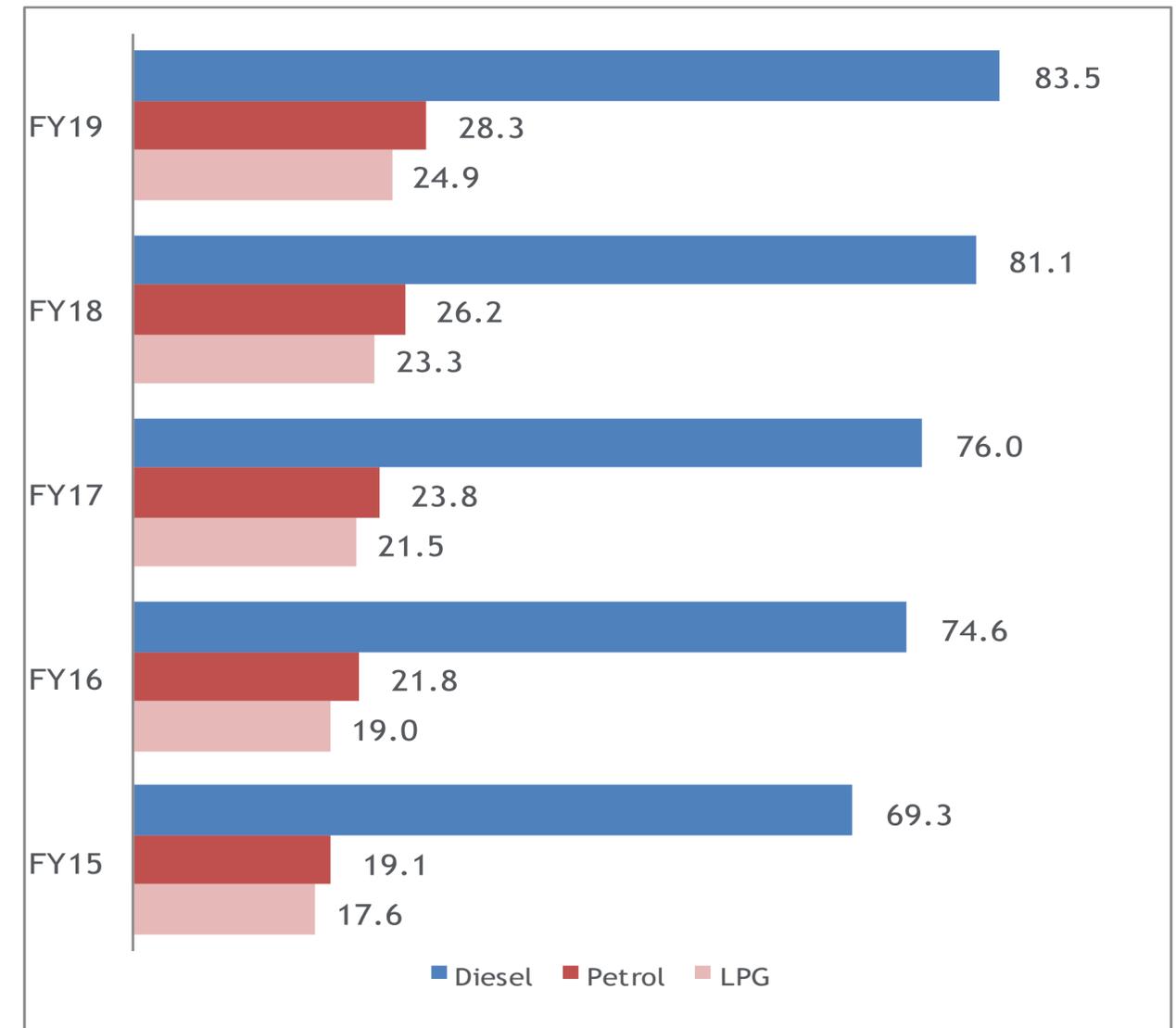
Significant potential for domestic O&G companies given low per-capita oil consumption and growing demand.

Oil: Consumption in thousands of barrels per day*



Source: BP Statistical Review of World Energy 2019

Indian Oil Demand Million Tonnes



Source: PPAC



Positive Policy actions

- Petrol Prices De-regulated completely
- Gasoil (Retail) – Deregulation announced effective 19th October 2014
- Gasoil – Bulk sales completely deregulated since January 2013
- Restricted supply/Targeted subsidies for cooking fuel products
- LPG DBTL scheme - Domestic LPG fully enrolled
- SKO PDS DBTK scheme – launched on pilot basis in 4 districts and now implemented in the state of Jharkhand
- Govt. has consistently compensated OMCs including BPCL for under recoveries and ensured reasonable profitability

Thank You