Sec.3.4 BPCL

2nd August 2022

The Secretary,
BSE Ltd.,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001
BSE Scrip Code: 500547

The Secretary,
National Stock Exchange of India Ltd.,
Exchange Plaza, Plot No C/1,
G Block, Bandra-Kurla Complex,
Mumbai 400051
NSE Symbol : BPCL

Dear Sir/Madam,

Subject: Annual Report of BPCL for the financial year 2021-22

The Annual Report of the Company for the year 2021-22 including the Notice of Annual General Meeting(AGM) is enclosed. The Annual Report including Notice of AGM has also been uploaded on the website of the Company at www.bharatpetroleum.in.

This is for your information and record.

Thanking You,

Yours faithfully,
For Bharat Petroleum Corporation Limited

(V. Kala)
Company Secretary

MAHARATNA

Bharat Petroleum

energising lives

UNLOCKING POSSIBILITIES EMPOWERING LIVES

ANNUAL REPORT
2021-22

UNLOCKING POSSIBILITIES EMPOWERING LIVES

Recent times remind us of how incredibly the modern world has shrunk and how closely we are intertwined with the rest of the globe. Just as the world was nudging out of the grips of the viral pandemic, it has been rocked by the recent geopolitical tremors that have rippled through the global economy.

Unperturbed by these mega-scale upheavals, we are navigating through the prevailing testing times deftly, charting our journey with extraordinary resilience, financial prudence, and robust performance.

Steadfastly anchored to the energy needs of the nation and aligned with global climate action, we have embarked upon an ambitious voyage of energy transition towards a cleaner and sustainable future.

Stepping into the realm of green energy, we are changing intrinsically and proactively, summoning our synergies and the ingenuity of our human talent pool.

Bharat Petroleum has been among the first corporates in India that have announced their 'Net Zero' plans. Our ambition is to achieve 'Net Zero' in Scope 1 and Scope 2 emissions by the year 2040 to curb the carbon footprint of our operations.

We are at the cusp of a transformation that defines our future as we metamorphose from a predominantly oil & gas company into an 'energy' company. Unfolding our strategic vision for the future, we are evolving new-age energy solutions.

With customer-centricity at the fulcrum, our teams are creating new services and delightful experiences for customers and our rural push is creating inclusive growth and new economic opportunities in the hinterland of the nation.

Inspired by a pragmatic vision, our alacrity to excel and tenacity to rise amidst challenges creates bountiful value for our stakeholders and enables us to unlock newer possibilities for empowering lives.

CONTENTS

CHAIRMAN'S LETTER

Dear Shareowners,

Greetings for the day!

It is my pleasure and privilege to present to you the Annual Report for 2021-22 and share the highlights for the year.

On the physical front, your Company performed better than last year. BPCL, on a standalone basis, registered sales of 42.51 MMT and crude throughput of 30.07 MMT in the year 2021-22, as against 38.74 MMT and 26.40 MMT, respectively, in the previous year. On the financial front, your Company recorded a Profit After Tax (PAT) of ₹8,789 crore on a standalone basis, as against PAT of ₹19,042 crore in the previous year. The higher PAT last year was essentially due to the one-time gain on the sale of stake in Numaligarh Refinery Limited. Besides, this year, the gains due to higher refining margins were more than offset by the lower marketing margins and lower inventory gains, resulting in a dampening effect on our profit. The Board of Directors declared a total dividend of ₹16 per share on earnings of ₹41.31 per share for the year.

Recent times have brought tumult and uncertainty on a global scale. Having undergone the harrowing churnings of the viral onslaught, the world felt less gloomy when the pandemic began to taper off gradually, rekindling a new enthusiasm in hope of better times ahead. Now, as we move forward, the world faces a fresh set of challenges posed by spiraling global inflation and unsettling geopolitical tensions marring the socio-economic prospects that were rising on the horizon as the impact of pandemic was abating. Certainly, these are trying times, testing one's strength, patience, and resilience. But challenges are not new for BPCL, and our unyielding can-do spirit and never-give-up determination are the underpinnings of our inherent strength to take challenges head-on.

The international oil and gas market continues to be volatile, with supply-side constraints leading to abnormally high prices. In such a scenario, even with robust refining margins, the profitability of domestic Oil Marketing Companies (OMCs) has taken a severe hit on the marketing side. Needless to say, your Company is taking all necessary actions to minimize the adverse impact on its financial position as it continues to serve the growing fuelling needs of the nation.

A major highlight for us is the merger of Bharat Oman Refineries Limited (BORL), our wholly owned subsidiary. I am extremely happy to announce that BORL has been merged with BPCL with effect from July 1, 2022. This will result in substantial logistics, operational and talent-pool synergies for the Company, while also facilitating faster execution of the proposed Petrochemical project at Bina. The merger of Bharat Gas Resources Limited, the wholly owned gas subsidiary, with BPCL is in its last leg and is expected to be completed soon.

The era-defining trend of today for our industry is Energy Transition. As the energy landscape changes globally, your Company has been recalibrating its strategies to leverage emerging opportunities while mitigating risks. The Company has firmed up plans to diversify and expand in adjacent and alternative businesses to create additional revenue streams and provide a hedge against any possible future decline in liquid fossil-fuel business. In this direction, six strategic areas have been identified as pillars of future growth and sustainability, viz., Petrochemicals, Gas, Renewables, New Businesses (Consumer Retailing), E-mobility and Upstream, while the core businesses of refining and marketing of petroleum products continue to serve as a solid foundation, providing stability and consistent cash flows. The Company has laid out a detailed roadmap under each of these strategic areas, and has planned a capex outlay of around ₹1.4 lakh crore in the next five years.

I will now elaborate Company's plans in each of these six strategic areas.

BPCL has placed topmost priority on the expansion of its petrochemicals product portfolio and taken definitive steps in this direction. The Company has identified two new refinery-integrated petrochemical projects–the 1.2 MMTPA Ethylene Cracker unit at Bina Refinery and the 0.4 MMTPA Polypropylene unit at Kochi Refinery. Action has been initiated for these projects.

Another key area of focus for BPCL is natural gas. Expanding its natural gas footprints, your Company has secured licenses for 8 new Geographical Areas (GAs) under the recently concluded 11th and 11A City Gas Distribution (CGD) bid rounds. With this, BPCL has licenses for developing CGD networks in 25 GAs covering 62 districts and a total of 50 GAs covering 105 districts, inclusive of JVs. The success in the past few CGD rounds has placed BPCL among the top 3 CGD players in the country. Further, 8 new GAs were commissioned during the year, while work in other GAs is fast progressing towards completion. Capitalising on its extensive experience and wide presence, the Company is well poised to become a significant player in the growing natural gas market in the country.

Aligned with national priorities and committed to the common global cause of climate stabilisation, your Company has pledged to achieve "Net Zero" in Scope 1 and Scope 2 emissions by 2040. To realise this aspiration, diversification into Renewal Energy (RE) business will play a major role, and to this end, the Company established a new business unit "Renewable Energy" to take forward this initiative. Also, the Company has clearly articulated its RE targets to reach 1 GW by 2025 and 10 GW by 2040. Further, pursuing the nation's objectives of ensuring energy security and a cleaner environment through usage of biofuels, your Company has recently achieved blending of more than 10% ethanol in petrol and is committed to enhancing the blending in line with the roadmap laid out by the government.

Non-fuel offerings have been an important constituent of BPCL's retailing portfolio and one of the major drivers of growth in fuel business through the rub-off effect. The Company has formed a business unit called "New Businesses" for expanding the consumer retailing business more vigorously and in newer ways, with initial focus on small towns and rural areas. Deploying a unique digitally enabled business model, the Company has dovetailed fuel with non-fuel offerings and enrolled rural womenfolk entrepreneurs called "Urja Devis" to reach out to the lowest denominator in the Indian market. I am extremely happy to inform you that in just nine months since the creation of this business unit, we have already opened 30 "In & Out stores" in Tehsils and partnered with 300 Urja Devis in rural areas. Our endeavour is to create 1,500 "In & Out stores" and engage 15,000 Urja Devis in the coming year.

In the Electric Mobility space, to address range anxiety pertaining to electric 4-wheelers, the Company came up with a novel concept of creating Highway Fast Charging Corridors, and on a pilot basis, adopted the 900-km Chennai-Trichy-Madurai-Chennai highway (NH-45) to develop it as a Highway Fast Charging Corridor. Going forward, BPCL plans to grow in this space in tandem with market expansion.

On the upstream front, Bharat PetroResources Limited (BPRL), our wholly owned upstream subsidiary achieved a major milestone with the consortium submitting the Declaration of Commerciality for the oil and gas discovery in BM Seal 11 Concession in Brazil during the year. The Field Development Plan is expected to be submitted shortly, which will be followed by Final Investment Decision for monetization of the discoveries. Also, in Mozambique, where world-class offshore gas discoveries are being developed for monetization through the LNG route by the consortium, the project execution activities are expected to re-commence soon with the improving security situation. With most of its assets now either in development or production phase, BPRL is well on its path to take its revenue generation to the next level.

Over the years, BPCL has been focusing on creating additional capacities and augmenting its infrastructure to reduce dependence on other oil companies to serve its markets. I am proud to share with you that today your Company is self-sufficient in product availability and distribution across the country. It was a great honour that during the year, our 355-km Bina-Kanpur multi-product pipeline was dedicated to the nation by Hon'ble Prime Minister. Our strategically located refineries and well laid out network of depots, installation, plants, and pipelines give us the confidence to ensure seamless supply of products and pursue growth in the near future without any constraints.

Adding another feather to the cap, your Company achieved a major milestone by expanding its fuel-retailing network, crossing the 20,000 mark for the number of Fuel Stations, in March 2022. The growth leadership position that the Company registered amongst PSU OMCs in sales of petrol and diesel during the year bears testimony to the faith that customers have reposed in BPCL. Mindful of the need to reinvent ourselves with the changing times, we are committed to and progressing towards transforming our Fuel Stations into Energy Stations, where all forms of energy solutions for mobility, like petrol, diesel, natural gas, EV solutions, flexi fuels and, eventually, hydrogen, would be available.

During the year, BPCL has taken further measures to optimize manpower and enhance efficiencies by restructuring various roles and centralising various functions, thus making the organisation leaner and more agile. This will go a long way towards enhancing competitiveness of the Company, while also providing better exposure and opportunities to employees.

Further, as a binding enabler for all our strategic initiatives, we have embraced the best of technologies to optimally harness their potential. It is with immense satisfaction that I share that the digitalisation journey we embarked upon about two years back with "Project Anubhav" has started bearing fruits. In a short span of time, BPCL has created powerful brands like HelloBPCL, IRIS, Urja, UFill and SalesBuddy. "Project Anubhav" has catalysed the creation of a multiplier effect to reinforce our commitment of Trust, Convenience and Personalisation to our customers and offer them a bouquet of new digital experiences, while also improving our operational efficiencies.

Also, the year 2021-22 saw a paradigm shift in how the public perceived the BPCL Brand. Leveraging various social media platforms, we reimagined and repositioned our presence in the public domain, setting the stage for highly positive brand perceptions. BPCL, today, has the largest follower base on social media among oil & gas companies in India and has been able to garner a viewership of 10 crore for our social media content during the year.

BPCL's image in the society is that of a sterling corporate citizen, born out its unflinching belief in what Philip Kotler has said: "A company's civic character is its most potent customer preference builder". Your company has always been at the forefront of service to the society and the nation and has been contributing whole-heartedly to the cause of societal ascent and wellbeing, including during the pandemic.

Fully seized of the growing need to re-invent ourselves and align with the tide of change ushered in by the global energy transition, your Company has been moving steadily towards creating a distinct identity on a larger canvass and eventually becoming an Energy Company in the broadest sense of the term. You would be aware that the government has recently put on hold its plans to disinvest its stake in the Company. Notwithstanding any such decision, the Company has been and will continue with its expansion plans consistent with its long-term business strategy, in its pursuit of creating value for all stakeholders.

Before I conclude, I would like to place on record my sincere thanks to all our leaders, employees, business partners, customers, vendors, bankers and other stakeholders, for their continued support, unmatched dedication and unwavering loyalty, which has always served as a beacon of inspiration in all our endeavours. I would also like to place on record my heartfelt gratitude to the Ministry of Petroleum & Natural Gas for their invaluable guidance and constant support. I am humbled by the immense confidence reposed by the investors in the BPCL management, which has given us the courage to spread our wings even wider.

As I prepare to embark upon the next phase of my life after my retirement later this year, I envision BPCL conquering newer peaks as it marches forward on the path of growth and sustainability. I assure all of you that the leadership pipeline of the company is vibrant and robust, with intelligent and young leaders set to take this great organization to even greater heights.

I conclude with a quote by Winston Churchill, which, I hope, will help sum up my journey in this wonderful organization: "Success is not final; failure is not fatal: it is the courage to continue that counts."

Arun Kumar Singh
Chairman & Managing Director

BOARD OF DIRECTORS

ARUN KUMAR SINGH
Chairman & Managing Director
(w.e.f. 07.09.2021)
with additional charge of Director (Marketing)
(w.e.f. 14.09.2021)

K. PADMAKAR
Director (Human Resources)
(up to 31.12.2021)
with additional charge of Chairman & Managing Director (up to 06.09.2021)

VETSA RAMAKRISHNA GUPTA
Director (Finance)
(w.e.f. 07.09.2021)
with additional charge of Director (Human Resources)
(w.e.f. 01.01.2022)

N. VIJAYAGOPAL
Director (Finance)
(up to 31.07.2021)

SANJAY KHANNA
Director (Refineries)
(w.e.f. 22.02.2022)

GUDEY SRINIVAS
AS&FA, Ministry of Consumer Affairs, Food & Public Distribution, Financial Adviser, MoP&NG
(w.e.f. 13.10.2021)

RAJESH AGGARWAL
Additional Secretary & Financial Advisor, MoP&NG
(up to 22.09.2021)

SUMAN BILLA
Principal Secretary (Industries & NORKA)
Govt. of Kerala
(w.e.f. 16.03.2022)

DR. K. ELLANGOVAN
Principal Secretary (Industries & NORKA)
Govt. of Kerala
(up to 31.01.2022)

HARSHADKUMAR P. SHAH
Independent Director
(up to 15.07.2022)

PRADEEP VISHAMBHAR AGRAWAL
Independent Director
(w.e.f. 12.11.2021)

GHANSHYAM SHER
Independent Director
(w.e.f. 12.11.2021)

DR. (SMT.) AISWARYA BISWAL
Independent Director
(w.e.f. 12.11.2021)

PROF. (DR.) BHAGWATI PRASAD SARASWAT
Independent Director
(w.e.f. 12.11.2021)

GOPAL KRISHAN AGARWAL
Independent Director
(w.e.f. 12.11.2021)

(L to R) : Mr. Sanjay Khanna, Director (Refineries)
Mr. Arun Kumar Singh, Chairman & Managing Director with additional charge of Director (Marketing)
Mr. Vetsa Ramakrishna Gupta, Director (Finance) with additional charge of Director (Human Resources)

BANKERS

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

AUDITORS

Kalyaniwalla and Mistry LLP
Chartered Accountants
2nd Floor, Esplanade House,
29, Hazarimal Somani Marg,
Fort, Mumbai – 400 001

K.S. Aiyar & Co
Chartered Accountants
F-7, Laxmi Mills Compound
Shakti Mills Lane,
Off Dr. E.Moses Road,
Mahalaxmi, Mumbai – 400 011

SHARE TRANSFER AGENT

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

REGISTERED OFFICE
BHARAT PETROLEUM CORPORATION LTD.

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

MANAGEMENT TEAM

Meenaxi Rawat	Chief Vigilance Officer
Sukhmal K. Jain	Executive Director I/C (Marketing Corporate)
Amit Garg	Executive Director (Aviation)
D. V. Mamadapur	Executive Director (International Trade)
G. Krishnakumar	Executive Director (Lubes)
K. Ajith Kumar	Executive Director (Kochi Refinery)
Kurian Parambi	Executive Director (HR)
L. R. Jain	Executive Director I/C (E&P)
M. A. Khan	Executive Director (Corporate Coordination & Development)
M. R. Subramoni Iyer	Executive Director (Mumbai Refinery)
Manoj Heda	Executive Director (Corporate Finance)
N. Shukla	Executive Director (Planning)
P. Anilkumar	Executive Director (Gas Business Unit)
P. K. Ramanathan	Executive Director Logistics & Ops. (LPG), HQ
P. S. Ravi	Executive Director I/C (Retail)
P. Sudhahar	Executive Director (Marketing Corporate)
P. V. Ravitej	Executive Director I/C (Refineries Projects)
Priyotosh Sharma	Chief Procurement Officer (CPO Marketing)
R. P. Natekar	Executive Director I/C (Planning & Corporate Affairs)
R. R. Ghalsasi	Executive Director (Refineries Projects Org.)
S. Srinivasan	Executive Director Sales (I&C), HQ
Sanjeeb K. Paul	Executive Director Biofuels & Major Projects (E&P), HQ
Sanjeev Agrawal	Executive Director (Engg. & Automation Retail), HQ
Santosh Kumar	Executive Director I/C (LPG)
Subikash Jena	Executive Director I/C (I&C)
T. Peethambaran	Executive Director (IS & Digital Business)
Teresa Naidu	Executive Director (Internal Audit)
Abhay Shah	Chief General Manager Marketing I/C (Lubes), HQ
Akash Tiwari	State Head (I&C), Maharashtra - 1
Akshay Wadhwa	Head (Retail), West
Anil Ahir	Chief General Manager (HRS), CO
Anurag Saraogi	Chief General Manager Biofuels (Retail), HQ
Arul Muthunathan V.	Regional Manager (Gas), West
B. L. Newalkar	Chief General Manager (R&D)
Biju Gopinath	Head, New Businesses
Chacko M. Jose	Chief General Manager (Operations), Kochi Refinery
Chandrasekhar N.	Chief General Manager (Operations), Mumbai Refinery
D. Parthasarthy	Chief General Manager (HRD)
Debashis Ganguli	Chief General Manager (P&AD), Lubes
Debashis Naik	Head (Retail), East
Dinabandhu Mandal	Chief General Manager Logistics I/C (Retail), HQ
Geeta V. Iyer	Chief General Manager (Finance), Kochi Refinery
Inderjit Singh	Head Supply Chain Management (Lubes)
K. Ravi	Chief General Manager Rural Initiatives (Retail), HQ
Kani Amudhan N.	Chief General Manager Pipelines (Ops. & Projects)
M. Sankar	Chief General Manager Manufacturing, Kochi Refinery
Mahadevan Easwaran S.	Chief General Manager (IS)
Mathews M. John	Chief General Manager Technology, Mumbai Refinery
Nikhil K. Singh	Chief General Manager Sales & LPG Marketing Strategy, HQ
P. K. Bhowmick	Chief General Manager (E&AS, Projects & Proj. Procurement), Mumbai Refinery

Pankaj Kumar	Chief General Manager (Corporate Treasury)
Pardeep Goyal	Head CGD Projects (Gas BU)
Pushp Kumar Nayar	Head (Retail), South
R. Sundaravadhanan	Head Business Process Excellence Centre (BPEC)
Radhakrishnan S	CFO, BORL
Rahul Tandon	Head CGD Marketing (Gas)
Rajashekar K.	Chief General Manager (Inspection), Kochi Refinery
Rajeev C	Chief General Manager Technical, BR
Rajeev Jaiswal	Chief General Manager Sales Strategy (Retail), HQ
Rajiv Dutta	Head (Retail), North
Ramakrishnan N.	Chief General Manager (Finance), Mumbai Refinery
Ramakrishnan T. N.	Chief General Manager Rural Initiatives (Retail)
Ranjan Nair	Regional LPG Manager, North
Ravi L	On Deputation To BORL BINA
Ravi R. Sahay	Regional LPG Manager, South
Ravikumar V.	Chief General Manager I/C (R&D)
Ravindra V. Deshmukh	Chief General Manager (QCC), HQ
S. B. Nivendkar	State Level Co-ordinator (Oil Industry), Maharashtra
S. Dhanapal	Chief General Manager Ops. & Logistics (LPG), HQ
S. Kannan	Regional Manager (Lubes), South
S. Mehrishi	Chief General Manager (IS), Kochi Refinery
S. S. Sontakke	Head LNG Marketing (Gas)
Saibal H. Mukherji	State Head (Retail), Uttar Pradesh
Sanjeev Kumar	State Head (Retail), Karnataka
Sanjeev Raina	Chief General Manager (Corporate HSSE)
Sarah Thomas	Chief General Manager (HR), Kochi Refinery
Senthilkumar G.R.	Chief General Manager Technology, Kochi Refinery
Shankar N. Karajagi	Head Channel Partner Management (New Business)
Shelly Abraham	Head (Renewable Energy)
Sreekumar R.	Chief General Manager I/C (SCO)
Sreeram A.N.	Chief Procurement Officer (Refineries)
Srikanth S.	Chief General Manager (SCO)
Sriram S.	Chief General Manager (Engg. & Advisory Services), Kochi Refinery
Subhankar Sen	Chief General Manager (Retail Initiatives & Brand), Retail HQ
Subhasis Mukherjee	Chief General Manager (Internal Audit)
Suresh John	Chief General Manager (Refineries Projects Org.), Kochi Refinery
Syed Abbas Akhtar	Chief General Manager (PR & Brand)
T. V. Pandiyan	Regional LPG Manager, West
T. V. Rama Rao	Chief General Manager IS & Digital Strategy I/C (MR & KR), Mumbai Refinery
V. R. Rajan	Chief General Manager Manufacturing, Mumbai Refinery
V. Srividya	Chief General Manager (Retail), HQ
Vijay N. Tilak	Chief General Manager Planning
Aidaphi Giri Saxena	General Manager I/C (ESE)
Anu Mohla	General Manager I/C (Legal), HQ
Kala V.	Company Secretary
R. C. Agarwal	General Manager I/C (CMR0)
R. D. S. Dhillon	Head (Project Anubhav)
Rajiva R. Mandal	General Manager I/C Vigilance
Sameet Pai	General Manager (Corporate Strategy)

VISION

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

VALUES

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

CULTURE

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

MISSION

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

PERFORMANCE HIGHLIGHTS

Gross Revenue from Operations is ₹ **4,33,406.48 Crores**

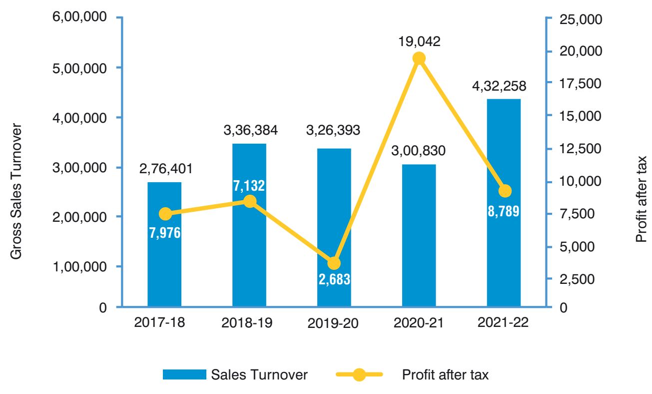
Refinery throughput is **30.07 MMT**

Market sales including exports is **44.63 MMT**

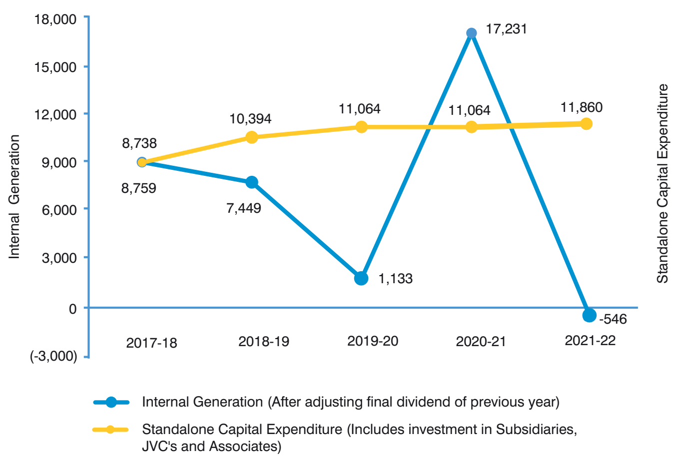
Net profit is ₹ **8,788.73 Crores**

Market share is **24.65%**

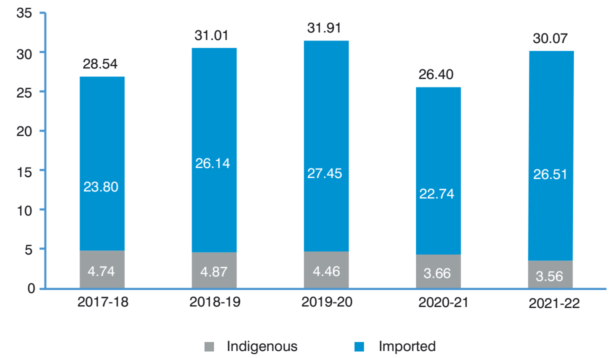
Gross Sales Turnover / Profit After Tax (₹ Crores)



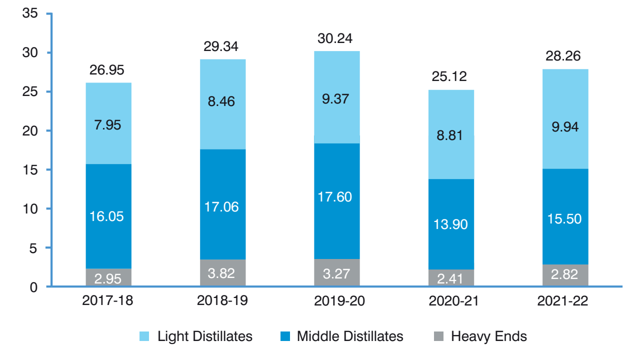
Internal Generation / Capital Expenditure (₹ Crores)



Refinery Throughput (Million Metric Tonnes)

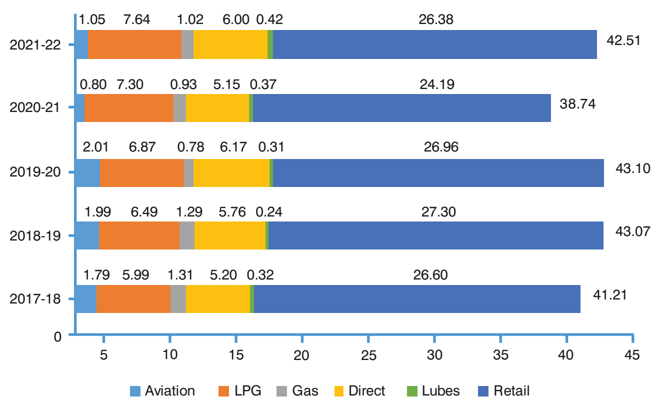


Production (Million Metric Tonnes)*

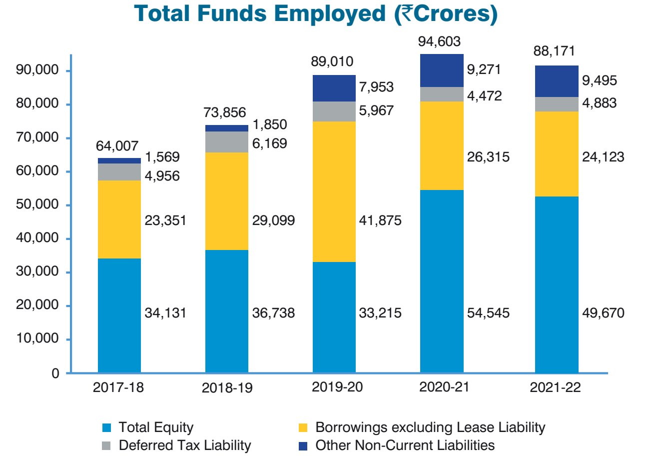


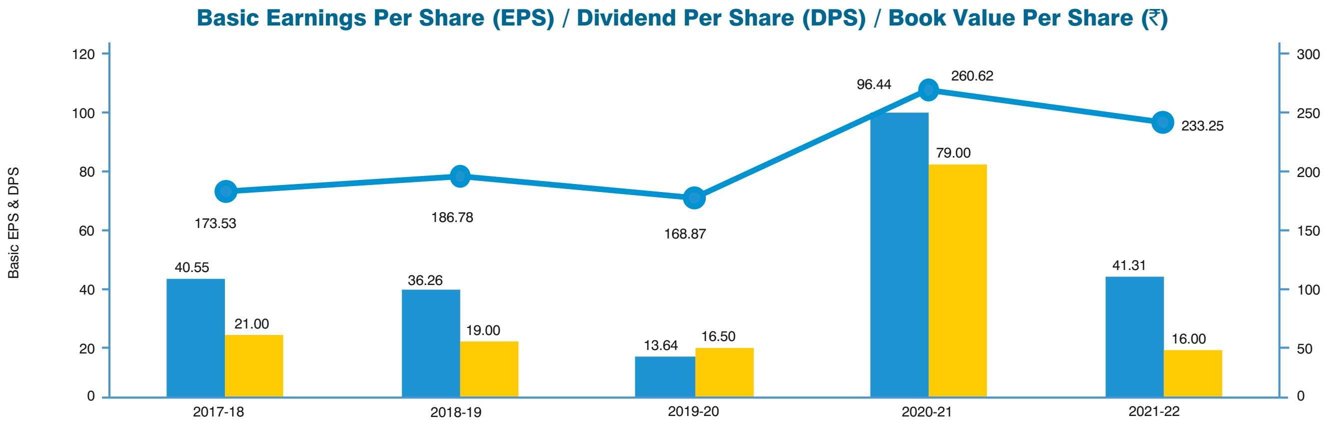
*Excludes production of petrochemicals

Market Sales Volume (Million Metric Tonnes)



Total Funds Employed (₹Crores)

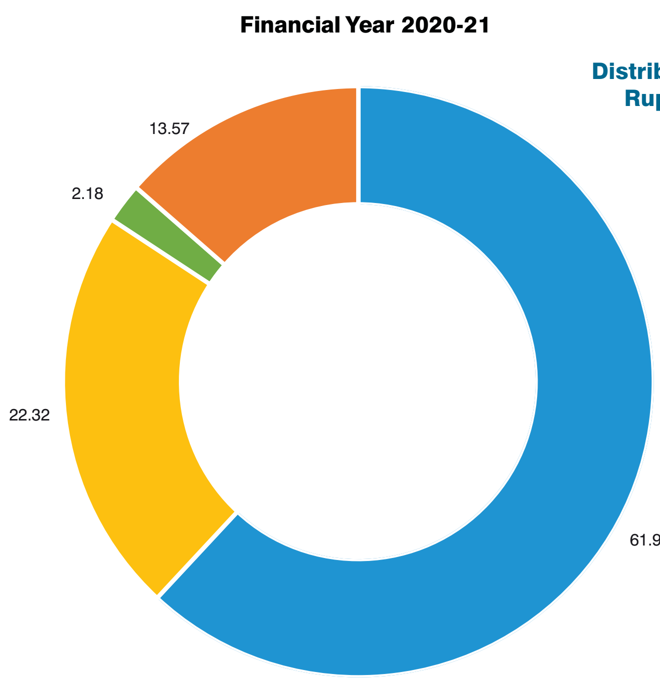


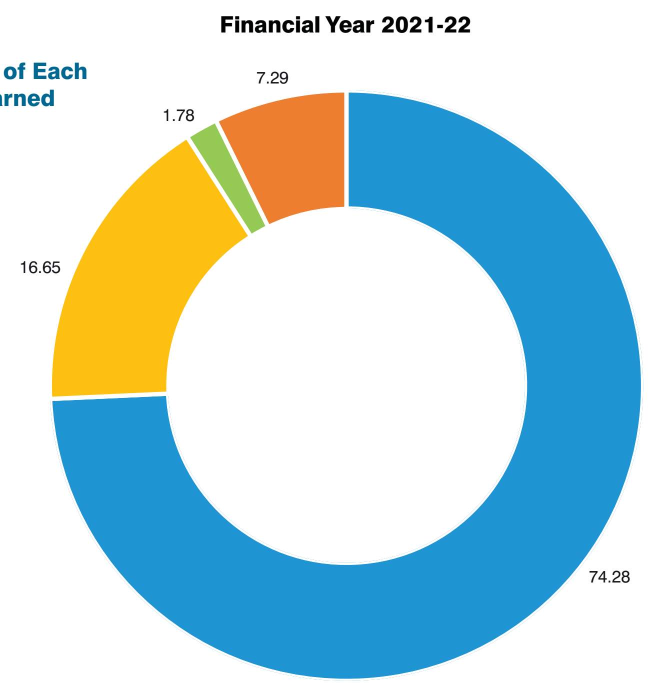


EPS, DPS and Book Value per share have been adjusted for bonus issue during 2017 - 18

Basic EPS DPS (Including proposed dividend) Book Value per Share

Distribution of Each Rupee Earned





- Raw Materials, Purchase of Products for resale and Packages
- Duties, Taxes etc.
- Transportation
- Others *

Financial Year 2020-21

*Others include

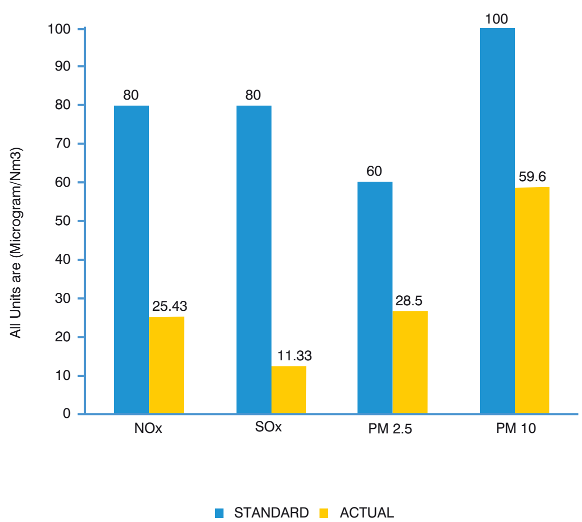
Employees' remuneration	: 1.72%
Finance cost	: 0.42%
Depreciation & Amortisation	: 1.26%
Income Tax	: 1.13%
Other Operating Expenses	: 3.01%
Dividend	: 1.34%
Retained Earnings	: 4.69%

Financial Year 2021-22

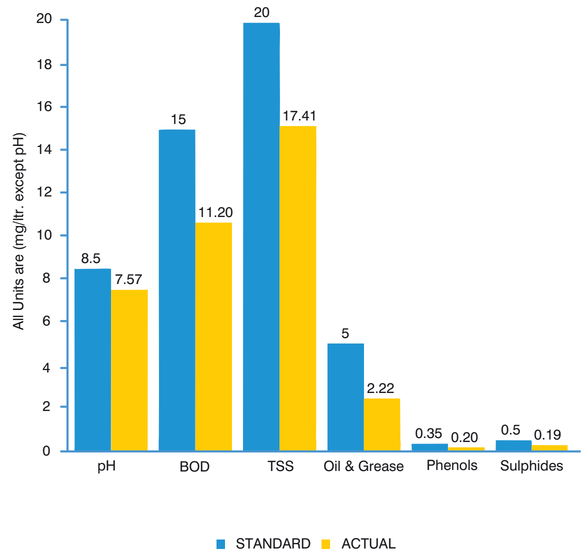
*Others include

Employees' remuneration	: 0.78%
Finance cost	: 0.43%
Depreciation & Amortisation	: 1.09%
Income Tax	: 0.72%
Other Operating Expenses	: 2.26%
Dividend	: 3.32%
Retained Earnings	: -1.31%

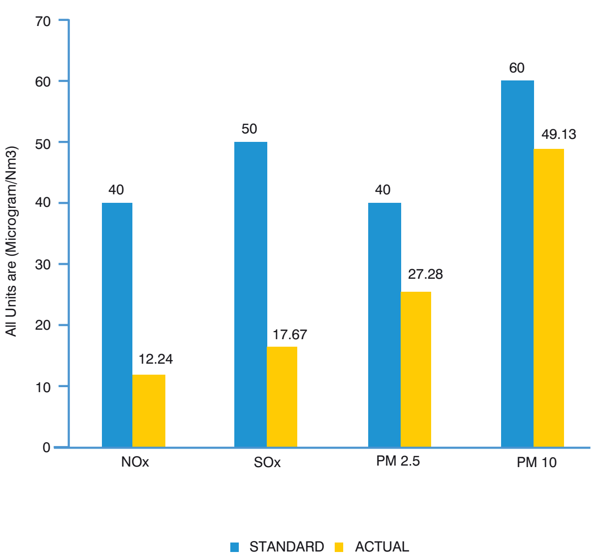
Typical Ambient Air Quality vis-a-vis Statutory Standard at Mumbai Refinery



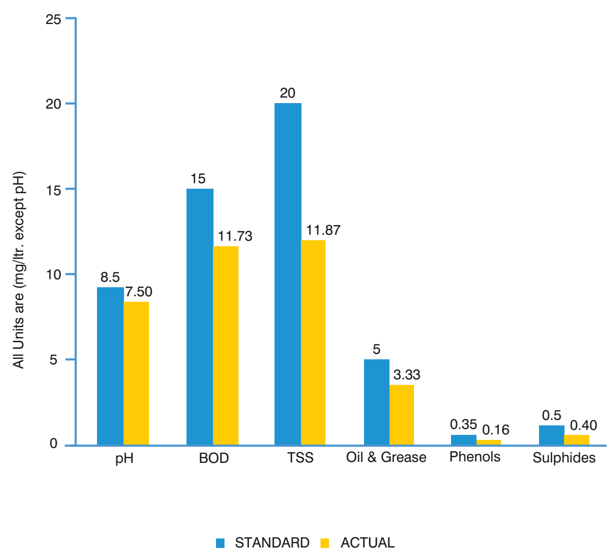
Treated Effluent Water Quality vis-a-vis Statutory Standards at Mumbai Refinery



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



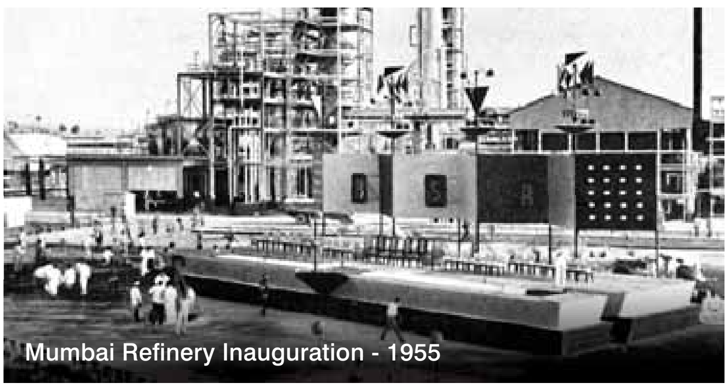
Treated Effluent Water Quality vis-a-vis Statutory Standards at Kochi Refinery



OUR JOURNEY OF GROWTH
75 YEARS AND MORE

Aviation Fueling in Early Days - 1928


India's First Drive-in Fuel Station in Mumbai - 1932


Mumbai Refinery Inauguration - 1955


LPG Introduced in India - 1955


India's First Lube Blending Plant commissioned in Wadilube Mumbai - 1956


Pure for Sure Initiative Launched - 2001

NOTICE TO THE MEMBERS

Notice is hereby given that the 69th Annual General Meeting of the members of Bharat Petroleum Corporation Limited ("the Company") will be held on Monday, August 29, 2022 at 10.30 a.m. IST through Video-Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following Ordinary and Special Business:-

A. Ordinary Business

1) To receive, consider and adopt (a) the Audited Financial Statements of the Company for the Financial Year ended March 31, 2022 (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2022; and the Reports of the Board of Directors, the Statutory Auditors and the Comments of the Comptroller & Auditor General of India thereon.

2) To confirm the payment of First and Second Interim Dividend and to declare Final Dividend on Equity Shares for the Financial Year ended March 31, 2022.

3) To appoint a Director in place of Shri Vetsa Ramakrishna Gupta, Director (DIN: 08188547), who retires by rotation and being eligible, offers himself for reappointment.

4) To authorize the Board of Directors of the Company to fix the remuneration of the Joint Statutory Auditors of the Company for the Financial Year 2022-23 in terms of the provisions of Section 139(5) read with Section 142 of the Companies Act, 2013 and to consider and, if thought fit, to pass the following Resolution, as an Ordinary Resolution:-

"RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to decide and fix the remuneration of the Joint Statutory Auditors of the Company as appointed by the Comptroller & Auditor General of India for the Financial Year 2022-23."

B. Special Business

5) **Approval of Remuneration of the Cost Auditors for the Financial Year 2022-23**

To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, the Cost Auditors viz. M/s. R. Nanabhoy & Co., Cost Accountants, Mumbai and M/s. G.R. Kulkarni & Associates, Cost Accountants, Mumbai, appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2023 be paid the remuneration as set out below:

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

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

By Order of the Board of Directors
Sd/-
(V. Kala)
Company Secretary

Place: Mumbai
Date: July 29, 2022

Registered Office:
Bharat Bhavan, 4 & 6 Currimbhoy Road, Ballard Estate,
Mumbai 400 001 CIN: L23220MH1952GOI008931
Phone: 2271 3000 / 4000
email: info@bharatpetroleum.in Website: www.bharatpetroleum.in

Notes:

1. Pursuant to various circulars issued by the Ministry of Corporate Affairs (MCA) and by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars") physical presence of the members at the Annual General Meeting (AGM) venue is not required and the AGM will be held through VC or OAVM, in view of the ongoing outbreak of the COVID-19 pandemic. Hence, members can attend and participate in AGM through VC/OAVM or view the live webcast at www.evoting.nsdl.com. In compliance of provisions of Regulation 44(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, top 100 Listed Companies determined on the basis of market capitalisation are required to provide the facility of the live webcast of the proceedings of the General Meeting. Accordingly, BPCL is arranging a live webcast for the members.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto. The Board of Directors has considered and decided to include Item No. 5 given above as Special Business in the AGM, as it is unavoidable in nature.
3. **A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since the present AGM is being held through VC/OAVM pursuant to the MCA/SEBI Circulars, the facility to appoint a proxy to attend and cast a vote for the member is not available. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.**
4. Since the present AGM is being held through VC/OAVM, Proxy form, Attendance Slip and Route map are not enclosed to the notice.
5. The members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting.
6. The presence of the members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations) (as amended), and the Circulars issued by the MCA, the Company is providing the facility of remote e-voting to its members in respect of the business to be transacted at the AGM. Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using the remote e-voting system as well as the electronic voting system at the AGM will be provided by NSDL. Facility is also being provided to those members attending the AGM by VC, who have not cast their vote through remote e-voting and who are not barred from doing so, to cast their vote by e-voting during the AGM, in respect of the business transacted at the AGM.

In line with the MCA Circular, the Notice convening the AGM and Annual Report will be available on the website of the Company at https://www.bharatpetroleum.in/bharat-petroleum-for/Investors/Shareholders-Meetings/Annual-General-Meeting.aspx. The Notice and Annual Report can also be accessed from the website of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com respectively and will also be available on the website of NSDL (agency for providing the remote e-voting facility) i.e. www.evoting.nsdl.com

In terms of the SEBI Circulars and Regulation 36(1) (c) of Listing Regulations, Notice of the AGM along with the Annual Report 2021-22 is sent only through electronic mode to those members whose email addresses are registered with the Company or Depository Participant (DP). Physical copy of the Notice of the AGM along with the Annual Report 2021-22 shall be sent to those members who request for the same.

For receiving the Annual Report and all other communications from the Company electronically:

a. Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the Registrar and Transfer Agent (RTA) of the Company, M/s Data Software Research Co. Pvt. Ltd (DSRC) at bpcl@dsrc-cid.in with details of folio number and attaching a self-attested copy of PAN card.

b. Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant DP.

c. If there is any change in the e-mail ID already registered with the Company/RTA, members are requested to immediately notify such change to the Company/RTA in respect of shares held in physical form and to DP in respect of shares held in electronic form.

d. In case of any queries relating to shares, members are requested to contact the RTA on the above email address.

8. The Board of Directors of the Company has recommended a final dividend of ₹ 6/- per share. Final dividend, once approved by the members in the AGM, will be paid to the eligible shareholders within the stipulated period of 30 days from the date of declaration at the AGM.

9. The final dividend will be paid through electronic mode to those members whose updated bank account details are available. For members whose bank account details are not updated, dividend warrants / demand drafts will be sent to their registered address. To avoid delay in receiving dividend, members are requested to register / update their bank account details at the earliest.

10. Members holding shares in electronic form/dematerialized mode are requested to update their bank particulars with their respective DP along with the self-attested copy of PAN, ID proof etc. which will be used by the RTA / Company for payment of dividend. In cases where either the bank details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code), etc. required for making electronic payment are not available or the electronic payment instructions have failed or have been rejected by the bank, RTA / Company will send dividend warrants / demand drafts for payment of dividend to these members, by printing the bank account details of the members wherever applicable.

11. Members who hold physical shares may provide updated bank details by submitting hard copy of duly signed Form ISR-1 along with relevant documents mentioned therein to RTA. The said form is available at https://www.bharatpetroleum.in/bharat-petroleum-for/Investors/KYC-Updation.aspx

12. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, August 23, 2022 to Monday, August 29, 2022 (both days inclusive), for the purpose of AGM and payment of final dividend on equity shares for the year ended March 31, 2022, if declared at the AGM. All members of the Company holding shares at the close of business hours on Monday, August 22, 2022 will be eligible for the Final Dividend as per the data to be made available by NSDL/CDSL/RTA.

13. SEBI circular Nos SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 and SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December, 14 2021 has mandated the submission of PAN, KYC and nomination details by members holding shares in physical form by March 31, 2023.

For submitting the above information, members may access the following link: https://www.bharatpetroleum.in/bharat-petroleum-for/Investors/KYC-Updation.aspx

14. Members holding shares in electronic form are requested to submit their PAN to their DPs / agency with whom demat account is opened.

15. As per the provisions of Section 72 of the Companies Act, 2013, facility for making nomination is available to individuals holding shares in the Company. Members who are holding shares in physical form and have not yet registered their nomination are requested to submit Form SH-13 for registering their nomination, Form SH-14 for making changes to their nomination details, Form ISR-2 for updating the signature of member and Form ISR-3 to opt out of nomination along with the relevant documents to RTA. The relevant forms are available on the company's website at https://www.bharatpetroleum.in/bharat-petroleum-for/Investors/KYC-Updation.aspx. In case members are holding shares in dematerialized form, they can register their nomination with their respective DPs.

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

17. As per SEBI circular nos SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 and SEBI/HO/MIRSD/MIRSD_RTAMB /P/CIR/2022/70 dated May 25, 2022 the listed companies, with immediate effect, shall issue the securities only in demat mode while processing various investor service request pertaining to issuance of duplicate shares certificate, claim from unclaimed suspense account, renewal / exchange of securities certificate, endorsement, sub-division/splitting of share certificate, consolidated of share certificate, transposition etc. Therefore, members are requested to submit hard copy of duly signed Form ISR-4 along with relevant documents to RTA. The detailed procedure and the relevant documents are available at https://www.bharatpetroleum.in/bharat-petroleum-for/Investors/Procedure-Related-to-Investor-Service-request.aspx

18. SEBI vide circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P//CIR/2022/65 dated May 18, 2022 has simplified and standardized procedure for transmission of shares. Therefore, members are requested to make service request for transmission of shares by submitting hard copy of duly signed form ISR-5 along with relevant documents to RTA. The detailed procedure and the relevant documents are available at https://www.bharatpetroleum.in/bharat-petroleum-for/Investors/Procedure-Related-to-Investor-Service-request.aspx

19. The certificate of the Auditors certifying that the ESPS scheme of the Company is implemented in accordance wit SEBI (Share Based Employee Benefits) Regulations, 2014 is available at https://www.bharatpetroleum.in/bharat-petroleum-for/Investors/Shareholders-Meetings/Annual-General-Meeting.aspx

20. All documents referred to in the Notice, if any, will be available electronically for inspection during office hours without any fee by the members from the date of circulation of the Notice up to the date of AGM. Members seeking to inspect such documents can send an email to ssc@bharatpetroleum.in.

21. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. Members desiring inspection of such Registers during the AGM may send their request in writing to the Company at ssc@bharatpetroleum.in.

22. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Monday, August 22, 2022 through email at ssc@bharatpetroleum.in. The same will be replied by the Company suitably through email.

23. As required under Regulation 36(3) of Listing Regulations, a brief resume of person seeking reappointment as Director under Item No. 3 of the Notice is attached.

24. Non-Resident Indian members are requested to inform the RTA immediately about:

    (i) Change in their residential status on return to India for permanent settlement.

    (ii) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

25. Members may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company is taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of dividend. In order to enable us to determine the applicable TDS rate, members are requested to submit the relevant documents on or before **Thursday, August 25, 2022**. The detailed communication regarding TDS on dividend sent to the members is provided on the link: https://www.bharatpetroleum.in/bharat-petroleum-for/Investors/Procedure-Related-to-Investor-Service-request/Tax-Forms.aspx. Kindly note that no documents in respect of TDS would be accepted from members after **Thursday, August 25, 2022**.

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

27. (a) Pursuant to Section 124 and 125 of the Companies Act, 2013, any amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to the Investor Education & Protection Fund (IEPF) established by the Central Government. The unclaimed dividends for the Financial Years from 1994-95 to 2013-14 have been transferred to the said Fund, and no claim shall lie against the Company, for the amount of dividend so transferred.

    (b) In terms of Section 124(6) of the Companies Act, 2013, read with the IEPF Rules as amended, all the shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more are required to be transferred to an IEPF Demat account. Accordingly, shares in respect of unclaimed dividend for the financial year 2013-14 have been transferred to an IEPF Demat account. In the event of transfer of shares and the unclaimed dividends to IEPF, members are entitled to claim the same from IEPF by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in. Members can file only one consolidated claim in a financial year as per the IEPF Rules.

    (c) Members who have not yet encashed their dividend warrant(s) for the financial year 2014-15 or dividend warrants(s) for any subsequent financial years are requested to make their claims without any delay to the RTA/Company. It may be noted that the unclaimed amount of dividend for the financial year ended March 31, 2015 becomes due for transfer to IEPF Authority on October 15, 2022. It may please be noted that if no claim/application is received by the Company or the Company's RTA for the financial year 2014-15 before the said date, the Company will be compelled to transfer the underlying shares to the IEPF. The details of unclaimed dividend/shares to be transferred to IEPF are available on the website of the Company.

The instructions for members for Remote E-Voting are as under:

The remote e-voting period begins on Wednesday, August 24, 2022, at 9:00 A.M. and ends on Sunday, August 28, 2022, at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. Monday, August 22, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Monday, August 22, 2022.

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

Step 1: Access to NSDL E-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for e-voting and attending the meeting for individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
	3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	4. Shareholders/members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.
	2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote.
	3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration

	4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022 - 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

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

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

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a.pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

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

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

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

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

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

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

8. Now, you will have to click on “Login” button.

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

Step 2: Cast your vote electronically and join Annual General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join Annual General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and Annual General Meeting is in active status.

2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the Annual General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.

5. Upon confirmation, the message “Vote cast successfully” will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the Resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to mail@csraginichokshi.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

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

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30 or send a request to NSDL at evoting@nsdl.co.in to Ms. Pallavi Mhatre, Manager, NSDL, 4th Floor, ‘A’ Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013.

Members whose email ids are not registered with the depositories can follow the below mentioned process for procuring user id and password for e-voting on the Resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), Aadhar (self-attested scanned copy of Aadhar Card) by email to ssc@bharatpetroleum.in.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), Aadhar (self attested scanned copy of Aadhar Card) to ssc@bharatpetroleum.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **Step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

The instructions for members for e-Voting on the day of the AGM are as under:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those members who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. For any grievances connected with the facility for e-Voting on the day of the AGM, members may contact the person whose details are mentioned in general guidelines for shareholders under remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under "Join General Meeting" menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Members who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (company email id). The same will be replied by the company suitably.

6. The members who would like to express their views/have questions may pre-register themselves as a speaker, by sending their request from their registered email address mentioning their name, DPID and Client ID / folio number, PAN, email id, and mobile number at bpclagm22@bharatpetroleum.in from Sunday, August 21, 2022 to Wednesday, August 24, 2022. Only those members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.

   The members who need technical assistance w.r.t. VC/OAVM before or during the AGM, can contact NSDL on evoting@nsdl.co.in 1800 1020 990 /1800 224 430 or contact Mr. Amit Vishal, Asst. Vice President, National Securities Depository Ltd., located at 'A' Wing, Trade World, Kamla Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400013 on evoting@nsdl.co.in.

Other Instructions:

(i) Members can also update their mobile number and email id in the user profile details of the folio by providing this information to the DP/RTA, which may be used for sending future communication.

(ii) The members holding shares in electronic form are therefore requested to submit the Permanent Account Number (PAN) details to their DP with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to RTA.

(iii) The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date i.e. Monday, August 22, 2022. A person whose name is recorded in the register of members or in the register of Beneficial Owners maintained by the DP as on the cut-off date i.e. Monday, August 22, 2022 only shall be entitled to avail of the facility of remote e-voting at the AGM. A person who is not a member as on the cut-off date, should treat the Notice for information purpose only.

(iv) Any person holding shares in physical form as on the cut-off date and non-individual shareholders who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. Monday, August 22, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or bpcl@dsrc-cid.in.

However, if members are already registered with NSDL for remote e-voting, then they can use their existing user ID and password for casting your vote. If members forgot the password, they can reset the password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a member of the Company after sending of the notice and holding the shares as of the cut-off date i.e. Monday, August 22, 2022 may follow steps mentioned under "Access to NSDL e-Voting system".

(v) Once the vote on a Resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.

(vi) Mrs. Ragini Chokshi, (C.P. No 1436) Practising Company Secretary (membership No.: 2390) of Ragini Chokshi & Co. Company Secretaries has been appointed as the scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

(vii) The Chairman shall, at the end of the discussion on the Resolutions on which voting is to be held, allow voting with the assistance of the scrutinizer, by use of e-voting for all those members who have not cast their votes by availing the remote e-voting facility.

(viii) The Scrutinizer will, within fifteen minutes after the conclusion of voting at the AGM, first unblock the votes cast through remote e-voting and shall make available, within two working days of conclusion of the meeting, a Consolidated Scrutinizer's report of the total votes cast in favour of, or against, if any, to the chairman or a person authorized by him in writing who shall countersign the same and declare the results of voting.

(ix) The results of e-voting declared along with the report of the scrutinizer shall be placed on the Company's website www.bharatpetroleum.in and on the website of NSDL www.evoting.nsdl.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited and NSE, where the shares of the Company are listed.

(x) Members holding multiple folios may get their shareholding consolidated.

ANNEXURE TO THE NOTICE

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

Item No.5: Approval of Remuneration of the Cost Auditors for the Financial Year 2022-23

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. R. Nanabhoy & Co., Cost Accountants and M/s G.R. Kulkarni & Associates, Cost Accountants as the Cost Auditors, to conduct the audit of the cost records for the financial year 2022-23. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, ratification for the remuneration payable to the Cost Auditors for the financial year 2022-23 by way of an Ordinary Resolution is being sought from the members as set out at Item No. 5 of the notice.

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

By Order of the Board of Directors

Sd/-
(V. Kala)
Company Secretary

Place: Mumbai
Date: July 29, 2022

Registered Office:
Bharat Bhavan, 4 & 6 Currimbhoy Road, Ballard Estate,
Mumbai 400 001 CIN: L23220MH1952GOI008931
Phone: 2271 3000 / 4000
email: info@bharatpetroleum.in
website: www.bharatpetroleum.in

BRIEF RESUME OF DIRECTOR SEEKING REAPPOINTMENT AT THE 69TH ANNUAL GENERAL MEETING IN TERMS OF REGULATION 36(3) OF LISTING REGULATIONS AND SECRETARIAL STANDARD-2

Name	Shri Vetsa Ramakrishna Gupta
Date of Birth	29.06.1971
Date of first Appointment	07.09.2021
Qualifications	B.Com, ACA, AICWA
Experience in specific functional areas	Shri Vetsa Ramakrishna Gupta is a member of the Institute of Chartered Accountants of India (1998 batch) and a Bachelor of Commerce. He is also a member of Institute of Cost Accountants of India. He joined the services of the Corporation on August 1998. With an illustrious career spanning over 24 years at BPCL in various finance roles, he is currently holding charge of Director (Finance) (effective September 2021) with additional charge of Director (Human Resources) (effective January 2022). Shri Vetsa Ramakrishna Gupta has a well-rounded experience profile and in his rich and diverse career he has held various positions in BPCL handling various facets of finance covering Corporate Accounts, Risk Management, Business Plan, Budgeting, Treasury operations etc. Apart from corporate role, he has vast experience of handling finance in various business units of BPCL. He played a critical role in strategy formulation and implementation to ensure Corporate Governance, including internal controls and monitoring. Shri Gupta was a key architect in implementing IND-AS in BPCL. Under his able leadership BPCL obtained consensus of its creditors including foreign currency lenders / bond holders for the merger of BORL / BGRL with BPCL. Further conducive environment was created for onboarding BORL / BGRL employees into BPCL family.
Membership/Chairmanships of Board Committees in BPCL	**Membership in the following Committees:** 1. Stakeholders' Relationship Committee 2. Corporate Social Responsibility (CSR) Committee 3. Risk Management Committee 4. Project Evaluation Committee 5. Sustainable Development Committee 6. Standing Committee of the Board for Tenders 7. Standing Committee of the Board for JVC Matters 8. Standing Committee of the Board for release of flats. 9. BPCL Trust for Investment in Shares Committee
Directorship held in other Companies	**Director:** 1. Bharat Gas Resources Limited 2. Bharat PetroResources Limited 3. Fino Paytech Ltd.
Name of Listed companies from which the Director has resigned in the past 3 years	Nil
No. of Board Meetings attended during the financial year 2021-22 from his appointment	8
Relationship with other Directors & KMP	None
No. of shares held in BPCL	7525 Equity Shares

DIRECTORS' REPORT

The Board of Directors takes pleasure in presenting its Report on the performance of Bharat Petroleum Corporation Limited (BPCL) for the year ended March 31, 2022.

PERFORMANCE OVERVIEW

Group Performance

During the year 2021-22, the aggregate refinery throughput of BPCL's refineries at Mumbai and Kochi along with that of Bharat Oman Refineries Limited (BORL) (proportionate share of throughput of BORL considered till June 30, 2021 and 100% thereafter since it has become a wholly owned subsidiary of the Company from June 30, 2021) was 36.90 Million Metric Tonnes (MMT), as compared to 32.98 MMT (includes the throughput of Numaligarh Refinery Limited, which ceased to be a subsidiary of the Company w.e.f. March 26, 2021 and proportionate share of throughput of BORL as a Joint Venture) during the year 2020-21. The BPCL Group ended the year with market sales of 42.51 MMT, as compared to 39.05 MMT during the year 2020-21. During the year, the BPCL Group exported 2.12 MMT of petroleum products, as against 2.00 MMT during the year 2020-21. The growth in physical parameters is mainly on account of increase in demand post lifting of Covid-19-induced restrictions.

During this Financial Year, the Group achieved Gross Revenue from Operations of ₹ 4,32,569.62 crore, as compared to ₹ 3,04,274.46 crore in the year 2020-21. The net profit attributable to BPCL stood at ₹ 11,681.50 crore in in the year 2021-22, as against ₹ 16,164.98 crore in the previous year. The Group has recorded Basic Earnings per Share of ₹ 54.91 in this year, as against ₹ 81.87 in the year 2020-21 and Diluted Earnings per Share of ₹ 54.91 in this year, as against ₹ 81.60 in the year 2020-21 after setting off minority interest. Dilution of shares in the previous year was on account of implementation of Employee Stock Purchase Scheme.

CONSOLIDATED GROUP RESULTS	2021-22	2020-21
Physical Performance		
Refinery Throughput (MMT)	**36.90**	32.98
Market Sales (MMT)	**42.51**	39.05
Financial Performance		₹ in crore
Revenue from Operations	**4,32,569.62**	3,04,274.46
Profit before Finance Costs, Depreciation, Share of profit/(loss) of equity accounted investee, Exceptional Items and Tax	**21,405.84**	23,549.41
Finance Costs	**2,605.64**	1,723.41
Depreciation & Amortization expense	**5,434.35**	4,334.21
Profit before Share of profit/(loss) of equity accounted investee, Exceptional Items and Tax	**13,365.85**	17,491.79
Share of Profit/(loss) of equity accounted investee (net of income tax)	**1,535.73**	(325.53)
Exceptional Items - Income/(Expense)	**1,135.15**	5,265.76
Profit before Tax	**16,036.73**	22,432.02
Provision for Taxation – Current Tax	**2,706.42**	6,165.29
Provision for Taxation – Deferred Tax	**690.75**	82.17
Short/(Excess) provision for Taxation for earlier years	**958.06**	(1,135.27)
Net Profit for the year	**11,681.50**	17,319.83
Non-Controlling Interest	**-**	1,154.85
Net Profit attributable to BPCL	**11,681.50**	16,164.98
Other Comprehensive Income attributable to BPCL	**402.12**	(1,279.36)
Total Comprehensive Income attributable to BPCL	**12,083.62**	14,885.62
Group Basic Earnings per Share attributable to BPCL (₹)	**54.91**	81.87
Group Diluted Earnings per Share attributable to BPCL (₹)	**54.91**	81.60

Company Standalone Performance

During the year 2021-22, the refinery throughput at BPCL's refineries at Mumbai and Kochi was 30.07 MMT, as against 26.40 MMT achieved in 2020-21. The market sales of the Company increased by 9.73%, from 38.74 MMT to 42.51 MMT in the year 2021-22. The growth in physical parameters is mainly on account of increase in demand post lifting of Covid-19-induced restrictions.

BPCL's Gross Revenue from operations for the year 2021-22 stood at ₹ 4,33,406.48 crore, a 43.57% increase from the previous year's revenues of ₹ 301,873.16 crore. The Profit before Tax for the year was ₹ 11,913.44 crore as compared to ₹ 22,617.58 crore in the year 2020-21. After providing for Tax, (including Deferred Tax, Short/(Excess) provision for previous years) of ₹ 3,124.71 crore, as against ₹ 3,575.91 crore during the previous year, the Profit after Tax for the year stood at ₹ 8,788.73 crore, as against ₹ 19,041.67 crore in the year 2020-21.

COMPANY STANDALONE RESULTS	2021-22	2020-21
Physical Performance		
Refinery Throughput (MMT)	**30.07**	26.40
Market Sales (MMT)	**42.51**	38.74
Financial Performance		₹ in crore
Revenue from Operations	**4,33,406.48**	3,01,873.16
Profit before Finance Costs, Depreciation, Exceptional Items and Tax	**18,605.25**	21,475.08
Finance Costs	**1,860.48**	1,328.36
Depreciation & Amortization expense	**4,754.27**	3,978.05
Profit before Exceptional Items and Tax	**11,990.50**	16,168.67
Exceptional Items - Income/(Expense)	**(77.06)**	6,448.91
Profit before Tax	**11,913.44**	22,617.58
Provision for Taxation – Current Tax	**2,658.00**	5,134.78
Provision for Taxation – Deferred Tax	**323.19**	(402.98)
Short/(Excess) provision for taxation of earlier years	**143.52**	(1,155.89)
Net Profit for the year (A)	**8,788.73**	19,041.67
Other Comprehensive Income (OCI)	**287.77**	68.39
Total Comprehensive Income for the year	**9,076.50**	19,110.06
Opening Balance of Retained Earnings (B)	**16,017.61**	1,464.39
Amount available for disposal (A+B)	**24,806.34**	20,506.06

COMPANY STANDALONE RESULTS	2021-22	2020-21
The Directors propose to appropriate this amount as under: Towards Dividend:		
Final Dividend of previous year	**12,581.67**	-
Interim Dividends	**2,169.25**	4,555.43
Transfer to Debenture Redemption Reserve	**207.75**	188.48
Transfer to General Reserve	**3,000.00**	-
Income from "BPCL Trust for Investment in Shares"*	**(224.13)**	(270.87)
Income from "BPCL ESPS Trust"*	**(36.06)**	(52.16)
Re-measurements of Defined Benefit Plans (Net of tax)	**20.94**	67.57
Closing Balance of Retained Earnings	**7,086.92**	16,017.61
Summarized Cash Flow Statement:		
Cash Flows:		
Inflow/(Outflow) from Operating Activities	**20,049.25**	20,029.76
Inflow/(Outflow) from Investing Activities	**(7,167.07)**	2,170.08
Inflow/(Outflow) from Financing Activities	**(18,697.08)**	(15,622.27)
Net increase/(decrease) in cash & cash equivalents	**(5,814.90)**	6,577.57

** Represents addition to Retained Earnings*

Profit for the current year is lower as compared to the previous year, mainly due to the exceptional gain on the disposal of investment in Numaligarh Refinery Limited in the year 2020-21.

Internal Generation after adjusting Interim Dividends, Final Dividend of the previous year, Depreciation and Deferred Tax during the year stood at ₹ (545.87) crore, as against ₹ 17,230.86 crore in the year 2020-21, mainly on account of the final dividend of the previous year amounting to ₹ 12,581.67 crore paid in the year 2021-22.

The Basic Earnings per Share amounted to ₹ 41.31 in the year 2021-22, as compared to ₹ 96.44 in the year 2020-21. The Diluted Earnings per Share amounted to ₹ 41.31 in the year 2020-21, as compared to ₹ 96.12 in the year 2020-21. Dilution of shares in the previous year was on account of implementation of Employee Stock Purchase Scheme. The Basic and Diluted Earnings per Share are after adjustment of "BPCL Trust for Investment in Shares" and "BPCL ESPS Trust".

BPCL's contribution to the exchequer by way of Taxes, Duties and Dividend during the year 2021-22 amounted to ₹ 1,47,056.92 crore, as against ₹ 1,25,583.30 crore in the previous year.

As on March 31, 2022, BPCL's total equity stands at ₹ 49,669.78 crore, as against the previous year's figure of ₹ 54,544.55 crore.

Dividend

The Board of Directors has recommended a Final Dividend of ₹ 6 per share (i.e. @ 60% of the paid-up share capital) for the year 2021-22 on the paid-up share capital of ₹ 2,169.25 crore, amounting to ₹ 1,301.55 crore. In addition, the Board of Directors has declared and distributed Interim Dividend during the year 2021-22 totaling ₹ 10 per equity share (i.e. @ 100% of the paid-up share capital), amounting to ₹ 2,169.25 crore.

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the shareholders effective April 1, 2020 and the Company is required to deduct tax at source from dividend paid to the Members at prescribed rates as per the Income Tax Act, 1961.

The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, August 23, 2022 to Monday, August 29, 2022 (both days inclusive) for the purpose of payment of the final dividend for the Financial Year ended March 31, 2022.

As per Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the top thousand listed entities shall formulate a Dividend Distribution Policy. Accordingly, a Dividend Distribution Policy has been adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of Dividend to its shareholders and/or retaining the profit into the business. The policy is available on the Company's website at https://www.bharatpetroleum.in/bharat-petroleum-for/Investors/DDP%20Final%20File.pdf

Transfer to Reserves

Out of the amount available in Retained Earnings, an amount of ₹ 3,000 crore has been transferred to the General Reserve and ₹ 207.75 crore has been transferred to the Debenture Redemption Reserve. Further, ₹ 137.50 crore has been transferred from Debenture Redemption Reserve to General Reserve on account of debentures redeemed during the year.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT

Amalgamation of Bharat Oman Refineries Ltd. (BORL) with BPCL

BORL was incorporated in 1994 as a Joint Venture (JV) between BPCL and OQ S.A.O.C. (formerly known as Oman Oil Company S.A.O.C.). During the year, BPCL acquired 36.62% of shares from OQ S.A.O.C, making BORL a wholly owned subsidiary of BPCL. During the year, BPCL also acquired 2.69 crore warrants of BORL held by Government of Madhya Pradesh (GoMP).

In October 2021, Board of Directors of BORL and BPCL approved the scheme of amalgamation of BORL with BPCL and an application was submitted to the Ministry of Corporate Affairs (MCA).

MCA, vide its Order dated February 14, 2022, directed BPCL to convene meetings of its equity shareholders, secured creditors, and unsecured creditors and directed BORL to convene meetings of its secured creditors and unsecured creditors. In accordance with the Order, these meetings were convened on April 21, 2022, wherein the resolutions, *inter alia,* approving the scheme of amalgamation were passed. Thereafter, the companies filed petition with the MCA for amalgamation of BORL with BPCL.

On June 22, 2022, MCA has passed the final Order approving the scheme of amalgamation of BORL with BPCL. The Order has been filed with the Registrar of Companies at Gwalior and Mumbai, respectively, and BORL stands merged with BPCL effective July 1, 2022.

The Standalone and Consolidated Financial Statements for the adoption of shareholders at the AGM had been approved by the Board at its meeting held on May 25, 2022 whereas the final Order of the MCA approving the scheme was received on June 22, 2022 and the same was effective from July 1, 2022 as stated above.

The amalgamation of the Transferor Company shall be given effect in the books of accounts as per the applicable accounting standards.

Since the amalgamation became effective after the Consolidated and Standalone Financial Statement for the year 2021-22 were approved by the Board for issuance to shareholders, the abovesaid financial statements enclosed to this report have not taken into account the effect of the amalgamation.

Amalgamation of Bharat Gas Resources Ltd. (BGRL) with BPCL

BGRL, a wholly owned subsidiary of BPCL, was incorporated in June 2018 for handling Natural Gas business.

In March 2021, the Board of Directors of BPCL and BGRL approved the scheme of amalgamation of BGRL with BPCL with the view of streamlining of the corporate structure and consolidation of assets and liabilities and an application was submitted to the Ministry of Corporate Affairs (MCA) for this purpose.

MCA, vide its Order dated October 27, 2021 directed BPCL to convene meetings of its equity shareholders, secured creditors and unsecured creditors. In accordance with the Order, these meetings were convened on June 3, 2022 wherein the resolutions, *inter alia*, approving the scheme of amalgamation were passed. Thereafter, the companies filed petition with the MCA for amalgamation of BGRL with BPCL. The process of amalgamation is in advanced stage now.

Strategic disinvestment of Government of India's stake in BPCL

The Government of India vide its letter dated June 3, 2022 has advised to call off the present process for strategic disinvestment of BPCL and accordingly, all the activities in connection with the disinvestment including the data room have been discontinued.

EMPLOYEE STOCK PURCHASE SCHEME (ESPS)

The Company had formulated an Employee Stock Purchase Scheme (ESPS) in line with SEBI (Share Based Employee Benefits) Regulations, 2014, which was approved by the shareholders in the Annual General Meeting held on September 28, 2020, offering up to 4,33,85,000 fully paid-up equity shares of ₹ 10 each (representing 2% of the paid-up capital) to eligible employees under ESPS.

Based on the terms and conditions of the scheme, eligible employees were offered 4,33,79,025 fully paid-up equity shares of face value of ₹ 10 each and 3,65,42,077 shares were transferred to 7,868 employees in the year 2021-22, at an issue price of ₹ 126.54 and ₹ 253.08 per share (as applicable) and ₹ 462.48 crore was the consideration received against the issuance of shares. Out of 3,65,42,077 shares transferred, 3,31,525 shares were transferred to key managerial personnel and senior managerial personnel.

During the year, there has been no change in the BPCL Employee Stock Purchase Scheme 2020. The scheme is in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014 and this has been certified by the statutory auditors of the Company. The certificate of the statutory auditors can be accessed at https://www.bharatpetroleum.in/bharat-petroleum-for/Investors/Shareholders-Meetings/Annual-General-Meeting.aspx

In line with Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014, a statement giving complete details, as on March 31, 2022, is available on the website of the Company at https://www.bharatpetroleum.in/bharat-petroleum-for/Investors/Shareholders-Meetings/Annual-General-Meeting.aspx

"BPCL ESPS Trust" did not exercise voting rights in respect of 68,36,948 shares held by it at the end of the year, on behalf of the employees.

Borrowings

Total Borrowings of the Company as on March 31, 2022 stood at ₹ 24,123.09 crore as against ₹ 26,314.97 crore as on March 31, 2021.

Deposits from Public

The Company has not accepted any deposit from the public during the year. The amount of deposits, matured but unclaimed, at the end of the year were nil.

Capital Expenditure

Capital Expenditure during the year, including investments in Subsidiaries, Joint Venture Companies (JVCs) and Associates amounted to ₹ 11,860.16 crore, as compared to ₹ 11,064.39 crore during the year 2020-21.

The Company has entered into a Memorandum of Understanding (MoU) with Government of India for the purpose of performance assessment. Capital Expenditure incurred by the Company and its proportionate share of Capital Expenditure by its Subsidiaries (Group), Joint Ventures and Associates during the year is ₹ 11,284.25 crore. Further, intangible assets in the form of Goodwill arising on account of Business Combination consequent to the acquisition of additional stake in BORL on June 30, 2021 is ₹ 1,203.98 crore.

Comptroller and Auditor General of India's (C&AG) Audit

The Comptroller and Auditor General of India's (C&AG) comment upon or supplement to the Statutory Auditors' Report on the Accounts for the year ended March 31, 2022 is appended as Annexure E.

Details of pending C&AG Audit paras: As on March 31, 2022, there are seven pending published paras related to the C&AG audit which are appended as Annexure F.

REFINERIES

The year 2021-22 witnessed heightened volatility in the global oil industry, with crude and product prices building up firmly as the year progressed. Refinery margins were subdued in the first half of the year due to Covid-19 impact and lower demand was witnessed for products. Refineries implemented various innovative ideas during these volatile times to increase profitability and reduce cost. Focus on increased production of value-added products was emphasized, with Mumbai Refinery (MR) achieving highest ever production of 342 TMT of Lube Oil Base Stock (LOBS) during the year. With the relaxing of the pandemic related restrictions and recovery of demand for petroleum products during the second half of the year 2021-22, refinery throughput and production were maximized. Both the refineries of BPCL (Mumbai Refinery and Kochi Refinery) achieved more than 100% capacity utilization during the second half of the year.

During the year, special emphasis was laid on optimization and conservation of energy, it being the second major element of cost after crude. Various schemes were implemented in both the refineries for improvement of Energy Intensity Index (EII) of the refineries. Kochi Refinery (KR) achieved a reduction of 5.9 units in EII during the year. Further, digitalization initiatives like Digital Twins and other Artificial Intelligence / Machine Learning based solutions were implemented in refineries for value addition in the process value chain.

In the area of environment conservation, various initiatives like planting of saplings, rainwater harvesting, use of sewage-treated water, and installation of solar power plants were taken up by both the refineries during the year. MR received a first-of-its-kind 'Near Zero Waste to Landfill (ZWL) certification' from M/s Intertek Testing Services NA.

Towards enhancing operational efficiencies, PDPP (Propylene Derivatives Petrochemical Project) and NHT (Naphtha Hydrotreater) unit of MSBP (Motor Spirit Block Project) at KR were stabilized post commissioning. Timely commissioning of the MSBP unit assisted in meeting the increased demand of MS (petrol) during the year. KR achieved highest ever production of MS during the year, with corresponding reduction in generation of low value naphtha by 5%.

Commissioning of HSD Tank 12 at MR Marine Oil Terminal (MOT) provided additional storage facility and better flexibility to export during periods of lower domestic demand for the product.

Performance of Refineries

Parameters	Mumbai Refinery		Kochi Refinery	
	2021-22	2020-21	2021-22	2020-21
Refinery Throughput (MMT)	**14.49**	13.05	**15.58**	13.35
Crude Oil Processed (MMT)	**14.43**	12.94	**15.40**	13.28
Capacity Utilization (%) *	**120.3**	107.8	**99.35**	85.67
GRM (USD/bbl)	**8.73**	3.76	**9.43**	4.36
GRM (in ₹ crore)	**7,080**	2,736	**7,916**	3,125

*Capacity utilization is the percentage of the actual Crude oil processed to the installed (design) capacity.

MARKETING

The year 2021-22 was a resurgence year for BPCL, as most of the activities were normalized during the year. Even though the year started with restrictions in mobility, albeit limited as compared to the year 2020-21, due to the second wave of the pandemic in the country, the economic activities regained normalcy gradually.

During the year 2021-22, BPCL's market sales volume increased by 9.73% to 42.51 MMT, as compared to 38.74 MMT in the previous year. BPCL's market share amongst public sector oil companies improved to 24.73% as on March 31, 2022, as compared to 24.33% at the end of previous year.

In the endeavor to build additional revenue streams while also mitigating the risks posed by energy transition, BPCL created two Business Units (BUs) during the year – Renewable Energy and New Businesses. Renewable Energy BU has been created to explore opportunities in the clean energy space and pave the way to achieve BPCL's aspirations of Net Zero in Scope 1 and Scope 2 emissions by 2040. The objective for creation of New Businesses BU is to enhance the Company's presence in non-fuel business by leveraging its assets and network.

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

Pipelines

BPCL owns a multi-product pipeline network of 2,596 km with a design capacity of 21.3 per annum (MMTPA) and 937 km of crude pipeline with a design capacity of 7.8 MMTPA.

During the year 2021-22, product pipelines achieved a throughput of 16.54 MMTPA, as against 14.86 MMTPA in the previous year. Crude pipelines achieved a throughput of 7.42 MMTPA as against 6.22 MMTPA in the previous year. During the year, all standard operating procedures were strictly followed, resulting in 'nil' fatality and 'nil' Lost Time Accident (LTA).

18-inch-diameter 355-km-long Bina-Panki Multi-Product Pipeline, with a throughput capacity of 3.5 MMTPA, was commissioned in October 2021 within approved project cost and timeline. This pipeline was dedicated to the nation by Hon'ble Prime Minister of India on December 28, 2021. The pipeline is connected to Bina and Mumbai Refinery and thus ensures product availability in central and eastern Uttar Pradesh (U.P.).

BPCL is always in the forefront to ensure the security and safety of its assets. To enhance the safety and security of its cross-country pipeline network, implementation of Fiber Optics based Pipeline Intrusion Detection Systems (PIDS) for Mumbai-Kota and Kochi-Coimbatore-Karur Pipeline (CCKPL) sections is in progress and on commissioning, the entire 1,389-km Mumbai-Manmad-Bijwasan Pipeline (MMBPL) and CCKPL would be covered with PIDS. A total of 2,520 km (97%) out of the 2,596-km of pipelines would be covered on completion of PIDS implementation by March 2023.

Further, the Company completed the re-routing of Mumbai-Manmad Pipeline (48.5 km) during the year and has commissioned the pipeline in April 2021, which helps in reducing the risk associated with products dispatched from Mumbai Refinery.

MAJOR PROJECTS

Details of major completed/ongoing projects during the year are given herewith. Approved project cost indicated for each project is net of input tax credit.

- **Installation of New Kerosene Hydrotreater (KHT) at Mumbai Refinery**

  The project envisages new Kerosene Hydrotreater (KHT) of 1.5 MMTPA capacity, integrated with existing Diesel Hydrotreater (DHT) at Mumbai Refinery to produce Aviation Turbine Fuel (ATF) and Kerosene meeting sulphur specification of maximum 10 Parts Per Million by Weight (PPMW). The approved cost of the project is ₹ 667.15 crore. The project has achieved an overall physical progress of 83% as on March 31, 2022 and is scheduled for completion in December 2022.

- **Enhancing Production of Lube Oil Base Stock (LOBS) at Mumbai Refinery**

  The project envisages revamp of Lube Oil Base Stock (LOBS) production capacity from 300 thousand metric tonnes per annum (TMTPA) to 450 TMTPA at Mumbai Refinery, which will reduce imports of LOBS. The approved cost of the project is ₹ 614 crore. The project has been completed in July 2022.

- **Krishnapatnam - Malkapur (Hyderabad) Multi - Product Pipeline**

  This project envisages laying of 425-km-long, 16-inch-diameter multi-product pipeline for a throughput capacity of 4.4 MMTPA. Demand note was received towards land purchase for the new POL terminal at Malkapur (near Hyderabad). A notification has been published for Right of Use of land required for 280 km of pipeline length. M/s. Engineers India Limited (EIL) have been appointed as the consultant for the project. Procurement of pipes are in progress. The approved cost of the project is ₹ 1,925.68 crore. The project scope also includes construction of additional tankages at Krishnapatnam and Ongole.

- **Irugur-Devanagonthi Multi-Product Pipeline**

  This project envisages laying a 315-km-long 16-inch-diameter multi-product pipeline. The approved cost of the project is ₹ 1,469.39 crore. This project was on hold since December 2014 for Right of Use clearance in Tamil Nadu. The Tamil Nadu Government has recently advised to explore the feasibility for laying the pipeline along national highways/state highways/other roads. Accordingly, a detailed Engineering Survey and Cadastral Survey for a revised pipeline route along highways is in progress.

- **Bina-Panki Pipeline Project**

  Additional tankage of 1,46,000 KL and full-rake tank wagon loading gantry with associated facilities were commissioned along with Bina-Panki Pipeline on December 21, 2021, ahead of the scheduled completion date and within the approved cost of ₹ 254.54 crore. The project was dedicated to the nation by Hon'ble Prime Minister of India on December 28, 2021. This project will go a long way in enhancing product availability in the states of U.P., Uttarakhand and Bihar.

- **Creation of Additional Storage (8,250 MT) of LPG at 5 LPG Bottling Plants**

  Additional storage (mounded storage vessels) of 8,250 MT at an approximate cost of ₹ 266 crore has been constructed and commissioned at Jhansi, Bhatinda, Pune, Patna and Bhitoni LPG bottling plants. This capacity addition will support increased LPG demand across various states.

- **New Coastal POL Terminal at Krishnapatnam**

  To cater to the demands of Andhra Pradesh and Telengana, a coastal terminal having storage capacity of 1 lakh KL for storing MS, HSD and other products, as well as a full-rake loading gantry and associated facilities at an estimated cost of ₹ 580.20 crore is under construction within Krishnaptanman Port. Product will be received from Kochi Refinery through ocean tankers. The project activities are in full swing and a physical progress of 74.6% and a cumulative expenditure of ₹ 341.20 crore has been achieved as on March 31, 2022. The project is on schedule and is expected to be completed by December 2022 within approved budget.

- **New POL Depot at Radhanagar (Bokaro)**

  A new rail-fed depot is under construction at Bokaro (Jharkhand). The project envisages construction of 22,000 KL tankage, a full-rake tank wagon unloading siding and allied facilities at an estimated cost of ₹ 248.55 crore. A physical progress of 69.1% and a cumulative expenditure of ₹ 221 crore has been achieved as on March 31, 2022. The project is expected to be completed by March 2023. This project will go a long way in increasing product security in the State of Jharkhand.

- **2G/1G Intergated Ethanol Bio-Refinery at Barghar, Odisha**

  BPCL is the first oil company to set up an integrated ethanol manufacturing plant (2G/1G) at Bargarh, Odisha, of a cumulative capacity of 200 Kilo Litre Per Day (KLPD). As on March 2022, the overall physical progress stood at 45.94% and financial progress at 30.59%. Environmental Clearance has been received for the project. The approved cost of the project is ₹ 1,397 crore. Project activities are in full swing and the project is expected to be completed by June 2023 within approved cost.

- **Debottlenecking and Augmentation of Cryogenic facilities at Uran LPG Import Terminal**

  The LPG Terminal at Uran is the only LPG import handling infrastructure owned by BPCL on the west coast and this terminal is very critical for meeting the LPG requirement of the western, northern and southern parts of the country. Augmenting the LPG handling capacity of this terminal is of utmost importance to ensure uninterrupted and smooth supply-chain operations to meet the ever-growing LPG demand in these regions. The project envisages laying of insulated pipelines from Jetty to Uran Terminal (12.5 km), construction of two 15,000 MT double-walled insulated storage tanks and allied facilities at Uran Terminal along with associated facilities. Necessary approval from statutory authorities has been obtained for the construction of project and activities have commenced. The application for seeking Coastal Regulation Zone (CRZ) approval for laying jetty pipelines is under active consideration. The project is estimated to be completed by February 2024.

- **Common User Facility POL Terminal at Jammu**

  This project envisages re-siting of existing rail-fed depots of PSU Oil Marketing Companies (OMCs) – BPCL, IOCL & HPCL – to new POL Terminal at Jammu on Common User Facility (CUF) basis, with BPCL as lead company. The facility will strengthen the marketing logistics infrastructure in the Union Territories of Jammu & Kashmir (J&K) and Ladakh to meet present and future volumes of the entire J&K and Ladakh region and also to cater to the requirements of the defence forces. The approved cost of the project is ₹ 676.89 crore. Land development and boundary wall jobs are in progress.

- **Common User Facility POL Terminal at Sadashibpur (Meramundali), Odisha**

  The project envisages setting up a Common User Facility POL Terminal at Sadashibpur (Meramundali), Odisha to meet the demands of central/north Odisha economically, as PSU OMCs presently do not have any depot/terminal located centrally, and large volumes are met through long-distance road movement from Paradeep coastal terminal. The approved cost of the project is ₹ 393.54 crore. Presently, land development and boundary wall jobs are underway.

- **Lube oil blending and filling plant at Rasayani**

  A state-of-the-art, Lube Oil blending and filling plant of 75 TMTPA capacity per shift is being developed at Rasayani. Base Oils will be received from Mumbai Refinery and finished products will be supplied across the country as per network mapping. The approved cost of the project is ₹ 312 crore. The project has achieved a physical progress of 17% with a cumulative expenditure of ₹ 6.8 crore as on March 31, 2022.The project is scheduled to be completed by December 2023.

RESEARCH AND DEVELOPMENT (R&D)

Corporate Research & Development Centre (CRDC) of the Company plays a vital role in business growth and sustainability. Today, in the emerging energy scenario, Net Zero plans and the 'Aatmanirbhar Bharat' initiative of Government of India have added a strong impetus to develop cutting-edge products and processes. In line with this, CRDC at Greater Noida in U.P. is actively pursuing research in the niche areas of petrochemicals, biofuels, alternative energy, green hydrogen and mitigation of Carbon Dioxide (CO_2) emission risks along with conventional oil refining and related processes. The R&D wing of Product & Application Development (P&AD) Centre situated at Sewree, Mumbai is continuously involved with the development of novel automotive, industrial and green lubricant formulations to meet evolving business needs.

During the year 2021-22, CRDC successfully showcased a number of innovative technologies and products like Bharat Hi-Star LPG stove with about 75% efficiency, Superabsorbent Polymer (SAP) for hygiene applications, niche petrochemical catalysts and HiGee Deaeration Technology. Digital tools like K Model and BPMARRK were developed for crude oil compatibility prediction and real-time crude assay for Crude Distillation Units, monitoring and optimization. This was in addition to properties prediction of various streams through BPMARRK to increase the utility of the tool and reduce lab-based analysis of the intermediate streams. Bharat-H2Sep Membrane Technology for hydrogen recovery was also developed during the year. In alignment with the Net Zero goals of the Company, CRDC has also taken initiatives to develop sustainable solutions by signing Memorandum of Agreement (MoAs) with Bhabha Atomic Research Centre (BARC) to scale up indigenous alkaline water electrolysis technology for green hydrogen production and with CSIR-IICT, Hyderabad to develop a biogas production process using lignocellulosic biomass as feedstock. Likewise, R&D projects on CO_2 capture and valorization, hydrogen capture from refinery off-gases and Sustainable Aviation Fuel (SAF)/Bio-ATF production are also being pursued.

On the other hand, the R&D wing of P&AD Centre continued its association with major automotive Original Equipment Manufacturers (OEMs) in the country for developing high-performance engine oils of international standards. As a result, the Centre has developed new product portfolios, including fuel-efficient Synthetic Engine Oil for motorcycles and scooters, Diesel Engine Oil with extended drain interval for off-highway applications, Synthetic Transmission Oil for Metro Rail Car, high-performance long-life Hydraulic Oil for off-highway segment, and Premium Soluble Cutting Oil for multi-metal machining operations for auto ancillaries sector.

Based on R&D efforts, initiatives were undertaken in the year 2021-22 to commercialize R&D outcomes. Strengthening the Aatmanirbhar Bharat initiative of Government of India, commercilization activity to scale up in-house developed Superabsorbent Polymer technology was initiated. Bharat-H2Sep Membrane technology for hydrogen recovery has been successfully demonstrated at Kochi Refinery.

Likewise, MoA was firmed up with M/s Engineers India Limited (EIL) to commercialize Indigenous Crude Oil Desalter and Divided Wall technologies. As a part of digitalization initiatives, innovative digital solution tool, viz., K Model for determining crude oil blending compatibility was launched in July 2021. This innovation has enabled the Company to select opportunity and spot crudes and undertake their processing in optimum ratios with term crudes. Furthermore, successful field trials for in-house developed corrosion inhibitor formulation for crude oil pipeline were completed at Kochi Refinery-Subsea pipeline.

The R&D efforts were recognized at national level and various prestigious awards were received during the year 2021-22, including Golden Peacock Eco-Innovation Award 2021 conferred on BHARAT GSR CAT – a cost-effective gasoline sulphur reduction additive for Fluidised Catalytic Cracking (FCC) operation in refinery, Golden Peacock Innovative Product/Service Award 2021 awarded to K Model, and Best Innovation in Refinery Digital Award 2021 from MoP&NG for BPMARRK.

During the year, a focused research approach by CRDC teams resulted in grant of 3 Indian patents. Also, 5 new patent applications (4 Indian and 1 foreign) were filed during the year.

In addition to the R&D initiatives in the Company, the Business Units have undertaken various innovative initiatives in their constant endeavour to improve the processes, increase operational efficiencies and reduce energy consumption.

Some of these innovations are mentioned below:

Mumbai Refinery successfully implemented innovative ideas based on internal studies for reducing Fluid Catalytic Cracking Unit stripping steam consumption, recovery of additional Vacuum Gas Oil from Vacuum Residue in Crude Distillation Unit 4, changes in the operating methodology of splitters for increased capacity utilisation of Reformer Feed Unit and modifications in Continuous Catalytic Reformer unit by utilising margins available to produce higher quantity of MS, Benzene and Toluene and reducing fuel consumption.

A 20 Kg/h continuous polymerization reactor was commissioned at Kochi Refinery as a pilot to produce Superabsorbent Polymer (SAP) of quality matching with the international benchmark based on technology developed by the CRDC. With this initiative, manufacturing competency based on in-house developed SAP technology has been established for the first time in India. Further, Kochi Refinery carried out an in-house process innovation to coproduce Food Grade Hexane from Isomerization Unit.

At the time of the second Covid-19 wave, when entire country was grappling with shortage of oxygen, the Kochi and Mumbai refineries carried out process innovations to improve the purity of gaseous oxygen and supplied it as medical oxygen directly from the plant to patients at government hospital in Kochi and to cylinder filling facility at Mumbai and Kochi.

The year 2021-22 saw the rollout of various applications and solutions under the Company’s flagship digitalisation initiative – “Project Anubhav” aimed at reinforcing Trust, Convenience and Personalization for consumers and enhancing efficiencies and transparency in operations. The Customer Relationship Management (CRM) platform and Customer Engagement Platform (CEP), as well as customer facing solutions, were implemented to provide exceptional experience to customers while they interact with BPCL, and to also provide innovative cross-selling and up-selling opportunities to the Company. IRIS - the Digital Nerve Centre enabled seamless connectivity and visibility across the supply chain facilitating handling of exceptions digitally.

Similarly, the Retail business unit implemented innovative pilot project at Irugur installation, first of its kind, by automating the operation of fire fighting facilities, introduced Digital Handing Over Taking Over (HOTO) by leveraging terminal automation system to ensure safe operations for control room incharges and established an “Experience Centre“ at Devangonthi installation making use of Virtual Reality (VR) and Augmented Reality (AR).

A unique digitally enabled omni-channel Consumer Rural Retailing Model was rolled out at Tier III/IV towns, i.e., sub-district areas in five states, on a pilot basis to cater to wide assortments of fuel and non-fuel needs of consumers along with essential services like financial and tele-medicines. As part of this initiative, the Company has enrolled women entrepreneurs in rural areas called “Urja Devis” and trained them to handle the business.

Total expenditure on research & development activities and innovation initiatives during the year 2021-22 was ₹ 219.82 crore.

INDUSTRIAL RELATIONS

The Industrial Relations climate remained harmonious and peaceful across the Company. The Long-Term Settlements on Wages & Other Matters have been successfully signed with 7 out of 8 eligible Marketing Unions in the year 2020. While discussions with the Refineries Unions are in progress, a settlement has been finalized with one of the Mumbai Refinery Unions representing 21% of the active workmen in Mumbai Refinery, in May 2022. There were no cases of any industrial unrest. The Company continued the thrust towards productivity enhancement and employee well-being with a focus on regular communication with all employees on all important issues affecting them and the Company as a whole. The Management and Unions are committed to improving standards of work and overall capability of our workmen, thereby supporting the overall organizational objectives.

CORPORATE SOCIAL RESPONSIBILITY

Contribution towards the society and working for the welfare of the underprivileged is ingrained in the corporate values of BPCL. In line with BPCL CSR Vision – “Be a Model Corporate Entity with Social Responsibility committed to Energizing Lives through Sustainable Development” – the Company is committed to communities in the vicinity of its business and far beyond. BPCL has consistently contributed towards achieving the sustainable development goals and made significant progress in the core thrust areas of health & hygiene, education, skill development, water conservation and community development.

The Company partners with several capable and credible organizations by supporting projects that benefit the underprivileged and marginalized sections of the society. CSR initiatives are undertaken based on social, environmental, and economic considerations. While the Company continues to undertake new CSR initiatives, it has exited and successfully handed over to either local government or communities, those projects that have been completed successfully, for ensuring sustainability of these initiatives through societal participation.

Since the focus was entirely on healthcare due to pandemic, the activities under the thrust area of health and hygene took priority over other thrust areas like education, skill development, water conservation etc. BPCL took some exemplary measures to combat the pandemic and provide relief and rehabilitation to the most vulnerable sections of the society.

Annual Report on CSR including the composition of CSR Committee is enclosed as Annexure B.

The details of the CSR policy, projects and programs are available on the website of the Company at https://www.bharatpetroleum.com/social-responsibility/csr-reporting.aspx

Out of the total CSR allocation of ₹ 183.74 crore for the year 2021-22, ₹ 137.78 crore were spent during the year. The shortfall of ₹ 45.96 crore from the stipulated prescribed spend is mainly on account of delay in completing projects as per timelines, due to restrictions imposed on account Covid-19 pandemic. In accordance with the applicable CSR Rules, this unspent amount of ₹ 45.96 crore (which includes unspent amount of ₹ 39.40 crore for the financial year 2021-22 and ₹ 6.56 crore for the financial year 2020-21) has been allocated against specified projects and have been transferred to the Unspent CSR Account (UCSRA) for subsequent expenditure towards these projects.

The details of CSR activities under major heads are given below:

Covid Relief Measures

BPCL, under the leadership of MoP&NG and in collaboration with OMCs, provided Covid-19 combat infrastructure in various parts of the country. A total of 11 PSA plants for medical oxygen generation were set up at Government hospitals in Uttar Pradesh, Maharashtra, Kerala and Madhya Pradesh. As many as 3,000 oxygen cylinders, 1,000 oxygen concentrators and 100 ventilators were procured and stored at various locations across the country so that the same could be made available to communities in case of emergency. BPCL partnered with local administration and police authorities at various locations to provide PPE (personal protection equipment) kits, masks and sanitizers to various frontline workers as well as helped marginalized sections of the society, including migrant workers, by way of distributing ration kits. In view of the big relief provided to the citizens of the country through the Prime Ministers Citizens Assistance and Relief in Emergency Situations Fund (PM Cares Fund), BPCL once again whole-heartedly contributed ₹ 40 crore to the fund during the year.

At Kochi Refinery, BPCL established jumbo facilities inside the refinery school premises with an approximately 1-km-long 4-inch stainless steel pipeline from its gaseous oxygen facility (VPSA). The school building and auditorium can together accommodate about 350 patients. Also, the bedded facility can be extended up to 1,000 beds in case of any requirement. An oxygen-filling facility was set up with a capacity of 7 m^3 (250 cylinders/day).

At Mumbai, BPCL whole-heartedly supported the state government's efforts to combat the oxygen crisis during the second wave of the pandemic. Mumbai Refinery obtained FDA license for supplying 93% oxygen and offered oxygen compressors and skids to Municipal Corporation of Greater Mumbai (MCGM) for developing oxygen-filling facilities. A 4-inch stainless steel pipeline from VPSA Oxygen Plant to oxygen-filling facilities with capacity of 10 MT of this life-saving gas per day was developed adjacent to the refinery premises.

At Bina Refinery, a 200-bed Covid-care hospital was developed for patients. This medical facility can be extended up to 1,000 beds in case of emergency. A new 4-inch stainless steel oxygen pipeline was also established for supply of oxygen to the hospital.

Health & Hygiene

The Company reached out to the socio-economically marginalized strata of the society through innovative, value-driven and well-designed projects that boosted consciousness towards health. BPCL continued its unflinching support for cancer care by supporting a holistic cancer program, which comprises cancer screening, surgical interventions to cancer patients and subsequent rehabilitation of cancer survivors in 10 cancer hospitals across the country. The scope of the program consists of conducting around 700 screening camps, undertake minimum of 415 surgeries and cater to more than 350 cancer survivors for rehabilitation. During the year 2021-22 around 200 screening were conducted, 370 patients underwent treatment/surgeries and around 300 patients were supported towards rehabilitation. Despite the intermittent Covid-19 lockdowns, a project aimed towards construction of an affordable cancer care facility has been completed in the aspirational district of Darrang (Assam) and is ready for operation. This hospital was recently amongst the six cancer hospitals in Assam that were dedicated to the nation, on April 28, 2022, by Hon'ble Prime Minister along with Hon'ble Chief Minister of Government of Assam.

Another flagship project in operation, the Lifeline Express, or 'Hospital on a Train', comprising seven coaches modified into a hospital, travelled to remote district of Balrampur, Uttar Pradesh. Under this initiative, screening camps were conducted as well as medical and surgical interventions were carried out, enabling early identification of diseases and reduction in avoidable suffering for about 8,000 patients in the span of a month.

Education

There is no denying that education is one of the most fundamental enablers for realizing India's demographic advantage. Lack of access to quality education is a huge obstacle to development of an equitable society and a sustainable economy. Schools were most deeply impacted during the unrelenting pandemic, as they were closed throughout the year. BPCL utilized this period and undertook activities towards renovation and construction of classrooms and allied facilities such as provision of separate toilets for boys and girls, clean and safe drinking water, classroom furniture etc. in various schools so that children could derive these benefits once the schools became operational again.

Skill Development

BPCL has been consistently enhancing the employability and entrepreneurship of youth in the hydrocarbon sector as well as in other sectors through the Skill Development Institute (SDI) at Kochi, Kerala. Since inception, 978 students have been trained. In collaboration with other oil & gas companies, BPCL also supported five other SDIs in Ahmedabad, Vishakhapatnam, Guwahati, Raebareli and Bhubaneswar.

While academic activities at skill training institutes were affected due to the pandemic, the Company continued to support skilling initiatives for youth in Aspirational Districts of Madhya Pradesh. The online mode of training was adopted and 15 batches were trained in vocational skills and were linked to employment and self-employment opportunities.

Water Conservation

Water is life. Also, it is at the core of sustainable development and is critical for socio-economic uplifting as well as for energy and food production, healthy ecosystems and human survival itself. Through its hugely impactful water conservation initiatives, collectively named "Project BOOND", BPCL has, over decades, aimed at improving access to water for various needs, including drinking, agriculture and livelihood, with focus on recharging ground water reserves. The key objective of this initiative is to transform villages from water-scarce to water-positive.

In this thrust area, BPCL is ensuring water security for rural communities through renovation of rainwater harvesting structures, afforestation, supporting farming livelihood and community awareness in four villages in Sangli (Maharashtra) and eight villages in Karauli (Rajasthan).

Community Development

BPCL has been contributing wholeheartedly to the "Transformation of Aspirational Districts Program", launched by NITI Aayog, which focusses mainly on health & nutrition, education, agriculture & water resources, financial inclusion & skill development, and basic infrastructure. The Company is working with rural communities in order to improve the living standards of the communities in these lowest-ranked districts as well as non-aspirational districts, thus ensuring inclusive growth for them.

BPCL undertook a project to distribute free-seeds which are certified by the Government and which consume less water to 1,000 farmers, wherein every farmer received one 20-kg bag of wheat seed, two 8-kg bags of maize seed and one 3-kg bag of millet seed. In total, 4,000 bags of seeds were distributed that would help the farmers earn higher income. The farmers were also provided training and information about the appropriate methodology and best practices for efficient farming.

Swachh Bharat Abhiyaan

The Company continued to participate enthusiastically in 'Swachh Bharat Abhiyan', a flagship movement fostered by Government of India. BPCL has been working relentlessly towards making Bharat 'Swachh' since the inception of this profound initiative. The Company aims at and contributes towards creating an 'Open Defecation Free' country through construction and renovation of toilets in schools and communities.

BPCL undertook more than 89,000 activities during the Swachhata Pakhwada fortnight celebrated from July 1-15 2021, reaching out to around 65 lakh people. The activities included creating awareness on hygiene and sanitation, distribution of PPE kits for frontline workers, etc. The activities were meticulously planned and undertaken maintaining all precautionary measures of social distancing.

Swachh Iconic Places

BPCL contributes to the Swachh Bharat Mission in several meaningful ways. One of them is to contribute to the Swachh Iconic Places initiative where the Company continues to support the Meenakshi Temple at Madurai (Tamil Nadu) and Sri Adi Shankarachary Janmabhoomi Tirth in Kalady, Kerala through beautification of the surrounding areas, better sanitation facilities, access to safe drinking water and more.

Initiatives Outside Thrust Areas

Apart from thrust areas, BPCL also serves the nation in other important areas. BPCL takes up initiatives in other areas of Schedule VII of Companies Act, 2013. One such project is in collaboration with National Craft's Museum and Hastkala Academy (New Delhi), wherein reorganisation, restoration and preservation of more than 33,000 ancient objects is being undertaken. Further, with a futuristic view, it is also planned to digitally archive all the available collection of artefacts for easy access to the people and artisans through appropriate displays in galleries.

PROMOTION OF SPORTS

The year 2021-22 was a landmark year in the annals of BPCL sports. At Tokyo Olympics 2020, which was held in 2021 due to the pandemic, the resolute Indian Men's Hockey Team rewrote history as it claimed an Olympic medal after 41 years. Five of the Company's sportspersons, namely, Birendra Lakra, Lalit Updhyay, Harmanpreet Singh, Varun Kumar and Vivek Sagar Prasad were part of the Indian Men's Hockey Team that claimed the Bronze Medal in Tokyo Olympics 2020. They were also awarded the prestigious Arjuna Award for their exemplary performance in the Olympics.

In Tokyo Paralympics 2020, which was also held in 2021, Arjuna Awardee BPCL employee Manoj Sarkar bagged the Bronze Medal. He also won medals in Spanish Open (Bronze in Singles, Gold in Doubles) and Uganda Open (Gold in Singles, Silver in Doubles). BPCL Para-Badminton player Manasi Joshi achieved World No. 1 ranking in Women's singles in the SL3 category. She also won medals in the Spanish Open (Gold in Singles, Silver in Mixed-Doubles) and Uganda Open (Gold in Singles, Gold in Mixed-Doubles and Bronze in Doubles) Para-Badminton tournaments.

BPCL's ace archers Deepika Kumari and Atanu Das represented the Indian Archery team in Tokyo Olympics 2020. Deepika Kumari bagged the Gold Medal in the Archery World Cup and secured the World Rank No. 1 spot. Atanu Das also won the Gold Medal in the Archery World Cup. Jyothi Surekha, one of the promising archers from BPCL, secured three Silver medals for the nation in the World Archery Championship, a Gold Medal in Asian Archery Championship and a Gold Medal in the Lancaster Classic Archery Tournament in 2021.

In Cricket, BPCL star players made waves. Suryakumar Yadav was part of the team that represented India in the T-20 World Cup 2021. Shreyas Iyer made a scintillating debut in Test Cricket with a century for the Indian cricket team in the first match of the Test Series against New Zealand in November 2021.

Taking forward the Company's rich legacy of contributing to the nation in the sphere of sports, Tushar Khandker, who is an ex-Hockey player and an Olympian, has undertook a special assignment as Assistant Coach of the Indian Senior Women's Hockey Team. He was the force behind guiding the team to secure Bronze Medal in Asia Cup 2021.

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

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

SC/ST and economically backward students are encouraged by awarding scholarship to those pursuing education in secondary school and up to graduation level.

Human spirit knows no bounds, neither is it shackled by any physiological challenges. BPCL zestfully amalgamates persons with special abilities in its workforce.The Company complies with provisions under "The Rights of Persons with Disability Act, 2016" relating to providing employment opportunities for Persons with Disabilities (PWDs).

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

IMPLEMENTATION OF OFFICIAL LANGUAGE POLICY

The official language, Hindi, is the nation's pride. BPCL continues to comply diligently with the Annual Programme 2021-22 issued by Department of Official Language, Ministry of Home Affairs, Government of India, towards the implementation of the Official Language across the organization. The progressive usage of Hindi was reviewed and evaluated quarterly, half-yearly and on a yearly basis, through essential committees, viz., OLIC (Official Language Implementation Committee), TOLIC (Town Official Language Implementation Committee), etc. at different levels such as regions, offices, locations, and refineries.

Various initiatives, including Hindi Fortnight / Week, celebration of notable days, milestones, projects, pledges of national importance, observance of World Hindi Day, Annual Hindi Coordinator's Meet as well as various competitions, programs and cultural activities, were organized from time to time, with whole-hearted participation from employees.

Other initiatives to promote the use of Hindi in day-to-day work include awards instituted for locations, regions, and employees – both online and offline. Hindi trainings and workshops on the Indic bilingual software, voice-typing, machine translation, etc. were also organized for enhancing levels of compliance. Additionally, as a part of promoting Hindi and encouraging employees' children for greater adoption and use of Hindi, 178 children were awarded Official Language Prizes for outstanding performance in 'Hindi' subject in 10^{th} and 12^{th} Classes.

BPCL has also well-deservedly received accolades and special appreciation from TOLIC at various locations, including Panipat Installation, Roorkee LPG Plant, Goa Retail Territory as well as Sewree, Kharghar and Priyadarshini Offices for emphatic implementation of Hindi. During the year, Chairmanship of TOLIC, Goa was bestowed on BPCL by Ministry of Home Affairs.

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

A satisfied customer is the greatest asset for the Company and 'Customer-Centricity is one of the core values of the Company. BPCL recognizes that ensuring customer delight is an integral part of all the business operations and redressing customer grievances, if any, through a well-defined mechanism, is the key to success.

The Company has constantly endeavoured to set new benchmarks in customer service standards, to not only meet but exceed the customer expectations.

Citizen's Charter

The Citizen's Charter enshrines the trust between BPCL and its customers and outlines the Company's commitment towards improving the quality of its services. The Citizen's Charter published on the Company website provides details of a range of services offered to our customers, with an overview of the marketing activities of the Company, policy guidelines and processes on marketing of petroleum products. It covers the mandate of the Company, customer rights with respect to standard, quality, time-frame for service delivery, the grievance redressal mechanism, etc. These service levels are revisited from time to time and updated in line with the changing business needs.

Public Grievance Redressal (PG)

The Public Grievance Redressal framework in BPCL spans across business units and is a well-established online mechanism for receipt, escalation and timely and effective closure of all public complaints. Complaints are continuously monitored through Centralized Public Grievance Redress and Monitoring System (CPGRAMS), which is an online web-enabled system (https://www.pgportal.gov.in/), developed by National Informatics Centre (NIC) and Department of Administrative Reforms and Public Grievances (DARPG).

Grievances received from people through the CPGRAMS system are centrally scrutinized at the corporate level and sent for redressal to various Business Units / Entities through a well-established online network, with an escalation matrix to ensure timely and qualitative closure.

BPCL, with its dedicated team, redressed and closed 4,781 grievances out of 4,944 (i.e., 96.70%) received in the year 2021-22, with an average disposal time of only 13 days as against the norm of 30 days stipulated for disposal of grievances.

Customer Care System (CCS)

BPCL's 'SmartLine', the centralized Customer Care System (CCS), is the first-of-its-kind initiative in the Indian energy sector. Since its launch in 2013, SmartLine has made more than 80 lakh interactions with customers. CCS continues to be the first point of contact for our ever-increasing customer base for all their queries and grievances. The system has grown into a 111-strong executive team, while the latest CRM technology remains its backbone. CCS has recently moved to a brand-new technology platform that gives a 360-degree view of the customer.

With BPCL going full steam on its digital journey, the Company is handholding the customers across all businesses and Indian geographies through this digital transformation paradigm. As always, keeping ahead of the industry, new-age digital avenues (like the Company's web-based Urja chatbot and WhatsApp) were added to provide ease of contact to our valued customers.

As life returns to normal in the post-pandemic scenario, BPCL is striving to keep the customers safe and well taken care of with increased use of technology and AI (artificial intelligence). Complaints received are not only redressed but the data thus generated is used to improve customer service at the grassroots level. Customer delight remains pivotal to all our endeavours.

Right to Information (RTI)

BPCL has been successfully supporting the RTI Act from the time of its inception in the year 2005 and has implemented all the norms stipulated in the RTI Act, 2005. As required under the Act, all the relevant details and information along with suo moto disclosure under section 4(1) (b) have been hosted on the Company's Corporate Website www.bharatpetroleum.in for the public at large.

Along with physical RTI applications, the Company also receives online RTI applications and addresses the same through the RTI online portal www.rtionline.gov.in, which is a unified RTI portal of the Government of India.

From the year 2005 till March 31, 2022, the Company has successfully handled 48,096 RTI applications, 6,793 First Appeals and 1,127 Second Appeals with Central Information Commission (CIC), thereby maintaining its commitment to transparency and accountability in business operations.

RTI queries were closed on the RTI online portal within the stipulated time limit of 30 days. This ensured that no penalty was levied for any postal delays. The Company's team of 49 Central Public Information Officers (CPIOs) and 12 First Appellate Authorities (FAA) are spread across the country, covering major BUs like Retail, LPG, Aviation, and Refineries as well as Entities like HR and International Trade, thereby ensuring smooth handling of RTI queries.

During the year 2021-22, BPCL received 3,317 RTI Queries, 465 First Appeals and 66 Second Appeals (CIC Hearings) and all of them have been processed in a timely manner.

PUBLIC PROCUREMENT: MICRO & SMALL ENTERPRISES

BPCL's Central Procurement Organization (Marketing) procured goods worth ₹ 12,835.90 crore (100 % e-tendering) during the year. This includes BPCL's requirement of Ethanol for blending with Petrol and other purchases across various BUs and entities. Additionally, tenders for disposal of scrap worth ₹ 192.70 crore were also finalized for marketing locations. BPCL also anchored and finalized Industry tenders for Ethanol and Bio-diesel for the 10th consecutive year. The tender value for Ethanol was ₹ 28,300 crore and for Bio-diesel it was ₹ 55.53 crore.

As an initiative towards Digital India, digitally signed invoices were encouraged from vendors and digitally signed purchase orders were sent to vendors through electronic mode. BPCL procured goods worth ₹1,078.33 crore through Government e-Marketplace (GeM), which is 846% jump from ₹ 113.9 crore procured in the previous year.

BPCL abides by the Public Procurement Policy for MSEs Order 2012 and its amendment of November 2018. In the year, 28.8% of the value of the Company's annual Goods and Service procurements were done through MSEs as against the target of 25%. All high-value tenders of BPCL were launched through the online open tender route. General Conditions of Contract (GCC) and General Purchase Conditions (GPC) of all tenders have purchase preference clauses for MSEs. BPCL also offers Trades Receivable Discounting Scheme (TReDS) to its MSME Vendors.

During the year 2021-22, BPCL's total procurement in terms of value of Goods and Services, excluding works contracts, where MSEs could have participated was ₹ 13,878.28 crore. The actual procurement value from MSEs was ₹ 4,006.52 crore, i.e., an achievement of 28.8%, which exceeds the target of 25%. BPCL conducted three online Vendor Development Programs for MSE vendors, including two for MSE SC/ST and one for MSE Women, wherein over 500 vendors participated. BPCL also participated in MSME Expo 2022 at Nagpur, organised by Director, MSME, Maharashtra. An online "Premier Vendor Workshop" was held in March 2022, wherein Asst. Director, MSME-DI, Mumbai and Director - Buyer Management (CPSEs & Central Ministries), Government e-Marketplace (GeM) made detailed presentations on the benefits of Public Procurement Policy for MSEs and enhancements made in GeM portal, which aims at increasing the efficiency in public procurement.

VIGILANCE

Vigilance administration in BPCL is an integral part of the management for ensuring good governance in the organization. The motto of the department is "Vigilance for Corporate Excellence". Vigilance department promotes Corporate Governance by ensuring transparency, ethics and integrity in thoughts and deeds to make BPCL an organization known for zero tolerance for corruption.

Vigilance Department is headed by Chief Vigilance Officer (CVO), and supported by a Vigilance team located in headquarters, regions and refineries. The CVO acts as an advisor to the CMD in all matters pertaining to vigilance. The CVO is also the nodal officer of the Company for interaction with Central Vigilance Commission (CVC) and Central Bureau of Investigation (CBI).

Vigilance Mechanism is based on the Vigilance Manual/policy circulars of CVC, instructions issued by Department of Personnel and Training (DoPT) and Ministry of Petroleum & Natural Gas (MoP&NG). Annual and quarterly performance reports are furnished to CVC and MoP&NG of the work done on vigilance matters.

While 'Punitive Vigilance' for commission of misconduct, malpractices and corrupt practices is certainly an important function, 'Preventive Vigilance' and 'Proactive Vigilance' are equally important, as these are likely to reduce the occurrence of vigilance cases. Preventive vigilance enables BPCL to constantly review procedures, guidelines and practices, identify vulnerable areas and recalibrate business processes. Vigilance department constantly endeavours to promote improvement in systems, processes and practices by adopting an approach of proactive, preventive and participative vigilance.

Vigilance carried out investigations into various complaints and source information. Complaints, including those received online, from CVC and MoP&NG were investigated directly by Vigilance team, wherever required. The complaints broadly covered issues related to operational activities, dealership / distributorship selection and management and project and procurement work, etc. A summary of investigative complaints (detailed inquiries) handled by Vigilance during the year 2021-22 are given as follows:

Opening balance (as on 01.04.2021)	Investigation during the Year	Total	Disposed of during the Year	Closing Balance (as on 31.03.2022)
31	60	91	43	48

Surprise inspections were conducted at 74 locations, 127 retail outlets and 58 LPG distributors during the year. Based on observations and findings, specific recommendations for corrective action and system improvements were communicated to the concerned departments. Over and above this, sensitive posts of the organisation are identified and periodic rotation of the staff is ensured.

The Workshop on Preventive Vigilance at upcountry locations and regional offices are conducted on regular basis by Vigilance department. The mid-career training to employees on Vigilance was also started during the year. Vigilance Awareness sessions were conducted for the employees working at operating locations and commercial offices by Team Vigilance, using both online methodology and offline during their visits to locations. These sessions were aimed at enhancing the knowledge and awareness on the operational aspects of various circulars / guidelines / SOPs issued by BPCL, CVC and MoP&NG. In all, 72 training sessions were held covering 2,375 persons during 2021-22.

Vigilance Awareness Week (VAW) was observed with the theme "Independent India @ 75: Self-Reliance with Integrity" from October 26 to November 1, 2021. During the week, a variety of programmes were carried out like Integrity Pledge, display of PIDPI posters at all offices, competitions in schools, competitions among employees, organizing Gram Sabhas and Vendor Meets, as per directives issued by CVC. Internal activities were taken up in campaign mode as a part of Vigilance Awareness Week. The 12th edition of the Vigilance Magazine, "Vigilance Plus" containing articles related to vigilance and activities undertaken during VAW was released.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

BPCL has 4 subsidiaries and 22 Joint Venture Companies and Associate Companies as on March 31, 2022.

Details of Company that has become a Subsidiary during the year 2021-22	Nil
Details of Company that has become a Joint Venture / Associate during the year 2021-22	Nil
Details of Company that has ceased to be a Subsidiary during the year 2021-22	Nil
Details of Company that has ceased to be a Joint Venture / Associate during the year 2021-22	Nil

However, pursuant to the Order of the Ministry of Corporate Affairs dated June 22, 2022 and its subsequent filing with the respective Registrar of Companies, the wholly owned subsidiary of BPCL, Bharat Oman Refineries Limited (BORL), stands merged with BPCL with effect from July 1, 2022.

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

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

The policy for determining material Subsidiaries is posted on the Company's website at the link http://www.bharatpetroleum.co.in/General/PolicyonMaterialSubsidiaries.aspx?id=4

BPCL SUBSIDIARY COMPANIES

BHARAT PETRORESOURCES LIMITED (BPRL)

BPRL was incorporated in October 2006, as a 100% subsidiary of Bharat Petroleum Corporation Limited, to undertake upstream activities of BPCL.

As on March 31, 2022, BPCL's investment is ₹ 7,275 crore in the equity capital of BPRL. In addition to this, the Company has given a loan of ₹ 2,190 crore to this subsidiary. BPRL has recorded a consolidated income of ₹232.04 crore and a consolidated loss of ₹ 447.86 crore for the financial year ending March 31, 2022.

BPRL has Participating Interest (PI) in eighteen blocks, of which nine are in India and nine overseas, along with equity stake in two Russian entities holding the license to four producing blocks in Russia. Five of the nine blocks in India were acquired under different rounds of New Exploration Licensing Policy (NELP), one block was awarded under Discovered Small Fields Bid Round 1 and three blocks were awarded under the Open Acreage Licensing Policy (OALP) Bid Round I. Out of nine overseas blocks, five are in Brazil, two in United Arab Emirates and one each in Mozambique and Indonesia.

The blocks of BPRL are in various stages of exploration, appraisal, development and production. The total acreage held by BPRL and its subsidiaries is around 22,000 sq. km, of which approximately 49% is offshore.

During the year 2021-22, approximately 4.3 million barrels of crude oil from the Lower Zakum Concession was lifted by BPCL Group refineries, out of BPRL's share of equity crude oil from the Lower Zakum Concession. The Appraisal Well campaign of the existing Ruwais discovery in the overseas operatorship block Onshore Block 1 Concession in Abu Dhabi, UAE was carried out during the year 2021-22 and the testing of the appraisal wells has established the presence of hydrocarbons. The first exploration well in the unexplored areas was also spud on March 3, 2022.

In BM-SEAL-11 Concession in Brazil, the Declaration of Commerciality (DoC) has been submitted to ANP (Brazilian Regulator) in December 2021 and the concessionaires are progressing on finalizing the Field Development Plan (FDP).

In Offshore Area 1, Rovuma Basin Mozambique, while the construction activities in the 2-Train Golfinho-Atum LNG Project were progressing as per schedule, security incidents in the region led to declaration of force majeure at the beginning of the year 2021-22. The Government of Mozambique is working towards the re-establishment of peace and resolving the security situation. Mozambican military along with Joint forces from Rwanda and Southern African Development Community (SADC) continue their operations in the region. Area 1 Concessionaires remain committed to promptly restarting once the security situation is resolved in a sustainable manner.

In respect of Indian blocks, the block CY-ONN-2002/2, located in Cauvery Basin, Tamil Nadu currently has six producing wells. During the year 2021-22, BPRL's share of production from the block was 30 thousand tonnes of oil and 12 million cubic meters of associated gas. Gas sales from the block to GAIL commenced in May 2021.

In BPRL's Indian OALP Operated block, CB-ONHP-2017/9, located in onshore Cambay Basin, Gujarat, exploration drilling prospects have been identified and activities are planned towards the minimum work program.

The PI in respect of blocks in India are held directly by BPRL. PI in respect of blocks in Brazil, Mozambique, Indonesia and UAE and equity stake in two Russian entities are held through various step-down wholly owned subsidiaries/JVs of the wholly owned subsidiaries located in the Netherlands and Singapore.

A detailed discussion on the Blocks is given in the Management Discussion & Analysis Report (MDA).

BHARAT OMAN REFINERIES LIMITED (BORL)

BORL was incorporated in 1994 as a Joint Venture between BPCL and OQ S.A.O.C. (formerly known as Oman Oil Company S.A.O.C.). During the year under review, BPCL acquired 36.62% of shares from OQ S.A.O.C, making BORL a wholly owned subsidiary of BPCL. BPCL has also acquired 2.69 crore warrants of BORL held by Government of Madhya Pradesh (GoMP) during the year.

As on March 31, 2022, BORL had an authorized share capital of ₹ 7,000 crore and paid-up equity share capital of ₹ 2,426.83 crore. Besides, BPCL had given a loan of ₹ 1,254.10 crore and subscribed to warrants bearing face value of ₹ 962.58 crore (including warrants acquired from GoMP) and subscribed to Compulsorily Convertible Debentures of ₹ 1,000 crore.

Crude processed during the year 2021-22 was 7,410 TMT, with average capacity utilization of 95%. The company has reported Revenue from Operations of ₹ 55,561 crore in the financial year ended as on March 31, 2022, as compared to ₹ 35,420 crore recorded in the previous financial year. The net profit for the year 2021-22 stood at ₹ 892 crore, as compared to a loss of ₹ 76 crore in the previous year. The Basic EPS for the year stood at ₹ 2.60, as against ₹ (0.22) in the year 2020-21.

In October 2021, Board of Directors of BORL and BPCL approved the scheme of amalgamation of BORL with BPCL and filed an application with the Ministry of Corporate Affairs. The process of amalgamation has been completed in June 2022 and BORL has merged with BPCL with effect from July 1, 2022.

Subsequently, the Comptroller & Auditor General of India (C&AG) has, vide its letter dated July 21, 2022, intimated that based on the supplementary audit of the Financial Statements of BORL for financial year 2021-22 under Section 143(6)(a) of the Companies Act 2013, nothing significant has come to its knowledge which would give rise to any comment upon or supplement to BORL's statutory auditors' report under Section 143(6)(b) of the Companies Act 2013.

BHARAT GAS RESOURCES LIMITED (BGRL)

BGRL, a wholly owned subsidiary of BPCL, was incorporated in June 2018 for handling Natural Gas business.

BGRL has been authorised for setting up of CGD Infrastructure in thirteen (13) Geographical Areas (GAs) under Round 9 and 10 of CGD bidding rounds. During the year 2021-22, the project implementation activity continued at good pace in the authorised GAs, with BGRL incurring the capital expenditure of ₹ 1,189 crore during the year. The cumulative capital expenditure on the CGD projects being carried out by BGRL stands at ₹ 1,802 crore as on March 31, 2022.

During the year 2021-22, 133 new Compressed Natural Gas (CNG) stations at retail outlets were mechanically completed. CNG sale started at 60 CNG stations and 2 City Gas Stations were commissioned during the year.

In March 2021, the Board of Directors of BPCL and BGRL had approved the Scheme of Amalgamation of BGRL with BPCL with the view of streamlining of the corporate structure and consolidation of assets and liabilities. The process of amalgamation is in advance stage.

BPCL-KIAL FUEL FARM PRIVATE LIMITED (BKFFPL)

BKFFPL was incorporated in May 2015 with an equity participation of 74% by BPCL & 26% by Kannur International Airport Limited. The company was formed to design, construct, commission and operate the Fuel Farm at Kannur International Airport for the supply of ATF on an exclusive basis. The Fuel Farm started operating from December 2018 along with the commissioning of the Kannur International Airport. As on March 31, 2022, the authorized capital of the company is ₹ 50 crore and paid-up capital is ₹ 9 crore. During the year 2021-22, the fuel throughput was 28,389.83 KL. The company earned a revenue of ₹ 5.24 crore in the year 2021-22 and the loss during the period was ₹ 3.85 crore.

BKFFPL is being managed under a joint control mechanism. Hence, in the consolidated financial statements of the group for the period ending March 31, 2022, the financials have been consolidated as Joint Venture as per the principles of Indian Accounting standard.

BPCL JOINT VENTURE COMPANIES AND ASSOCIATES

PETRONET LNG LIMITED (PLL)

PLL was formed in April 1998 for importing Liquefied Natural gas (LNG) and setting up a LNG terminal with facilities like jetty, storage, regasification, etc. to supply natural gas to various industries in the country. The company has an authorized capital of ₹ 3,000 crore and paid-up capital of ₹ 1,500 crore. PLL was promoted by four public sector companies, viz., BPCL, Indian Oil Company Limited (IOCL), Oil and Natural Gas Company Limited (ONGC) and GAIL (India) Limited (GAIL). Each of the promoters hold 12.5% of the equity capital of PLL. BPCL's equity investment in PLL currently stands at ₹ 98.75 crore.

PLL recorded Revenue from operations of ₹ 43,168.57 crore during the year 2021-22, as against ₹ 26,022.90 crore recorded in the year 2020-21. The net profit for the year stood at ₹ 3,438.11 crore, as compared to ₹ 2,939.23 during the year 2020-21. The EPS for the year 2021-22 is ₹ 22.92, as compared to ₹ 19.59 of the year 2020-21. During the year 2021-22, PLL has recommended a final dividend of ₹ 4.50 per share, in addition to a special dividend of ₹ 7.00 per share during the year. In the previous year, PLL had declared a special dividend of ₹ 8.00 per share and a final dividend of ₹ 3.50 per share.

INDRAPRASTHA GAS LIMITED (IGL)

IGL is a joint venture Company promoted by BPCL and GAIL and set up in December 1998. IGL is a City Gas Distribution (CGD) company supplying natural gas to transport, domestic, commercial and industrial consumers. The operations of IGL are spread over NCT of Delhi, Noida & Greater Noida, Ghaziabad & Hapur, Gurugram, Meerut (except area already authorized), Shamli, Muzaffarnagar, Karnal, Rewari, Kanpur (except areas already authorized), Hamirpur-Fatehpur districts, Kaithal district, and Ajmer. Recently, IGL has received grant of authorization from PNGRB for development of CGD network in the Geographical Area of Banda, Chitrakoot and Mahoba districts. IGL also holds 50% of equity in M/s. Central UP Gas Limited, Kanpur and M/s. Maharashtra Natural Gas Limited, Pune, which are the Joint Venture Companies promoted by BPCL and GAIL.

The paid-up share capital of IGL is ₹ 140 crore. BPCL had invested ₹ 31.50 crore for 22.5 % stake in its equity. The company added 99 new Compressed Natural Gas (CNG) stations and 3.75 lakh new Piped Natural Gas (PNG) domestic connections during the year. As on March 31, 2022, IGL has 711 CNG stations and 20.6 lakh PNG domestic connections.

IGL has registered Revenue from Operations of ₹ 8,484.73 crore and Profit after Tax of ₹ 1,502.27 crore for the year ending March 31, 2022 as compared to Revenue from Operations of ₹ 5,438.68 crore and Profit after Tax of ₹ 1,172.55 crore in the previous year. The EPS for the year stood at ₹ 21.46, as against ₹ 16.75 in the year 2020-21. IGL Board has recommended a dividend of ₹ 5.50 per share (face value of ₹ 2 each) for the year ending March 31, 2022 as against a dividend of ₹ 3.60 per share (face value of ₹ 2 each) in the previous year.

SABARMATI GAS LIMITED (SGL)

SGL, a Joint Venture company promoted by BPCL and Gujarat State Petroleum Company (GSPC), was incorporated in June 2006 with an authorized capital of ₹ 100 crore for implementing City Gas Distribution projects for supply of CNG to the household, automobile, industrial and commercial sectors in Gandhinagar, Mehsana, Aravali, Sabarkantha and Patan districts of Gujarat. The paid-up share capital of the company is ₹ 20 crore. As on March 31, 2022 BPCL has a stake of 49.94% in the equity capital of SGL. SGL has set up 158 CNG stations and is supplying PNG (Domestic) to 2.47 lakh customers. During the year 2021-22, the company has commissioned 23 CNG stations. SGL has achieved a turnover of ₹ 1,900.46 crore and a net profit of ₹ 346.55 crore for the year ending March 31, 2022 as against ₹ 1,114.75 crore and ₹ 225.01 crore, respectively for the previous year. The EPS for the year stood at ₹ 173.27 as against ₹ 112.50 in the year 2020-21. The company has recommended a dividend of ₹ 40 per share for the year ending March 31, 2022, as against ₹ 20 per share in the previous year.

CENTRAL UP GAS LIMITED (CUGL)

CUGL is a Joint Venture Company set up in February 2005 with GAIL as the other partner for implementing projects for supply of CNG to the automobile sector and PNG to the household, industrial and commercial sectors in Kanpur (including parts of Unnao district), Bareilly and Jhansi in Uttar Pradesh. The company was incorporated with an authorized share capital of ₹ 60 crore. The Joint Venture partners have each invested ₹ 15 crore for an equity stake of 25% each in the company, while the balance 50% is held by IGL. As on March 31, 2022, CUGL has 74 CNG stations. CUGL has achieved Revenue from Operations of ₹ 509.57 crore and net profit of ₹ 118.83 crore for the year ending March 31, 2022, as against ₹ 294.79 crore and ₹ 78.62 crore, respectively, for the previous year. The EPS for the year stood at ₹ 19.80, as against ₹ 13.10 in the year 2020-21. The company has recommended a final dividend of ₹ 3.00 per share in addition to the Interim Dividend of ₹ 1.00 per share during the year. Dividend of ₹ 1.80 per share was distributed for the previous year.

MAHARASHTRA NATURAL GAS LIMITED (MNGL)

MNGL was set up in January 2006 as a Joint Venture Company with GAIL for implementing the project for supply of natural gas to the household, industrial, commercial and automobile sectors in Pune and its nearby areas. The company was incorporated with an authorised share capital of ₹ 100 crore. The paid-up capital of the company is ₹ 100 crore. BPCL and GAIL have invested ₹ 22.50 crore each in MNGL's equity capital. Maharashtra Industrial Development Corporation (MIDC), as a nominee of Maharashtra Government, holds 5% equity and the balance 50% is held by IGL.

MNGL, while strengthening its roots in the existing authorized GA covering Pune and adjoining areas, is also growing in the Nasik GA and Sindhudurg GA in Maharashtra and Ramanagara GA in the state of Karnataka, which were awarded by PNGRB under the 9th CGD Bidding Round. The company crossed achievement of consistent sales of 1 million metric standard cubic meters (MMSCM) per day during the year. MNGL also participated in the 11th CGD Bidding Round and successfully secured two new GAs, i.e., Buldana, Nanded and Parbhani districts in Maharashtra and Nizamabad, Adilabad, Nirmal, Mancherial Kumuram Bheem Asifabad and Kamareddy districts in Telangana.

MNGL has set up 167 CNG stations and is supplying PNG (Domestic) to 5.39 lakh customers. MNGL has achieved Revenue from Operations of ₹ 1,381.41 crore and profit of ₹ 332.62 crore for the year ending March 31, 2022 as against Revenue of ₹ 800.26 crore and profit of ₹ 172.98 crore, respectively, in the previous year. The EPS for the year 2021-22 stood at ₹ 33.26, as against ₹ 17.30 in the year 2020-21. The MNGL Board has recommended a dividend of ₹ 10 per share, as against ₹ 6 per share in the previous year.

HARIDWAR NATURAL GAS PRIVATE LIMITED (HNGPL)

HNGPL was incorporated in April 2016 as a Joint Venture Company with Gail Gas Limited on a 50:50 basis for implementation of a CGD network in the GA of Haridwar District of Uttarakhand. The authorized capital of the company is ₹ 45 crore. As on March 31, 2022 the promoters have infused ₹ 22.20 crore each towards equity. The promoters have also given an inter-corporate loan of ₹ 15 crore each to the company. The five-year Minimum Work Program (MWP) target as per PNGRB authorisation of 16,905 domestic PNG connections and 830-inch-km pipeline was achieved by the company in 2020-21. As on March 31, 2022 the company has provided 24,667 domestic connections and laid around 1,335.27 Inch-km pipeline. Further, the company has set up 4 CNG stations. HNGPL achieved a Revenue from Operations of ₹ 45.76 Crore and a profit of ₹ 3.34 Crore for the year ending March 31, 2022 as against a revenue of ₹ 16.74 crore and profit of ₹ 0.67 crore in the previous year.

GOA NATURAL GAS PRIVATE LIMITED (GNGPL)

GNGPL was incorporated in January 2017 as a Joint Venture Company with GAIL Gas Limited on a 50:50 basis for implementation of a City Gas Distribution Project in the GA of North Goa. The authorized share capital of the company is ₹ 60 crore as on March 31, 2022 and the promoters have infused ₹ 30 crore each towards equity. During the year 2021-22, the company has achieved its five-year MWP target of providing 9,588 domestic connection and laying 650-inch-km pipeline. As on March 31, 2022 the company has provided 9,864 domestic connection and laid around 678-inch-km pipeline in the North Goa GA. Further, the company has commissioned 6 CNG Stations in North Goa and is supplying gas to 11 Commercial and 15 Industrial PNG Customers. GNGPL achieved a Revenue from Operations of ₹ 36.17 crore and a profit of ₹ 0.20 crore for the year ending March 31, 2022 as against a revenue of ₹ 4.30 crore and a loss of ₹ 0.88 crore in the previous year.

BHARAT STARS SERVICES PRIVATE LIMITED (BSSPL)

BSSPL, a Joint Venture Company promoted by BPCL and ST Airport Pte Ltd, Singapore was incorporated in September 2007. BSSPL is a service provider and is associated with the aviation industry. The authorized and paid-up share capital of BSSPL is ₹ 20 crore. The two promoters have each subscribed to 50% of the equity share capital of BSSPL and BPCL's present investment stands at ₹ 10 crore. BSSPL also has a wholly owned subsidiary named Bharat Stars Services (Delhi) Private Limited, which is providing Into-Plane (ITP) services at Delhi T-3 International Airport.

The company commenced its ITP operations at Bangalore in 2008. BSSPL has now increased its footprints at different airports across India, which includes major airports like Delhi, Mumbai, Bangalore and Chennai. BSSPL also provides Business Support Services (man-power services for fueling operation) in the petroleum sector. Presently, the company is operating at 40 locations in India. Being associated with the aviation industry, the sales and revenue of the company have been hit owing to the Covid -19 pandemic. BSSPL has achieved a consolidated Revenue from Operations of ₹ 37.59 crore and a consolidated loss of ₹ 5.12 crore for the financial year ending March 31, 2022, as against a consolidated Revenue from Operations of ₹ 29.95 crore and a consolidated loss of ₹ 2.32 crore, respectively, for the previous year.

DELHI AVIATION FUEL FACILITY PRIVATE LIMITED (DAFFPL)

A Joint Venture Company, DAFFPL has been promoted by BPCL, IOCL and Delhi International Airport Limited (DIAL) for implementing open-access Aviation Fuel facility for the new T3, T2 and Cargo terminals at Delhi International Airport. The company is also setting up an Aviation Hydrant System at the T1 terminal of Delhi International Airport. The authorized and paid-up share capital of the company is ₹ 170 crore and ₹ 164 crore, respectively. BPCL and IOCL each have subscribed to 37% of the share capital of the joint venture, while the balance 26% is held by DIAL. DAFFPL has achieved Revenue from Operations of ₹ 72.19 crore and net loss of ₹ 5.33 crore for the year ending on 31st March 2022, as against revenue of ₹ 57.36 crore and net loss of ₹ 12.43 crore, respectively during the previous year. The EPS for the year stood at ₹ (0.33), as agains ₹ (0.76) in the year 2020-21. The company has not recommended any dividend for the year ending on March 31, 2022.

MUMBAI AVIATION FUEL FARM FACILITY PRIVATE LIMITED (MAFFFL)

MAFFFL was incorporated in February 2010 by Mumbai International Airport Limited (MIAL). BPCL, IOCL and HPCL became joint venture partners with MIAL in October 2014 with each having an equity holding of 25%. Presently, BPCL has invested an amount of ₹ 52.92 crore towards equity. MAFFFL started its operations from February 2015. The business of the company is to own, operate and maintain aviation fuel farm facilities and to provide into-plane services at Chhatrapati Shivaji Maharaj International Airport (CSMIA), Mumbai. MAFFFL constructed a new integrated fuel farm facility, which was fully commissioned during the year 2021-22. The facility is now being operated on an open-access basis. The revenue to MAFFFL is by way of Fuel Infrastructure Charges, payable by the suppliers for utilizing the facility.

MAFFFL achieved a throughput of 7.47 lakh KL during 2021-22, which is an increase of 23% from 6.06 lakh KL during the previous year. However, the same is only 50.37% of the throughput achieved in the year 2019-20. Volumes were hit due to the second and third waves of Covid-19 pandemic in the first and fourth quarter of the year 2021-22. Further, the geo-political crisis in Europe in the fourth quarter of the year negatively impacted recovery of volumes owing to halt of direct flights to North America due to restrictions in the use of airspace.

MAFFFL has achieved Revenue from Operations of ₹ 59.90 crore and profit of ₹ 9.58 crore for the year ending on March 31, 2022 as against revenue of ₹ 46.49 crore and profit of ₹ 1.56 crore, respectively, during the previous year. EPS for the year 2021-22 stood at ₹ 0.45, as against ₹ 0.08 in the year 2020-21.

KANNUR INTERNATIONAL AIRPORT LIMITED (KIAL)

KIAL is an unlisted Public Company promoted by the Government of Kerala to build and operate the airport at Kannur on international standards, primarily to cater to the travelling needs of the large NRI population in the region, which travels frequently to various international destinations, and the flourishing business community and tourists. The authorised capital of the company is ₹ 3,500 crore and the paid-up capital of the company as on March 31, 2022 is ₹ 1,338.36 crore, out of which BPCL has contributed ₹ 216.80 crore. Kannur Airport was commissioned in December 2018 and it is one of the four international airports in Kerala. During the year 2021-22, total aircraft movements were 9,761 and passenger traffic was approximately 8.03 lakh, as against 6,135 aircraft movements and approximate passenger traffic of 4.73 lakh in the previous year. There is an increase in air traffic movement compared to the previous year and there is a recovery of more than 50% compared to pre-Covid-19 scenario.

MATRIX BHARAT PTE LIMITED (MXB)

MXB is a Joint Venture company incorporated in Singapore in May 2008 for carrying out bunkering business and supply of marine lubricants in the Singapore market as well as international bunkering, including expanding into Asian and Middle East markets. The company has been promoted by BPCL and Matrix Marine Fuels L.P. USA, an affiliate of the Mabanaft group of companies, Hamburg, Germany, contributing equally to the share capital of USD 4 million. Matrix Marine Fuels L.P. USA has subsequently transferred their share and interest in the joint venture in favour of Matrix Marine Fuels Pte Limited, Singapore, another affiliate of the Mabanaft group, which has been further transferred in favour of Bomin International Holding GmbH, Germany, yet another affiliate of the Mabanaft group. In March 2021, MXB has carried out capital reduction and the revised share capital of MXB stands at USD 0.50 million, with BPCL's share being USD 0.25 million. The company is not carrying out trading activities. The company has a branch office in India, whose principal activities were to provide support services to the Company. The company has ceased its operations in India since July 2020 and is in the process of closing the branch office. MXB reported a loss of USD 0.03 million for the year ending December 31, 2021 as against a profit of USD 0.07 million for the year ending December 31, 2020.

KOCHI SALEM PIPELINE PRIVATE LIMITED (KSPPL)

BPCL signed a Joint Venture Agreement with IOCL for implementation of the Kochi-Coimbatore-Salem LPG Pipeline Project and formed a Joint Venture Company, KSPPL in January 2015, on a 50:50 basis. As on March 31, 2022 BPCL has paid an amount of ₹ 470 crore towards equity in the company. The project is being executed in four phases. The first phase is a 12-km 12-inch pipeline from Kochi Refinery (KR) to IOCL Udayamperoor Bottling Plant and a 155-km 12" pipeline from KR to Palakkad Receipt Terminal (RT). The 12-km pipeline from KR Dispatch Terminal (DT) to the Udayamperoor RT was commissioned in August 2017 and during the year 2021-22, 132.51 TMT of LPG was transported through this pipeline. With respect to the 155-km pipeline from BPCL-KR DT to Palakkad RT, the pipeline lowering is in an advanced stage and the overall physical progress achieved as on March 31, 2022 is 95.91%. The second phase is a 39-km 12-inch pipeline from Puthuvypeen IOCL import terminal to KR. The overall physical progress achieved for this section is 60.01%. The third and fourth phases are a 63-km 12-inch pipeline from Palakkad RT to Coimbatore RT and a 157-km 8-inch pipeline from Coimbatore RT to Salem RT. For these two phases, the Tamil Nadu Government order on RoU acquisition compensation was released on February 14, 2020. Preliminary project activities and feasibility study have commenced for the third and fourth phase.

GSPL INDIA TRANSCO LTD (GITL)

GITL is a Joint Venture of Gujarat State Petronet Ltd. (GSPL), IOCL, BPCL and HPCL. GSPL has 52% equity participation in the company and balance equity is held by IOCL (26%), HPCL (11%) and BPCL (11%).

GITL has been authorised to lay 1,881-km-long pipeline from Mallavaram to Bhilwara. The initial section of Project from Reliance Gas Transmission India Limited's interconnection point at Kunchanapalli to Ramagundam Fertilizers & Chemicals Limited's plant at Ramagundam is in operation since 2019-20. During the year 2021-22, the company transported approximately 444 MMSCM of gas as against 88.18 MMSCM in the previous year. The balance section of the pipeline is not expected to come up due to poor feasibility, hence the company has recognized impairment of ₹ 128.03 crore towards capital expenditure incurred for the balance section. GITL has reported Revenue from Operations of ₹ 84.90 crore and a loss of ₹ 155.56 crore for the year ending March 31, 2022 as against Revenue from Operations of ₹ 39.41 crore and loss of ₹ 65.09 crore in the previous year.

GSPL INDIA GASNET LIMITED (GIGL)

GIGL is a Joint Venture of Gujarat State Petronet Ltd. (GSPL), IOCL, BPCL and HPCL. GSPL has 52% equity participation in the company and the balance equity is held by IOCL (26%), HPCL (11%) and BPCL (11%).

GIGL has been authorised to lay two cross-country gas pipelines, viz., Mehsana to Bathinda Pipeline (MBPL) and Bathinda to Gurdaspur (BGPL). The initial sections of the project covering approximately 442 km, viz., Barmer-Pali Pipeline, Palanpur-Pali Pipeline and Jalandhar-Amritsar Pipeline are in operation since 2018-19. The company has successfully commissioned all sections of MBPL Phase II Project, except section V and Gas-in activities have been completed for certain sections. During the year 2021-22, the company has transported about 1,328.56 MMSCM gas, as against approximately 995.50 MMSCM in the previous year. GIGL has reported Revenue from Operations of ₹ 228.47 crore and a profit of ₹ 73.36 crore for the year ending March 31, 2022 as against Revenue from operations of ₹ 172.68 crore and a loss of ₹ 16.21 crore in the previous year.

FINO PAYTECH LIMITED (FINO)

BPCL acquired shares in FINO in the year 2016-17. As on March 31, 2022, BPCL has made an investment of ₹ 272.08 crore and holds 20.89% on a fully diluted basis. FINO Payments Bank (FPB) is the main operational subsidiary of the company. FPB is a listed company, wherein FINO holds 75% share. In June 2022, FPB has completed five years of operation.

PETRONET INDIA LIMITED (PIL)

PIL was formed in the year 1997 as a financial holding company to give impetus to the development of pipeline network throughout the country. The company carried out business through Special-Purpose Vehicles (SPVs) and Joint Venture Companies. In the new Pipelines policy, oil companies were allowed to establish their own pipeline network. PIL obtained appropriate approvals and proceeded to liquidate its investments in joint ventures and subsidiaries. PIL's equity has been purchased by the respective promoter companies, viz., the Petronet CCK Limited stake has been taken over by BPCL, the Petronet MHB Limited stake has been taken over by HPCL and the ONGC and Petronet VK Limited stake has been taken over by IOCL and Reliance Industries Limited (RIL). PIL filed an application before NCLT and the paid-up share capital was reduced from ₹ 100 crore to ₹ 1 crore and ₹ 99 crore was returned to its promoters. BPCL has 16% equity participation in the company, with current investment of ₹ 0.16 crore. During the year 2018-19, shareholders of the company had approved voluntary winding up of PIL and appointed an Official Liquidator (OL) for the same. Liquidation of the company is under process.

PETRONET CI LIMITED (PCIL)

PCIL was set up in the year 2000 for laying a pipeline for evacuation of petroleum products from refineries at Jamnagar/Koyali to feed consumption zones in Central

India. BPCL has an equity participation of 11% in this JV. Promoter companies have decided to exit from PCIL, and provision for full diminution in the value of investment has been done in the accounts of BPCL. The company is under liquidation.

BHARAT RENEWABLE ENERGY LIMITED (BREL)

BREL was incorporated in June 2008 for undertaking the production, procurement, cultivation and plantation of horticulture crops such as Karanj, Jathropha and Pongamia, trading, research and development, and management of all the crops and plantation, including biofuels in the State of Uttar Pradesh, with an authorized capital of ₹ 30 crore. The company has been promoted by BPCL with Nandan Cleantec Limited (Nandan Biomatrix Limited), Hyderabad and the Shapoorji Pallonji group, through their affiliate SP Agri Management Services Pvt Ltd. A company petition was filed before the Hon'ble High Court of Allahabad (Lucknow Bench) for winding up BREL. By the judgement dated December 21, 2015 the company was ordered to be wound up and an OL was appointed to proceed in accordance with the provisions of the Companies Act. All assets and records of the company have been deposited with the OL and the OL has since submitted a status request to the Hon'ble High Court. A reply to the report submitted by the OL has been given and the matter is pending in the Hon'ble High Court of Allahabad.

RATNAGIRI REFINERY AND PETROCHEMICALS LIMITED (RRPCL)

Ratnagiri Refinery and Petrochemicals Limited (RRPCL) is a Joint Venture Company promoted by IOCL, BPCL and HPCL, with equity participation in the ratio of 50:25:25. RRPCL has planned to set up an integrated refinery-cum-petrochemical complex on the west coast of Maharashtra. Saudi Aramco and ADNOC have also signed an MoU to partner in RRPCL to jointly execute the Project along with IOCL, BPCL and HPCL. The allocation of land for the project has been delayed. Recently, the Government of Maharashtra has offered a land in Ratnagiri District of Maharashtra for the project, which is under evaluation to ascertain its suitability.

IHB LIMITED (IHBL)

IHBL is a Joint Venture of IOCL, BPCL and HPCL, with equity participation in the ratio of 50:25:25. IHBL was incorporated in July 2019 as IHB Private Limited to construct, operate and manage approximately the 2,800-km-long Kandla-Gorakhpur LPG Pipeline (KGPL) for meeting the LPG demand of the bottling plants en route the pipeline in the States of Gujarat, Madhya Pradesh and Uttar Pradesh. The company was converted into a public limited company w.e.f April 6, 2021. The pipeline is planned to meet the LPG requirement of 22 LPG bottling plants of IOCL, HPCL and BPCL located in Gujarat, Madhya Pradesh and Uttar Pradesh.

The Kandla-Gorakhpur Pipeline would connect and meet requirement of 8 LPG bottling plants of BPCL situated at Hariyala, Indore, Bhopal, Jhansi, Kanpur, Lucknow, Allahabad, and Gorakhpur. The approved total cost of the KGPL project was ₹ 10,088 crore and ₹ 3305.45 crore have been incurred till March 31, 2022 under the project. As on March 31, 2022 BPCL has made equity contribution of ₹ 514.50 crore. As on March 31, 2022, the overall progress achieved for the KGPL Project is 55.08%. The scheduled completion date of the KGPL Project was December 2021. However, in view of the adverse impact of the Covid-19 pandemic, the PNGRB has revised the scheduled completion date, which is now December 2022.

UJJWALA PLUS FOUNDATION (UPF)

UPF was incorporated in July 2017 as a Joint Venture Company among the three PSU Oil Marketing Companies, viz, BPCL, HPCL and IOCL (in the ratio of 25:25:50) under section 8 of the Companies Act, 2013. The company receives donations from individuals/Corporates/NGOs, etc., which shall be utilized for extending financial assistance for making LPG available to economically disadvantaged households who are not covered by Pradhan Mantri Ujjwala Yojana.

MANAGEMENT DISCUSSION & ANALYSIS REPORT (MDA)

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

The forward-looking statements made in the MDA are based on certain assumptions and expectations of future events. The Directors cannot guarantee that these assumptions are accurate or these expectations will materialize. The data, facts, figures and information given in the portions of MDA other than Company performance have been taken from reports, studies and websites of the various credible agencies.

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

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

MEMORANDUM OF UNDERSTANDING WITH MINISTRY OF PETROLEUM & NATURAL GAS

BPCL has entered into a Memorandum of Understanding (MoU) for the year 2021-22 with MoP&NG. An MoU for the year 2022-23 is under finalization. The Company has achieved "Excellent" performance rating for MoU 2020-21 with a composite score of 94.40%.

BOARD EVALUATION

As per the provisions of Section 134(3)(p) of the Companies Act, 2013, a listed entity is required to include a statement indicating the manner of formal evaluation of performance of the Board, its Committees and individual Directors. However, the said provisions are exempted for Government Companies, as the performance evaluation of the Directors is carried out by the Administrative Ministry, i.e., Ministry of Petroleum and Natural Gas (MoP&NG), as per laid-down evaluation methodology.

In line with the Companies (Accounts) Rules, 2014, rule 8 (5) (iiia), in the opinion of the Board, the Independent Directors appointed during the year 2021-22 possess integrity, requisite expertise and experience.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The provisions of Section 134(3)(e) of the Companies Act, 2013 are not applicable to a Government Company. Consequently, details of Company's policy on Directors' appointment and other matters are not provided under Section 178 (3) of the Act.

Similarly, Section 197 of the the Companies Act, 2013 shall not apply to a Government Company. Consequently, there is no requirement of disclosure of the ratio of the remuneration of each Director to the median employee's remuneration and other such details, including the statement showing the names and other particulars of every employee of the Company, who, if employed throughout/part of the financial year, was in receipt of remuneration in excess of the limits set out in the Rules are not provided in terms of Section 197(12) of the Act read with Rule 5 (1) / (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

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

CORPORATE GOVERNANCE

The Report on Corporate Governance, together with the Certificate on compliance of Corporate Governance from Practicing Company Secretary, is appended as Annexure D as required under Listing Regulations and Department of Public Enterprises Guidelines of Corporate Governance for Central Public Sector Enterprises.

SECRETARIAL STANDARDS

The Company complies with the mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

SOCIAL, ENVIRONMENTAL, ECONOMIC, STAKEHOLDER, CUSTOMER, HEALTH AND SAFETY RESPONSIBILITIES AND BUSINESS RESPONSIBILITY REPORT

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

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

TRANSACTION WITH RELATED PARTIES

The required information on transactions with related parties are provided in Annexure G in Form AOC-2 in accordance with Section 134(3) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014. Apart from transactions mentioned in AOC-2 form, during the financial year, the Company entered into contracts or arrangements with related parties which were in the ordinary course of business and on an arm's length basis.

The Policy on related party transactions, including material related party is available on the Company's website at the link https://www.bharatpetroleum.in/bharat-petroleum-for/Investors/Revised%20RPT%20Policy.pdf

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has provided loans/guarantees to its subsidiaries/joint ventures and has made investments in compliance with the provisions of the Companies Act, 2013. The disclosure in this regard as required under Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given in Annexure H.

RISK MANAGEMENT

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

Accordingly, the Company has adopted Enterprise Risk Management Policy, Commodity Risk Management Policy and Financial Risk Management Policy. As per the Risk Management Charter and Policy, the Company has identified risks in the category of (i) Business Excellence (ii) Operations (iii) Information Technology (iv) Human Resources (v) Strategic (vi) Financial (vii) Logistics (viii) Marketing (ix) Legal and Regulatory (x) Brand (xi) Environment (xii) Security (xiii) Procurement and (xiv) Research and Development.

DIRECTORS RESPONSIBILITY STATEMENT

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

a) In the preparation of the Annual Accounts for the year ended 31 March 2022, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

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

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

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

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

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board places on record its deep gratitude for the contribution and guidance given by the following directors who demitted office during the year 2021-22 and till date of the report:

Shri N. Vijayagopal, Director (Finance) superannuated at the close of office hours on 31.07.2021. He was also the Chief Financial Officer of the Company.

Shri Rajesh Aggarwal, Government Director, ceased to be a Director of the Company w.e.f. 23.09.2021 on cessation of his tenure as Additional Secretary and Financial Adviser of Ministry of Petroleum and Natural Gas.

Shri K. Padmakar, Director (Human Resources), superannuated at the close of office hours on 31.12.2021.

Shri K. Ellangovan, Government Director, ceased to be a Director of the Company w.e.f. 01.02.2022 on his retirement as Principal Secretary, Industries & NORKA, Government of Kerala.

Shri Harshadkumar P. Shah ceased to be a Director of the Company w.e.f. 16.07.2022 on completion of his tenure.

Shri Arun Kumar Singh, Director (Marketing), took over charge of Chairman & Managing Director w.e.f. 07.09.2021 and also holds additional charge of Director (Marketing) w.e.f 14.09.2021. He also held additional charge of Director (Refineries) up to 21.02.2022.

Shri Vetsa Ramakrishna Gupta was appointed as Chief Financial Officer of the Company w.e.f. 01.08.2021. He was appointed as an Additional Director and Director (Finance) w.e.f. 07.09.2021 and holds additional charge of Director (Human Resources) w.e.f 01.01.2022. Further, he was appointed as Director by shareholders in the last AGM held on 27.09.2021.

Shri Gudey Srinivas, Government Director, was appointed as an Additional Director of the Company w.e.f. 13.10.2021 and he was appointed as Director by shareholders by way of Postal Ballot w.e.f. 17.04.2022.

Independent Directors Shri Pradeep Vishambhar Agrawal, Shri Ghanshyam Sher, Dr. (Smt.) Aiswarya Biswal, Prof. (Dr.) Bhagwati Prasad Saraswat and Shri Gopal Krishan Agarwal were appointed as Additional Directors of the Company w.e.f. 12.11.2021 and subsequently they were appointed as Independent Directors by shareholders by way of Postal Ballot w.e.f. 17.04.2022.

Shri Sanjay Khanna, Director (Refineries), was appointed as an Additional Director of the Company w.e.f. 22.02.2022. Further, he was appointed as Director (Refineries) by shareholders by way of Postal Ballot w.e.f. 17.04.2022.

Shri Suman Billa, Government Director, was appointed as an Additional Director of the Company w.e.f. 16.03.2022. Further, he was appointed as Director by shareholders by way of Postal Ballot w.e.f. 17.04.2022.

Shri Vetsa Ramakrishna Gupta would be retiring by rotation at the ensuing Annual General Meeting and being eligible offers his candidature for reappointment. A brief bio-data of Shri Vetsa Ramakrishna Gupta is provided in the Notice.

DECLARATION OF INDEPENDENCE

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

FAMILIARISATION PROGRAMMES

The Company has adopted a policy for the training requirements of Board Members. The details thereof with the programs sponsored for familiarization of Independent Directors with the Company are available at the Company's web link https://www.bharatpetroleum.in/bharat-petroleum-for/Investors/Details%20of%20Familiarization%20Programmes.pdf

AUDIT COMMITTEE

The details of the composition of the Audit Committee, terms of reference, meetings held, etc. are provided in the Corporate Governance Report, which forms part of this Report. During the year there were no cases where the Board had not accepted any recommendation of the Audit Committee.

VIGIL MECHANISM

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

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

NUMBER OF MEETINGS OF THE BOARD AND COMMITTEES OF THE BOARD

Fourteen meetings of the Board of Directors were held during the year. The details of Board and Sub-Committee meetings held during the year and attendance of the members thereat are provided in the Corporate Governance Report which forms a part of this Report. The intervening gap between the Board meetings was within the period prescribed under the Companies Act, 2013 and the Listing Regulations.

ANNUAL RETURN

As required under Section 92 (3) of the Companies Act, 2013, the Annual Return of the Company for the year 2021-22 is available on the Company website at the following link: https://www.bharatpetroleum.in/bharat-petroleum-for/Investors/Shareholders-Meetings/Annual-General-Meeting.aspx.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The details are included in the MDA, which forms part of this Report.

STATUTORY AUDITORS

M/s. Kalyaniwalla and Mistry LLP, Chartered Accountants, Mumbai and M/s. K.S. Aiyar & Co, Chartered Accountants, Mumbai, were appointed as Statutory Auditors for the year 2021-22 by the Comptroller & Auditor General of India (C&AG), under the provisions of Section 139(5) of the Companies Act, 2013. They will hold office till conclusion of the ensuing Annual General Meeting. C&AG is in the process for appointment of Statutory Auditors for the Financial Year 2022-23.

The Auditors' Report for the year 2021-22 does not contain any qualification, reservation or adverse remark.

REPORTING OF FRAUDS BY AUDITORS

The Auditors in their report for the year have not reported any instance of fraud committed by the officers/employees of the Company.

COST RECORD AND COST AUDIT

The Company has prepared and maintained cost records as prescribed under Section 148(1) of the Companies Act, 2013 for the year 2021-22. The Cost Audit Report for the year 2020-21 has been filed with the Ministry of Corporate Affairs before due date in XBRL Format. The Cost Auditors for year 2020-21 were M/s. R. Nanabhoy & Co, Mumbai and M/s. G. R. Kulkarni & Associates, Mumbai.

M/s R. Nanabhoy & Co, Mumbai and M/s G. R. Kulkarni & Associates, Mumbai, were also appointed as the Cost Auditors for the year 2021-22. The Cost Auditor shall, within a period of 180 days from the closure of the financial year, forward the Cost Audit Report and the Company is required to file the Cost Audit Report within 30 days of receipt of the same.

SECRETARIAL AUDITOR

The Board had appointed M/s. Upendra Shukla, Company Secretary, to conduct the Secretarial Audit for the year 2021-22. The Secretarial Audit Report for the year ended March 31, 2022 is appended as Annexure I to this Report.

The Secretarial Audit Report contains observations that during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as applicable to the Company, except to the extent as mentioned below:

i. The Company did not have

   a) Optimum combination of executive and non-executive directors as required under Regulation 17(1)(a) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the period 01/04/2021 till 11/11/2021.

   b) Requisite number of Independent Directors on the Board as required under Section 149(4) of the Act and Regulation 17(1)(b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the period 01/04/2021 till 11/11/2021.

   c) Minimum 6 directors as required for top 1000 listed companies during the period 01/08/2021 till 06/09/2021 and during the period 23/09/2021 till 12/10/2021.

   d) A woman Independent Director as required under Section 149 of the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1)(a) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the period 01/04/2021 to 11/11/2021.

   e) Proper composition of the Audit Committee as required under Section 177(2) of the Act and Regulation 18(1)(a), (b) and (d) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Nomination and Remuneration Committee as required under Section 178(1) of the Act and Regulation 19(1)(a) of SEBI during the period 01/04/2021 to 11/11/2021.

ii. The Company has not held any meeting of Audit Committee as required under Regulation 18(2)(a) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the period from 01/04/2021 to 10/01/2022.

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

Bharat Petroleum Corporation Ltd (BPCL) is a Government Company under the Administrative Control of Ministry of Petroleum and Natural Gas. The nomination/appointment of all categories of directors are done by Government of India in accordance with the laid down guidelines of Department of Public Enterprises. Accordingly, the subject matter of nomination/appointment of adequate number of Independent Directors including Woman Director falls under the purview of the Government of India. BPCL has from time to time communicated to the Ministry of Petroleum & Natural Gas with respect to the requirements of Independent Directors, including Woman Director, under the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. BPCL was not able to constitute an Audit and Nomination and Remuneration Committee as BPCL had only one Independent Director during the period referred by the Secretarial Auditor. However, all the obligations of these Committees were exercised by the Board of Directors. After continuous follow up, the Govt. of India, vide their letter dated 08.11.2021 had communicated the nomination of five Independent Directors on the Board, including Women Independent Director. Accordingly, these Directors were inducted on the Board w.e.f. 12.11.2021. As a result, as on 12.11.2021, BPCL had six Independent Directors, two Govt. Directors and three whole-time Directors.

Accordingly, BPCL reconstituted Audit Committee & Nomination and Remuneration Committee on 4.12.2021 after proper induction programme to the Independent Directors and as on date BPCL has complied with respective provisions under Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

GENERAL

There were no significant or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future. The Company has not issued equity shares with differential rights/sweat equity shares.

The Company has an Internal Complaints Committee (ICC) to address complaints pertaining to sexual harassment in the workplace. During the year, two (2) complaints of sexual harassment were received in respect of the employees, and one (1) complaint was disposed off during the year 2021-22 by the Internal Complaints Committee and one (1) complaint was pending for more than 90 days, where the enquiry has been concluded and the report is being finalized. The Company has worked extensively on creating awareness on the relevance of sexual harassment issues and has conducted fifteen awareness programs for employees.

ACKNOWLEDGEMENTS

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

The Directors acknowledge the support and guidance received from various Ministries of the Government of India, particularly the Ministry of Petroleum & Natural Gas, and from various State Governments, which has paved the path for BPCL's march of success.

Our passion to excel in all endeavors is invigorated by the trust and loyalty of our customers, business partners and shareowners, who are a constant source of inspiration.

In this profound journey, the Directors stand committed as ever to steer the Company towards an even more promising future.

For and on behalf of the Board of Directors

Sd/-
Arun Kumar Singh
Chairman & Managing Director

Place: Mumbai
Date: July 29, 2022

MANAGEMENT DISCUSSION & ANALYSIS REPORT

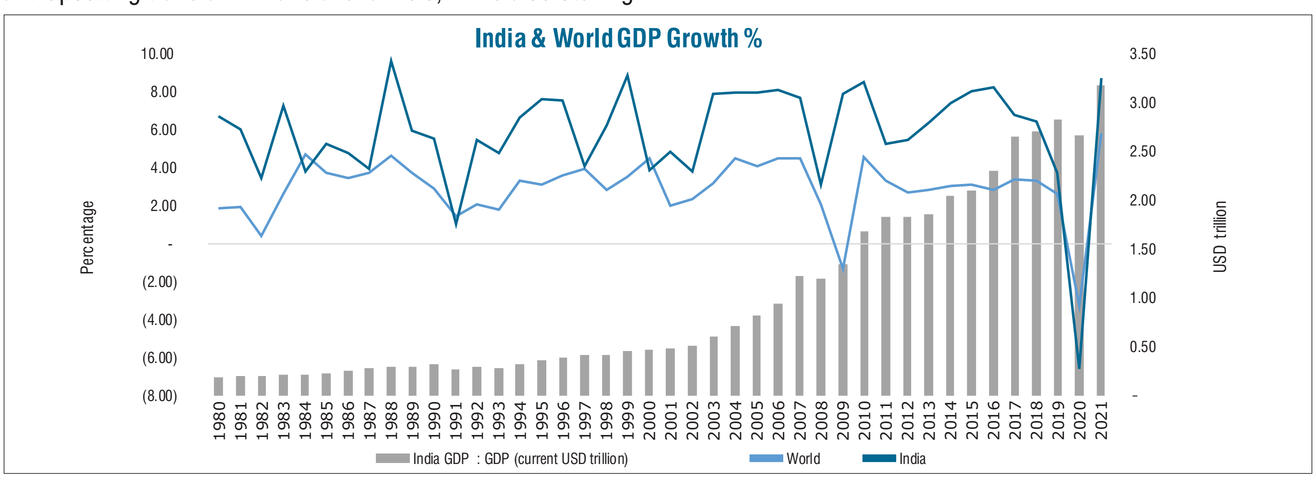
The year 2021-22 saw the world experience some encouraging as well as concerning times. Leaving behind the worst of the pandemic, as the world was making its way through the economic and humanitarian crisis, the breakout of Russia-Ukraine war towards the end of the year amplified the growing instability in the global financial and energy markets, playing a major spoilsport. The global growth prospects have been clouded by many risks and uncertainties, and the ensuing times seek to test the mettle of the world in managing multiple challenges of massive proportions.

Global Economy

After witnessing one of the severest contractions in 2020, the global economy grew by around 5.8% in 2021 – its strongest growth post-recession in many decades. The high growth is attributable to improved economic activity and a strong rebound in demand on a low base while intermittent lockdowns were milder despite severe subsequent waves of pandemic in many geographies. The growth, however, was uneven, with the developed economies experiencing a higher growth owing to substantial government policy support, while most of the emerging market and developing economies reeled under the lingering effects of the pandemic, slower vaccination progress and reactive policy response. Globally though, a spurt in demand, underserved due to capacity constraints and continued supply-chain bottlenecks have contributed to unexpectedly high levels of inflation, with energy and commodity prices rising sharply; some even soaring to record levels.

While the global economic prospects were improving with a shorter and milder impact of the Omicron variant, the Russia-Ukraine war, which started in February'2022, vitiated optimism and exacerbated the inflationary risks. The cascading effects of this humanitarian crisis and the sanctions imposed on Russia have far-reaching implications for the world economy, further disrupting the supply chains, and upsetting trade and financial channels, while also stoking global inflation. Fuel and food prices have already increased phenomenally across the world, with weaker economies feeling the worst effects. Moreover, the world, particularly the low-income economies, remain vulnerable to Covid-19 as the pandemic continues to strike repeatedly. Recent lockdowns in key manufacturing and trading hubs in China have impacted the global growth expectations and compounded supply disruptions in other parts of the world. Downside risks looming large, central banks are saddled with the problem of inflation management, while also ensuring continuity in economic growth. Prioritising inflation control, many major economies have already started retracting their expansionary policies, with indications of faster and steeper monetary tightening, which is leading to deceleration of growth momentum.

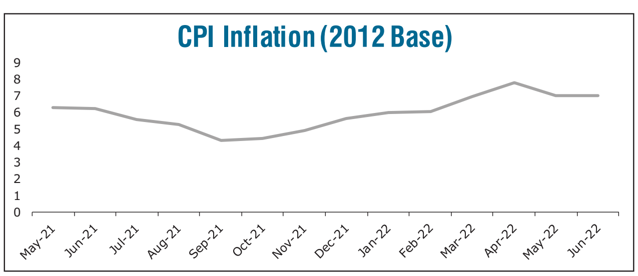
Going ahead, global economy faces serious headwinds from financial and commodity market upheavals, repercussions from the war situation and sanctions, and the unpredictable path of the pandemic, with increased danger of stagflation, i.e., high inflation and weak growth, which could erode living standards around the world. Confronted with complex challenges, policy actions need to be crafted carefully, since there is very little room left for catalysing growth, especially after the sharp increase in global debt levels during the pandemic. Targeted reforms and relief measures, continued healthcare focus, incisive financial management and complete pandemic readiness remain immediate priorities of the governments worldwide. These efforts need to be complemented with a clear focus on longer-term goals like increasing productivity, managing debt levels, building greater resilience in supply chains, and fostering a cleaner environment. At the global level, faster restoration of world peace without further escalation in tensions, an increased collaboration at international level, easing of global inflationary pressures and reinstatement of supply-chain balance holds the key for a broad-based and sustainable global economic growth.



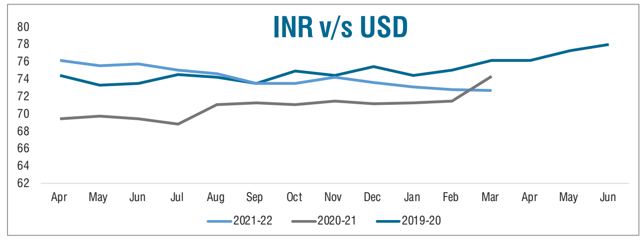
Indian Economy

The Indian economy rebounded emphatically in 2021-22 after registering severe contraction in the previous year. Based on the trends observed, the economy is expected to register a growth of 8.7% in the year 2021-22, 1.8% above its pre-pandemic (2019-20) level, as against a de-growth of 6.6% in 2020-21. This high growth can be attributed to a strong recovery in demand, supported by continued policy reforms and relief measures by the government, less stringent pandemic restrictions, rapid vaccination drive and a milder Omicron wave. The economic growth could have been higher had it not been hit by the severe subsequent wave of pandemic during the beginning of the year and spill-over of the global financial and commodity market crisis towards the end.

In line with the global trend, inflation in Indian economy too has been on the rise. The headline Consumer Price Index (CPI), after easing to 4.4% in September-2021, has been increasing steadily in the following months to reach a high of 7.8% in April-2022, mainly driven by surging food and fuel prices, and impact of global inflation. Prior to that, the CPI breached the upper limit of the RBI's tolerance band of 6% in May-2021 and June-2021 owing to supply shocks, particularly in food and fuel, before cooling down temporarily for a few months. The CPI for the year 2021-22 averaged at 5.5%, as against 6.2% in 2020-21. The high inflation trend is likely to continue for the major part of 2022-23, after which the RBI projects it to cool off. The central bank has been closely tracking the evolving situation and taking all necessary actions to curb inflation in the economy. Moving ahead, the trajectory of inflation will be determined by the interplay of various factors – both global and domestic, such as geopolitical tensions, commodity and energy price trends, financial market volatilities, supply-chain vicissitudes, demand levels, food grain production and the extent of passing over of increases in input cost to consumers.



The Indian Rupee (INR) averaged at 74.5 per USD during the year 2021-22 as against INR 74.2 in the previous year, registering a nominal depreciation of 0.4%. The exchange rate, moving largely in the band of INR 72 to 77 per USD, exhibited high volatility during the year, driven by global developments, foreign capital flows, USD movements, policy actions by major economies and surge in commodity and energy prices. However, worsening global situations since late February-2022 have been exerting significant downward pressures on the INR, which touched the levels of around 80 per USD in July'2022. The exchange rate continues to be impacted by the global uncertainties.



While the country was able to strike a strong recovery after the pandemic caused deep initial setback, the economy still faces severe roadblocks from the hardening of the global commodity and energy prices, geopolitical tensions and prolonged disruption in supply chains, which are expected to slow down the growth going forward. However, situations are likely to improve with de-escalation of geopolitical tensions, waning of global inflationary pressures, continued expansion in domestic demand, upliftment of unorganized sector and small businesses, and enhanced public and private investment. With rich demographic dividend and determined actions taken in the direction of making the economy more resilient and self-reliant, the nation is well placed to emerge as a formidable growth engine of the world and an economic powerhouse.

Trends in the Global Oil and Gas Sector

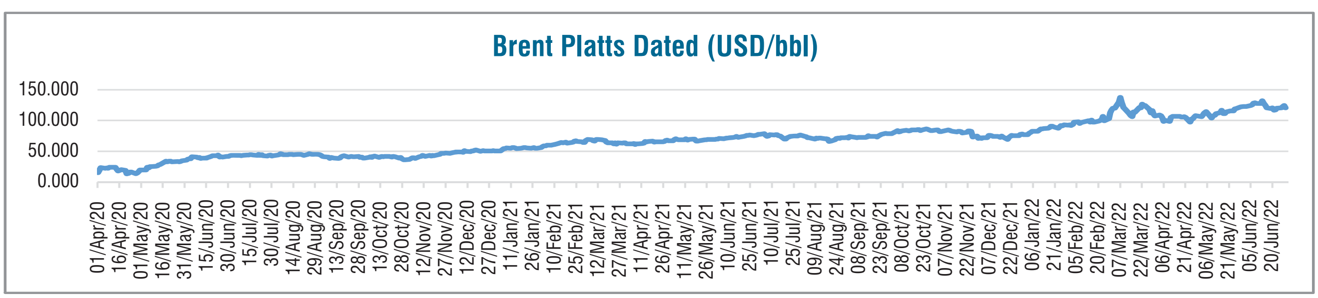
The recent global developments have disrupted the energy landscape massively, shaping a new energy normal which is more distinct and persistent. The pandemic, the renewed realization to move towards a largely carbon-free world and the war in Ukraine have all caused tremors in the energy world. While on one hand, the move towards clean energy solutions is likely to have accelerated amidst growing concerns on climate change and energy security, on the other hand, economies are increasingly realizing that in the absence of widespread global infrastructure, standards, usage choices and fiscal incentives, green energy still has a long way to go in its struggle to overtake the currently 'low hanging fruit' of a predominantly coal and hydrocarbon based global economic machinery. Adding to this, the war has acutely driven home the fact that established inter-dependence or 'global village' are but ephemeral concepts and that geopolitical complications have a huge potential to throw a spanner in the works of any long-term cohesive global development plan. Nevertheless, firm policy resolve, mostly in major economies, technological advancements, and increasing cost competitiveness are driving the transition with gumption and speed. With confluence of multiple factors having far-reaching implications, the energy market dynamics are architecting a new order, giving place to more clean, efficient, and electrified energy ecosystems.

The strong rebound in economic activity in the year 2021 led to a sharp rise in energy demand which grew by around 5.8%, exceeding the 2019 levels by around 1.3%. The growth was led by renewables which continued its rising trend, driven by strong expansion in solar and wind energy. In comparison to 2019, the growth in primary energy demand was entirely attributed to renewables, while the consumption of fossil fuels remained largely unchanged, with lower oil demand offset by higher coal and natural gas consumption. The increase in primary energy consumption was mainly driven by emerging economies with China leading the growth in demand.

Global carbon dioxide (CO_2) emissions, which declined by an unprecedented 5.1% in 2020, registered an overwhelming growth of around 6% in 2021, more than reversing the pandemic-induced decline. While a large part of this growth is attributable to the rapid economic recovery, the adverse weather conditions and energy market volatilities led to increased consumption of coal further, adding to the emissions. CO_2 emissions from coal stood at an all-time high, contributing to 40% of the total growth in emissions, followed by gas, which surpassed its 2019 levels, while emissions from oil remained lower due to subdued transportation activity. This is despite the renewable power generation witnessing the highest ever annual growth. While emissions in most of the advanced economies trailed growth rates in economic output, it was China which was the chief contributor to CO_2 emissions, rebounding above pre-pandemic levels due to high energy intensity of the economic recovery.

Going forward, the growth in energy demand and share of various constituents in the energy basket is dependent upon the pace and secularity of economic growth amidst recurring waves of the pandemic, geopolitical complexities, movements in energy prices and readjustment of policy priorities. Though the year 2021 saw a massive rise in emissions owing to an increase in consumption of fossil fuels, it is critical to ensure that it remains an exception and that sustained investments in clean energy and technological innovations are undertaken towards the cause of a greener environment.

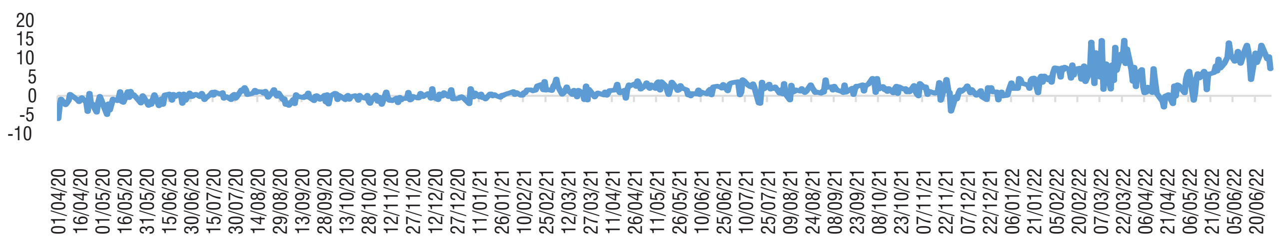
The year 2021-22 had the oil and gas markets witness challenging times with heightened volatility and severe disruptions. The year began on a firm note in the international prices of crude oil, with intermittent ups and downs on account of recurrences of the pandemic waves, the corresponding variability in economic activity, weather expectations, global inventory changes and supply moderations by major producers. While during the first half of the year, the prices of the benchmark Brent Crude ranged between USD 60 to 80 per barrel, the second half of the year saw prices building up consistently on the expectations of prolonged supply deficit, terrorist actions on Middle East facilities and a consistent surge in demand. The prices flared up further in the last quarter as the Russia-Ukraine war threatened to destabilize supplies and upset the oil market balance. On an annual basis, the Brent Crude prices averaged at USD 80.9 per barrel in 2021-22, as against USD 44.4 per barrel in the previous year. Moving in tandem, the prices of the Indian basket of crude oil averaged at USD 79.2 per barrel in 2021-22, as against USD 44.8 per barrel in the previous year. After registering record highs of USD 137.6 per barrel in March-2022, the benchmark Brent crude oil prices have since pared some gains with the release of strategic storage reserves, economic slowdown, and waning of concerns of an expanding war crisis. However, the crude oil prices continue to remain strong, and moving forward, the trend will be determined by the developments in the geopolitical situations, demand expectations amidst a slowing global economy, and supply strategies of major producers.



Like oil, the prices of natural gas have been in an uptrend since the beginning of the year 2021-22 and have soared to unprecedented levels in the month of March'2022 before temporarily cooling down to a certain extent followed by rise in prices since mid June'2022. The price upswing has been driven mainly by demand-supply imbalances and energy market uncertainties arising out of inventory changes, colder-than-usual winters, post-pandemic economic recovery, coal shortage in China and war-induced disruptions.

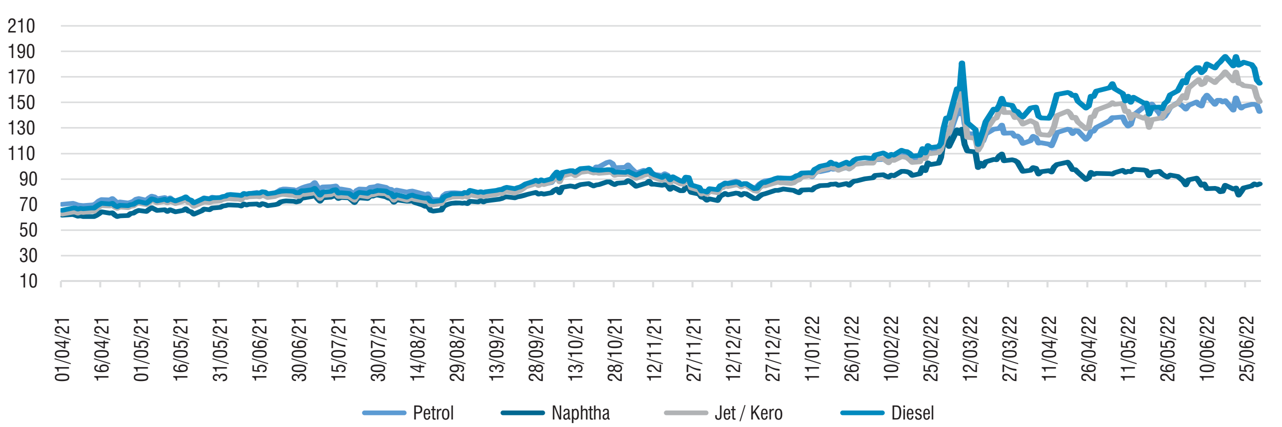
The Brent-Dubai differential, an important parameter impacting profitability of domestic refineries, was largely positive, with Brent crude trading at a premium to Dubai crude for almost the whole of the year. The differential averaged at a premium of USD 2.7 per barrel in the year 2021-22, as against a discount of USD 0.1 per barrel in the previous year. The premium increased significantly since the last quarter of the year 2021-22, mainly due to reduced US production, expectations of Iranian crude coming to market and prospects of Russian barrels to be replaced by Brent related crude oils, especially in Europe.

Brent - Dubai Differential (USD/bbl)

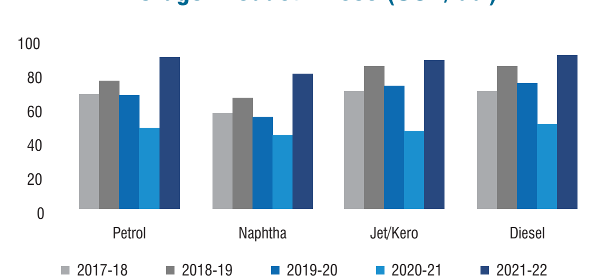


Moving in tandem with international prices of crude oil, the petroleum product prices also witnessed high volatility and a steady rise to the year-end with intermittent vacillations. The prices of Motor Spirit (petrol) (Unleaded Singapore Platts) and High-Speed Diesel (diesel) (Gasoil Singapore Platts) averaged higher, at USD 89.7 per barrel and USD 90.6 per barrel, respectively, in 2021-22, as against USD 47.7 per barrel and USD 50.3 per barrel in the previous year. The average price of naphtha also soared to around USD 79.7 per barrel, as against USD 43.8 per barrel in the previous year and of jet fuel / kerosene (SKO) to USD 87.4 per barrel as against USD 45.9 per barrel, in the previous year.

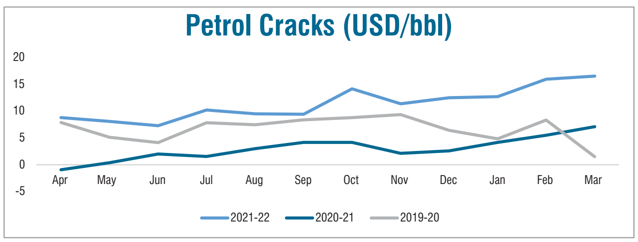
Product Prices (USD/bbl)

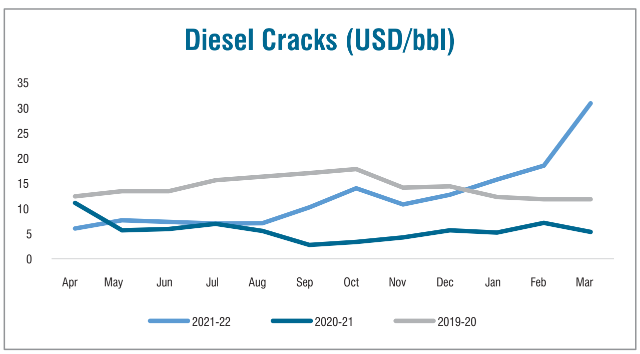


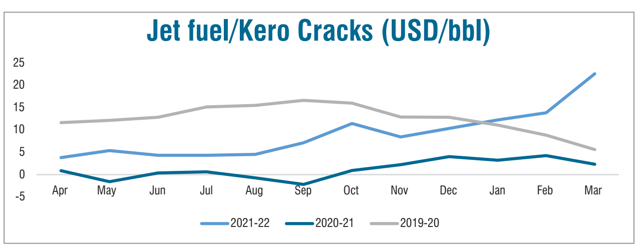
Average Product Prices (USD/bbl)

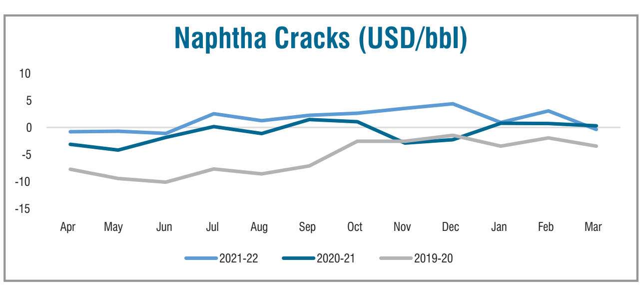


Much to the relief of the refiners, the international cracks of petroleum products remained strong during the year 2021-22, as against the previous year, primarily owing to improvement in mobility and economic activity, which had suffered a major setback during the 'Great Lockdown' of 2020. The cracks, particularly of petrol and diesel, increased substantially since the last quarter of the year 2021-22, mainly driven by uncertainty surrounding Russian exports, reduced exports of petrol and diesel by China and lower inventory levels across all major hubs of the world, while demand for the products improved steadily. The average cracks of petrol for the year stood at around USD 11.4 per barrel, as against USD 3 per barrel in the previous year, while those of diesel averaged at USD 12.3 per barrel, as against USD 5.7 per barrel in the previous year. The jet fuel/kerosene cracks averaged at USD 9.0 per barrel, as against USD 1.2 per barrel in the previous year, registering a significant increase attributable to resumption of air travel during the year. Similarly, a healthy demand from the petrochemicals sector had naphtha cracks average at USD 1.5 per barrel in 2021-22, as against negative USD 0.9 per barrel in the previous year.







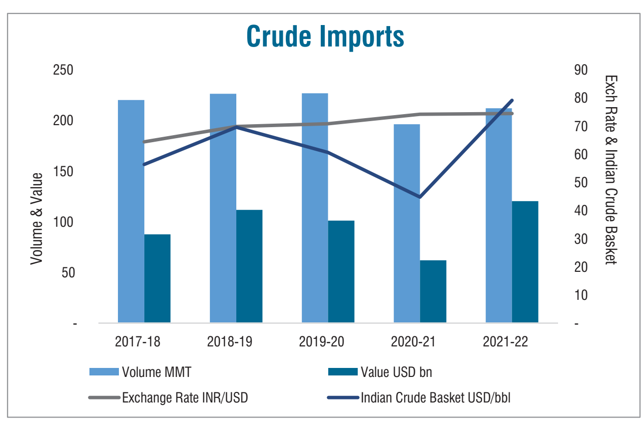


The oil and gas sector, which was bearing the brunt of demand-supply imbalances, has been severely hit by the war crisis and the ensuing energy politics. The sharp supply-induced price distortions have taken markets by surprise. Going forward, oil and gas prices face upward pressure driven by impending stricter restrictions by Europe on energy imports from Russia and expectations of resumption in demand post waning of pandemic. However, as global economy slows down consequent to inflation control actions by central banks, it may take some steam off the prices. Apart from the aforesaid, is the evolving energy transition and supply tactics of the OPEC+ and other major producers which is infusing uncertainties in the market. All these factors are likely to keep the oil and gas markets on a volatile path while shaping a new world order in terms of market dominance in the longer run.

Indian Petroleum Sector

Overcoming pandemic-induced challenges, the strong rebound in economic activity during 2021-22 drove up the consumption of petroleum products in the country to around 204.2 million metric tonnes (MMT), as against 194.3 MMT in the previous year, an increase of 5.1%. However, it remained short of the pre-pandemic level of 214.1 MMT registered in 2019-20. The natural gas consumption also recorded a growth of 5.1% in 2021-22, slightly below the pre-pandemic levels.

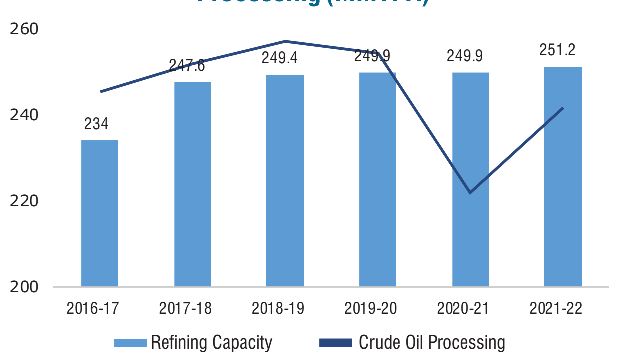
Being an import-dependent nation for more than 85% of its crude oil and about 50% of its natural gas requirements, the high prices of oil and gas hampers economic progress of the country in multiple ways. The increased foreign exchange outflow unsettles the trade balance, puts depreciation pressure on the currency, causes inflation and hurts economic growth of the nation. The rising prices of crude oil and its increased consumption have resulted in the oil import bill jump by a whopping 93.6%, from USD 62.2 billion in 2020-21 to USD 120.4 billion in 2021-22. Import volumes increased from 196.5 MMT in 2020-21 to 212.0 MMT in 2021-22, while the average prices of Indian basket of crude oil were at USD 79.2 per barrel during the year 2021-22, as against USD 44.8 per barrel in the previous year.



The crude oil production in the country further declined to 29.7 MMT during 2021-22, as against 30.5 MMT in the previous year, thus continuing the declining trend witnessed in the last few years owing to lack of any new discovery onstream, diminishing output from matured fields and also operational issues encountered in some of the fields.

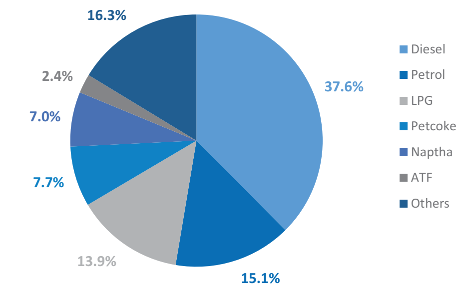
A refining hub and a net exporter of petroleum products, India has an installed refining capacity of 251.2 MMT as on January 1, 2022 with majority (around 65%) being held by PSU refiners and their subsidiary/joint venture companies. The refining capacity has mostly been static since the past few years; however, ongoing brownfield and greenfield capacity expansions are slated to add to the country's refining might. The capacity utilization, after seeing a dip in the beginning of the year 2021-22 due to second wave of the pandemic improved progressively to more than 100% in March-2022. The utilization averaged at around 97% with crude processing at 241.7 MMT in the year 2021-22, as against 221.8 MMT (89% capacity utilization) in the previous year. In line with refinery configurations, around 76.5% of high sulphur crude was processed during the year.

Refining Capacity & Crude Oil Processing (MMTPA)

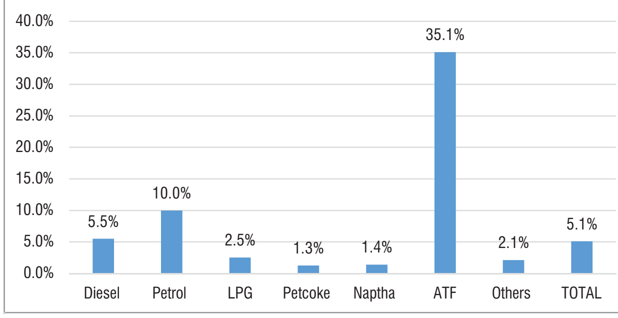


With consumption of petroleum products improving by around 5.1% in 2021-22 driven by economic recovery and increased mobility, petrol witnessed a growth of 10.0% over previous year surpassing the pre-pandemic levels (by around 3%). However, diesel registered a muted growth of 5.5%, falling short of the pre-pandemic volumes by around 7%. Jet Fuel registered the maximum growth of 35.1% as air travel restrictions eased and air traffic increased. LPG has been in a phase of consistent growth since past many years mainly with increased adoption in rural areas owing to successful implementation of government's flagship program Pradhan Mantri Ujjwala Yojana (PMUY). The domestic cooking fuel consumption saw an increase of 2.5% in the year 2021-22.

Consumption of Petroleum Products 2021-22



Growth in consumption of petroleum products 2021-22



During the year, the government launched the second phase of PMUY (Ujjwala 2.0), extending the penetration of LPG further into rural areas. Under this phase, one crore new connections were given to the beneficiaries, by the Oil Marketing Companies, along with free-of-cost first refill and stove. Ujjwala 2.0 was extended to issue additional sixty lakh connections during 2022-23. This has taken the total PMUY connections to more than 9 crores. The sustainability of the scheme depends to a great extent on regular usage, which has been increasing over time. However, the current high-price scenario, despite heavy subsidy, is an impediment to a complete switchover to LPG. Further, to improve customer service levels, the government introduced refill portability, whereby unsatisfied consumers, at the time of booking a refill, can chose an alternative LPG distributor from the list of other distributors of the same company servicing that area.

Towards advancing the proliferation of natural gas, the government launched two new rounds of bidding for City Gas Distribution networks – the 11th round in September' 2021 and a sub-set of the same – round 11A in January'2022. With this, approximately 98% of country's population is expected to get access to natural gas. However, though concerted efforts have been made for increasing the gas usage, the ongoing bullish price-trend has tempered the pace. This high-price regime is expected to be temporary and not likely to impair the long-term prospects of increased contribution of gas in India's energy basket.

India has come a long way in developing its energy sector, achieving high economic growth and improving standards of living over time. The oil and gas sector has been effectively serving the growing needs of transportation and industrialisation in the country. The sector has witnessed many reforms, which have strengthened its position, enhanced efficiency, bolstered competitiveness, reduced emission impacts, and improved fuel access across the country. With rising incomes, economic development and expansion of infrastructure, the sector is set to witness considerable demand and increased participation in growth and prosperity of the nation.

Opportunities and Threats

In the current era of uncertainty of global markets, one thing which is certain is that the world needs energy, in ever-increasing quantities, to support socio-economic progress and build a better quality of life. For years, fossil fuels have played a major role in meeting world's energy demand, contributing more than 80% of our energy needs between 2000 and 2021. Oil and gas themselves contribute to about 55% of the total energy consumption. However, with growing concerns of climate change, governments throughout the world are taking measures to disincentivize fossil fuels and shift towards cleaner and more sustainable sources of energy. Although a decline in contribution of oil and gas in the primary energy basket is imminent over time, a world devoid of oil and gas seems inconceivable at present.

After a strong recovery in 2021-22, the world economic growth is now facing major roadblocks from the **lingering effects of pandemic, overheating of commodity and energy markets, and geopolitical turmoil.** The spiraling debt levels, accelerating inflation, rising income inequality and sporadic resurgence of pandemic pose severe threat to economic recovery. Worsening the situation, the Russia-Ukraine war has dealt a major shock to commodity markets, throwing the global supply-chains awry, deranging the financial systems, and altering global flow of trade, finances, production, and consumption in ways that are likely to keep prices at historically high levels for a long period to come. The gallop in the energy prices, particularly oil and gas, is adding to the inflationary pressure. European Union's stricter sanctions on Russia can deepen the energy crisis further, leading to even higher oil and gas prices, hurting economic growth severely and denting the stability of energy markets. Moreover, the uncertainty surrounding Covid-19 threatens to derail the recovery efforts even as the world deals with long-term scars of the pandemic with fractured supply-chains and unstable financial systems. On the contrary, a timely and peaceful resolution of Russia-Ukraine conflict, restoration of supply chains, easing of inflationary pressures and waning of pandemic will stimulate economic growth and reinstate the balance of global trade and commerce.

The ongoing energy crisis and growing climatic concerns have led to the Energy Transition becoming even more important. Governments across the world are taking determined steps to increase the penetration of renewable energy and draw a roadmap to reduce the emissions to Net Zero in the next few decades. The electrification of mobility and proliferation of renewable energy is increasingly becoming viable due to the continuous development in technology which is driving down the cost while increasing the efficiency. Besides, with the growing environmental awareness, fossil fuels are increasingly being spurned as dirty fuels. This has posed an existential threat to companies engaged predominantly in the business of fossil fuels. While the oil and gas sector stares at an impending decline in demand, the timing and pace of the same is expected to vary across geographies. Unlike the developed economies, it is likely to be prolonged in developing economies like India, even as the country takes major strides in enhancing the capacity and usage of alternate fuels like biofuels, nuclear energy, electrification of mobility, and renewable sources of energy, particularly solar and wind.

On the brighter side, this transition presents the opportunity to oil and gas companies to evolve into Energy companies through thoughtful diversification of their product portfolio into areas like renewables, petrochemicals, biofuels and e-mobility. Also, the threat of alternate energy is nudging these companies to explore adjacencies in a big way and create additional revenue streams. The companies need to recalibrate their strategies, making deeper inroads into alternative energy and adjacent businesses progressively, while their core businesses offer the required stability and funding bandwidth.

The most remarkable story in India's power sector in recent years has been the rapid growth of **renewable energy**, specifically solar and wind. At present, renewable energy commands a share of about 27% in the total installed generation capacity in the country and is continuously on the rise. The rapid growth realized over the years reflect staunch focus, policy support and falling equipment costs. However, there are still important structural, regulatory, financial, infrastructural, and institutional challenges that need to be addressed. With country aspiring to achieve Net Zero emissions by 2070 and aiming to meet 50% of its energy requirements from renewable sources by 2030, faster expansion in renewable capacity is more a necessity than an option. The sector offers significant scope to the oil and gas companies to set off their carbon emissions and increase profitability through cost optimization as well as to create alternative revenue models.

Biofuels have emerged as viable alternative amidst growing climatic concerns and rising cost of fossil fuels. Besides, for countries like India, it reduces dependence on imports of oil and gas, while also addressing the problems of agricultural waste management and adding to farmer's income. For the oil and gas sector, it entails a substitution in demand, primarily of petrol, which will be more pronounced as the country moves in the direction of achieving higher blending of biofuels in petrol and diesel. With the forecast of high economic growth, the demand for petroleum products, like all energy sources, is projected to remain robust for a longer period. Meanwhile, as petrol demand is growing, diesel consumption is declining. This disproportionate demand growth of these two transportation fuels results in the refinery slate problem. A higher statutory blending of ethanol in petrol helps increase the volume availability of petrol, thus moderating the disparity to some extent. Considering the various benefits, the above initiative of ethanol blending is wholeheartedly supported by the oil and gas companies.

Natural gas has gained popularity worldwide as a transition fuel being a cleaner alternative to coal and oil and is witnessing an increased adoption, particularly in the developing economies. India has taken an ambitious target to increase the share of natural gas in its primary energy basket to 15% by 2030, from 6% in 2019. The government has been taking a variety of measures to enhance domestic production, augment regassification capacity, facilitate imports, develop infrastructure, expand City Gas Distribution network, and encourage demand. However, there is further scope to rationalize the complex regulatory and tariff landscape for facilitating smoother conversion to gas. While the country was swiftly going forward with its natural gas proliferation plans, the recent run-up in gas prices has somewhat slowed the progress. However, this is expected to be a temporary phenomenon and in times ahead, natural gas holds a huge potential for growth and value addition, offsetting some declines in oil profit as the sector transitions to cleaner alternatives.

Another area of opportunity is **green hydrogen**. Though still in its infancy, hydrogen is widely being touted as an ideal clean solution for 'hard to abate' sectors like steel, cement etc. The possibility of integrating hydrogen with the existing gas infrastructure offers immense potential and could have a multiplier effect on the gas economy. Huge investments need to be made for manufacture of electrolyzers needed to generate hydrogen, and therein lies a massive opportunity for companies. Since fertilizers and refineries are the key consumers of hydrogen, the refining industry has a lot to gain by investing in green hydrogen and taking this initiative forward through international collaborations as well as in-house R&D efforts. Furthermore, although hydrogen fuel cell is the pinnacle of clean energy transition in mobility, it must cover a long road ahead to establish stability and commercial viability.

Petrochemicals offer a natural hedge and a significant diversification opportunity against the expected long-term decline in oil consumption. The petrochemical sector is projected to emerge as the primary driver of growth for the global oil and gas sector, accounting for more than a third of incremental oil demand by 2030. India, with its significant import dependence and high growth potential (per capita petrochemical consumption is one-fourth of the world), has emerged as one of the world's most attractive markets for new petrochemical capacities. Companies in the oil and gas sector are thus increasing their investment in this space to contribute to their profitability and meet customer demand.

With growing alacrity towards green energy in the recent past, a trend that is increasingly apparent is the dwindling investments in the **upstream oil and gas space**, particularly exploration. The Covid-19 crisis further discouraged investments in the sector. Additionally, frequent geopolitical tensions, socio-economic disturbances, terrorist activities and deteriorating financial position in certain producing and potential geographies have been hindering timely development and commercialization of findings as well as optimum utilization of assets. Economies around the world are already feeling the pinch of such underinvestment, and with demand surging ahead, it may lead to a wider supply deficit, with associated issues of higher prices and increased volatility, threatening energy security in the world. This is likely to hurt fragile economies more and further deepen social inequality amongst their countrymen. The threat of reduced supply needs to be tackled through better international cooperation, faster development of potential fields, structured investments in short-gestation assets and enhancing extraction efficiency, along with leveraging research and development, while lowering emissions.

Though the oil and gas sector has been on the lower end of the **digitalization** curve, it is catching up swiftly. Employing myriads of digital and Industry 4.0 technologies, digitalization presents immense opportunities to the oil and gas companies to enhance efficiency, transparency and accountability in system and operations, improve designing, planning and execution of projects reinforcing safety and security, reduction in plant outages/shutdowns, increase in predictability and utilization of upstream assets, closer reach to customers, gaining more insights and serving them better. Realizing the massive benefit that it offers, oil and gas companies across the world are increasingly leveraging digitalization in their operations and businesses.

Risks, Concerns and Outlook

After witnessing a remarkable recovery subsequent to the severe pandemic-induced disruptions in 2020, the global economic prospects are inundated with significant downside risks. The abnormally **high level of inflation** has central banks across the world swinging into immediate policy actions in a bid to take some steam off the overheating global economy. While the efficacy of such actions in taming inflation is yet to be felt, particularly now, when it is more of a supply shock and less of a demand pull, it is overwhelmingly expected to **dent economic growth**. A highly interconnected and interdependent world serves best for spillover of the crisis. The worsening economic situation in many vulnerable economies has brought them to the brink of bankruptcy, endangering global peace and widening income inequality. Additionally, any acceleration in the spread of the pandemic and consequent restrictions to contain its spread will be detrimental to demand and economic growth. Businesses face serious risk from the double whammy of declining demand and rising input costs, which has squeezed their profitability and daunted investment.

On a sector-specific basis, the global demand-supply imbalance has been keeping the oil and gas markets edgy and exhibiting high volatility. The biggest risk that the sector faces today is of **supply security** and a prolonged period of **high prices,** which can aggravate further as the war situation deteriorates and/or stricter sanctions against Russia take effect. Also, sanctions on Iran, Libya and Venezuela, coupled with production moderation by OPEC+ countries, are keeping some volumes off the oil markets, adding to supply woes. This situation is of great concern, particularly for a country like India, which is heavily dependent on imports for fulfilling its requirements of oil and gas. The high-price scenario puts pressure on the country's finances, adds to current account deficit, fuels inflation, and triggers rupee depreciation, all of which hurts economic growth and development. Besides, it cripples the ability of oil and gas companies to fully pass on the price rise, constraining their profitability and liquidity positions. The financial position of Indian oil marketing companies would have been worse but for the robust cracks of major products which are keeping refining margins strong, and offsetting some of the impact of price volatility. While the world is making all attempts to address the energy concerns at the earliest, there are no signs of global worries waning faster and supply situation easing sooner, and the prices are expected to remain buoyant for a major part of 2022-23.

With increase in oil prices, the **freight rates** have also moved north, inflating the landed cost of crude oil at Indian shores. Additionally, global security incidents like the ongoing Russia-Ukraine conflict have a major influence on freight and insurance markets. This not only adds to the oil price worries but also poses serious risk to the uninterrupted supply of the commodity.

Middle East has been contributing to around 60% of India's crude imports, being the most refinery-compatible, geographically closer, and consistent supply source. Being a geopolitically volatile region, such **overdependence** exposes India to supply-side risks in case of any disruption. Recent terrorist incidents in Saudi Arabia, though not severely affecting supplies, have further flamed such fears. Besides, such a regional supply concentration bolsters pricing power of sellers, which is currently being experienced in the form of premiums charged over the Official Selling Prices declared periodically. In a bid to diversify crude oil sourcing, the country has been exploring various geographies and consistently reducing term supplies in favor of spot opportunities. However, with lower inventory capacities and insufficient strategic reserves, India's dependence continues on nearer geographies.

The economic turmoil caused by rising inflation and global monetary tightening has badly hit the Indian Rupee, intensifying the pressures from foreign fund outflows and increased demand of USD in the wake of rising commodity and energy prices. **Rupee depreciation** poses significant risk for the country, destabilizing the balance of payment situation and stoking domestic inflation. In particular, the oil and gas industry is severely impacted, as it has substantial foreign exchange exposure towards import bills. Currency depreciation risks galore, RBI is keeping a close tab on developments and taking necessary steps to manage the situation in the most efficient manner.

Domestic oil markets have been witnessing **a structural decline in the consumption of diesel** for the past few years due to building up of efficient logistics and improvement in electricity generation and transmission across the country. On the contrary, petrol sales have been on a consistent growth year-on-year. With most of the Indian refineries heavy on production of diesel as per their configurations, a typical refinery slate problem is created once the product swing capability is exhausted. It may lead to petrol being imported while diesel is exported to balance the demand-production situation, making it economically inefficient besides exerting undue pressure on port infrastructure. The blending of ethanol into petrol is helping tide over a part of this problem, while refineries make efforts to enhance petrol production through suitable modifications and upgradations.

Another aspect to be mindful of is that India's **electricity demand** is expected to grow more rapidly than the rate of growth of its overall energy demand. This will, in turn, put a huge pressure on grids as well as on battery storage. The situation poses both a challenge as well as an opportunity to oil and gas companies. In an environment of energy transition, creatively reimagining and repositioning business diversification into adjacencies are imperative steps to survive and grow.

Proper **health, safety and security** of assets and people, and a cleaner **environment**, are intrinsic to ensure sustainability and success of economies and organizations across the world. Oil and gas industry being hazardous in nature, safe and environmentally responsible operations become even more critical. Hence, organizations need to continuously reinforce the laid-down operating and safety systems and processes and sharpen their capabilities for disaster management. Additionally, continuous education and training of manpower remains essential as ever to ensure strict adherence to standard operating procedures and avoid human errors. Timely upkeep with regular and effective maintenance of assets reduces chances of breakdowns and accidents, while also ensuring better operational availability. Further, amidst growing use of technology and increasing interconnectedness, the companies need to exercise due care and insulate their systems from cyber-attacks which threaten to inflict financial loss, supply-chain interruptions and reputational damage.

In these confounding times, economies are in a tight spot, compelled to make a trade-off between maintaining growth and containing inflation. As the world and the country takes immediate actions to tame inflation, growth is consequentially expected to slow down in the near term. With economy still reeling under the aftermath of the pandemic, this slowdown is likely to prolong the pain. In such a scenario, an early recovery from the downtrend hinges on a peaceful resolution of the war and restoration of global supply-chain efficiencies as well as financial system balance, with timely restrain on inflation. India has come a long way in becoming one of the fastest growing major economies in the world. The country is endowed with an expanding economy, productive young population, huge consumer market, and growing urbanization and industrialization. This, coupled with a plethora of well thought-out structural and policy reforms, a resolute government, and a concerted move to make India 'self-reliant' and a 'global factory', has the country's mid-term and long-term growth prospects intact. To catalyze growth and achieve broad-based economic prosperity, concerted efforts are required towards uplifting of small businesses and of the unorganized sector, improvement in investment climate and creation of employment opportunities for both rural and urban population, while augmenting the infrastructure, education, and healthcare systems.

As the world picks its way through these uncertain times, BPCL is closely monitoring the evolving situation on the global and domestic front and the sweeping changes taking place in the energy landscape. The Company is taking all requisite measures to mitigate risks and respond effectively to the threats, while leveraging opportunities for sustainable growth and value creation. With energy sector in the state of transition, the strategic focus is to diversify and expand into alternative and adjacent revenue streams like renewables, petrochemicals, electric mobility, and consumer retailing, while constantly improvising on its core business. Contributing to the country's commitment towards environment protection, the Company has taken a target and initiated steps to achieve Net Zero in Scope 1 and 2 emissions by 2040. A focused approach, innovative mindset, agile decision-making, and swift execution skills give the Company the courage and capability to successfully navigate through challenges and evolve into one of the most admired global energy companies in the world.

PERFORMANCE

REFINERIES

The year 2021-22 brought with it a rebound in economic activities globally as the effects of the pandemic started to wane. The year started with declining oil prices but as it progressed, the prices firmed up steadily with intermittent volatility as demand increased while supplies remained constrained. The geopolitical tensions towards the end of the year flared up the prices of crude oil, further aggravating the difficulties for an import-dependent country like India.

Along with crude oil, the prices of petroleum products, particularly petrol, diesel and aviation turbine fuel (ATF) rallied with the likelihood of embargo on Russian product exports, thereby widening the product cracks to unprecedented levels. Amidst concerns over reduction in Russian barrels, China also restricted exports, mainly of diesel, to ensure its energy security, which led to incrementally under-supplied markets,and kept the cracks elevated.

Refineries continued to demonstrate their constant endeavour to maximize value-added products and meet the market demand by optimizing crude oil mix and maximizing unit intakes. Enhancing reliability, improving operational availability, and increasing energy efficiency remained the top objectives for refineries, along with cost optimization. BPCL achieved a weighted average Gross Refiners Margin (GRM) of USD 9.09/bbl during the year 2021-22 (₹ 14,996 crore), as compared to USD 4.06/bbl (₹ 5,861 crore) during the previous year.

While refineries were facing cyclical challenges, the pandemic situation perpetrated many changes which were both structural and disruptive in nature. However, with concerted efforts, refineries achieved a throughput of 30.07 Million Metric Tonnes (MMT) for 2021-22 with increased processing during the second half of the year in line with demand.

Further, utilizing the low demand periods, refineries digitally enabled the process units and catalyst change units effectively. Units like Propylene Derivatives Petrochemical Plant (PDPP) and Motor Spirit Block Project (MSBP) were commissioned and stabilized during the year through digital monitoring of the licensors.

To provide more flexibility to the refinery and handle product during periods of lean demand, an additional diesel tank of 30 Thousand Kiloliters (TKL) was commissioned at Marine Oil Terminal (MOT), which also aided in faster loading at the terminal. Construction of another tank of 21 TKL is also in progress and expected to be commissioned during the current year.

With demand for sanitizers surging during the pandemic, the Centralized Quality Control Lab, at Mumbai and Kochi Refinery (MR and KR) indigenously developed a hand sanitizer for employees under the brand name 'Aroma', which helped to tide over the pressing need for sanitizers.

Both refineries have aggressively pursued digital solutions as part of their efforts to become a "Smart Factory". Various digital initiatives were taken up by refineries in the areas of Industrial Internet of Things (IIoT), machine learning, cyber security, robotic process automation and virtual reality across various functional areas. For the first time ever, a digital solution for refinery-wide optimization was implemented, which includes deployment of digital twins, integration of data silos across the processing units and in-house robotic process automation for real-time optimization. Digital processing of the customer indents and digital monitoring of manpower for efficiency improvement of tool time during turnaround were implemented in the refineries. The project of carving out digital strategy and roadmap for MR and KR was taken up during the year and shortlisted ideas are in the process of implementation.

As a part of their Integrated Management System, refineries have been re-accredited with ISO 9001:2015, ISO 14001: 2015 and ISO 45001:2018 standards for Quality, Environment & Occupational Health and Safety Management Systems. With high commitment towards safety, KR achieved 74.7 million man-hours and MR achieved 8.8 million man-hours without Lost Time Accident.

Various initiatives were undertaken to inculcate safety culture, incorporate safe practices, create awareness and impart safety trainings to contract staff working inside refineries to ensure safe operations.

Quality Assurance laboratories in refineries are equipped with state-of-the-art facilities, which adhere to the highest of quality standards by meeting the latest standards of ISO/IEC 17025: 2017 accredited by National Accreditation Board for Testing and Calibration Laboratories (NABL). The laboratories are also certified by external certifying agencies like Directorate General of Civil Aviation (DGCA), Directorate General of Aeronautical Quality Assurance (DGAQA) and Centre for Military Airworthiness Certification (CEMILAC), etc. The Quality Control Cell maintained its excellent performance in the International Laboratory Proficiency Testing Scheme run by M/s ASTM International, USA with a score of 99.9%. State-of-the-art testing instruments were installed and commissioned for testing PDPP samples at KR, thereby ensuring delivery of quality products.

Keeping in mind the organizational objectives and aspirations of individual employee, Learning & Development (L&D) department organized several programs during the year, aiming at enhancement of technical and behavioural competencies of employees. Despite the challenges in conducting classroom training, the march of learning continued through online training initiatives.

With digital interventions and use of state-of-the-art technologies, both the refineries are on the path to achieving highest levels of reliability with energy and manpower optimization. As we move on this journey of energy transition, petrochemicals is considered as one of the future pillars of growth. In this direction, the Company is evaluating the option of putting up petrochemical plants within refinery premises, which will increase the Company's petrochemical footprint to near 5% of total throughput. Pre-project activities for both these projects are in progress. Studies for setting up a green hydrogen production unit at Bina Refinery are also underway. With staunch focus on improving efficiencies and generating greater value, BPCL refineries are evolving into future-ready sustainable operating units.

RETAIL

The year 2021-22 witnessed consistent increase in demand for transportation fuels with substantial improvement in mobility over the previous year. However, global trends of high oil prices, uncertainty around the pandemic, ongoing geopolitical tensions, persistent supply challenges and burgeoning inflation have emerged as major concerns, which are leading to a lower-than-estimated economic recovery worldwide and are likely to impact the demand for transportation fuels as well. With increased inter-and intra-state movements during the year, rapid pick-up in trade volumes and gradual opening up of academic institutions and offices, the fuel retailing industry in India witnessed a growth of 6.6%, whereas the PSU Oil Marketing Companies (OMCs) registered a growth of 7.5%, increasing the market share of PSU OMCs from 89.2% to 89.3% in overall industry sales. The demand for petrol surpassed the pre-pandemic level; however, diesel remained short of it by a small margin.

During the year 2021-22, the retail business registered a total market sale of 26.4 MMT, with a growth of 9.1%, as against a PSU growth of 7.5%. The sales of petrol grew by 13.1% as against the previous year by clocking a volume of 8.1 MMT. Diesel volumes stood at 17.5 MMT as against 16.4 MMT during the last year, witnessing a growth of 6.8%. With significant number of consumers switching to the alternative fuel, BPCL's retail business recorded a robust growth of 51.4 % in the sale of Compressed Natural Gas (CNG), amounting to a total volume of 597 thousand metric tonnes (TMT).

In Retail Lubes business, too, the Company performed exceedingly well by inscribing a volume of 22.4 TMT in Lubes sales and 8.5 TMT in Diesel Exhaust Fluid (DEF) sales by ensuring the supply outreach at 91% ROs.

The focus of the Company was primarily centered on retaining the foothold in the conventionally strong markets, strengthening the presence in the potential markets, capturing new markets to enhance its presence through network expansion and other innovations. Thus, the Company continued with its network expansion, primarily in unrepresented markets to capture growth in potential areas, mostly covering rural India. During the year, 1,430 New Retail Outlets (NROs) were commissioned, taking the total number of Retail Outlets (ROs) to 20,063 as on March 31, 2022, maintaining BPCL's position of the second-largest fuel retailing network in India. The Company further strengthened its presence in highly strategic markets and highways by commissioning 4 Company-Owned Company-Operated outlets (COCOs) and 2 One Stop Truck Shops (OSTSs). Through intense follow-up and engagement with stakeholders, BPCL revived 169 ROs leveraging existing assets.

With shifting focus of the Government from liquid fuels to natural gas and change in customer's choices, BPCL has aggressively expanded its CNG network by adding 507 ROs in the year. Additionally, Letters of Intent (LOIs) have been issued for installation of LNG facilities at two of the existing OSTS, for providing LNG as transportation fuel for the long-distance trucking segment.

The success story of BPCL lies in growing organically by adopting changes as per market needs, introducing cutting-edge technologies, upgrading facilities and bringing best services at the ROs through proven versatile retail techniques and customer management tools to turn the consumer's visit to an RO into a delightful experience. Therefore, maintaining concerted focus on enhancing trust, customer convenience and personalization, various customer engagement initiatives were undertaken across segments with the aim to remain the preferred choice for customers.

Building on the acclaimed Pure for Sure (PFS) initiative of the Company, BPCL proliferated 'NextGen' PFS to more than 100 smart cities at 1,700 ROs to offer a unique experience to the valued customers. NextGen PFS offers the highest standards of Quality and Quantity (Q&Q) delivered through technology, fostering trust with transparency. The Integrated Payment System (IPS), implemented through next-level automation, ensures that our customers are digitally billed for exactly the quantity that they fill, each time, every time. These attributes, with new service standards, ensure that the customer experiences the convenience of a smooth fueling journey from ingress to egress.

Recognizing the need for value-added services, BPCL further scaled up various non-fuel initiatives at the ROs. These services are customized to suit the varied needs of different customer segments – rural, urban and highway – thus differentiating BPCL in the marketplace. The Company, with the strategic partner M/s Fino Payment Services, is offering banking services to customers at more than 12,000 ROs, which includes AePS, Micro ATMs, Domestic Money Transfer, Cash Management System (CMS) and G2G as well as G2C services. During the year, the Company achieved highest Gross Merchandise Value (GMV) of ₹ 6,500 crore.

BPCL continued to strengthen its convenience offerings with a total of 195 In & Out Zip stores, which have been commissioned in addition to the network of 114 In & Out stores.

In a span of just over 4 years from launch, BPCL SBI credit card has become the fastest growing co-branded credit card in the country. Over 1.7 million BPCL-SBI Card holders have redeemed 10 million liters of free fuel at the ROs.

BPCL BOB Debit RuPay co-branded card was designed and launched this year along with loyalty offerings of BPCL SmartDrive program. The rapid popularity of this card resulted in enrollment of 1.7 million of BPCL BOB customers.

The Company has 324 COCO outlets, where customers experience superior service levels at all times and a wide array of value-added services. The signature brand of COCO outlets on highways – the OSTSs – are strategically positioned on major highways to give transporters and drivers an experience of ‘a home away from home’. In order to further expand the convenience of highway customers, a new scheme ‘Cube Stop’ in association with M/s Highway Amenities Developer Private Limited (HADPL) was successfully launched and expanded at three of our flagship ROs, to offer a comprehensive ‘food court-cum-highway amenities’ proposition.

With an objective of offering superior experience to the customers in this digital era, the Advanced Loyalty Program (ALP) was launched across all the markets for fleet customers. This program has the capability to provide tailor-made customer solutions with a blend of advanced technology that will go a long way in terms of customer convenience and personalization besides establishing long-term association with them.

Further, to make the customers’ fueling experience seamless, transparent and efficient, BPCL launched Ufill, a first-of-its-kind convenience in the industry. UFill puts the locus of control of fueling of vehicle directly into the hands of the customer, right from payment convenience at the time and place of the customer’s choice to auto-presetting the fuel dispenser at the RO for the amount paid, without any manual intervention, thus bolstering trust. Ufill is active at more than 6,500 ROs and has a customer base of 55 lakh.

The ‘Quick Oil Change’ initiative was conceptualized with the intention of providing customers the triple benefit of ‘Convenience, Genuine Oil and Quick Service’. The 'Quick Oil Change' promotion campaigns, which were run at more than 6,500 ROs, offered the convenience of swift oil change to the 2-wheeler customers. This has enabled successful engagement with more than 2.4 million customers on the forecourt.

Under the Door-to-Door Diesel Delivery (DDD) initiative, the Company commissioned 137 “FuelKarts”, taking the total count to 660. To promote the start-ups eco-system, 157 “FuelEnts” have been commissioned, taking their total count to 163. Quality assurance during a DDD fill is ensured with an exclusive pilfer-proof technology.

With technological advancement and digital transformation in every field, BPCL implemented cloud-based RO automation solutions at over 18,000 ROs with unique wireless FCC (Forecourt Controller) and APOS (Android Point of Sale machine) duly integrated with the loyalty solution and all types of digital payments.

To keep pace with the emerging energy transition needs, BPCL has conceptualized 'Highway Fast Charging Corridors'. In the pilot project, BPCL adopted 900 km of the Chennai-Trichy-Madurai-Chennai highway (NH-45) as a first-of-its-kind Highway Fast Charging Corridor. On this segment, DC 25 kW fast chargers have been installed at ten strategic ROs, at intervals of 100 km between the ROs, to facilitate charging for long journeys. It is planned to replicate this concept for 100 highway corridors in the country during the next year. BPCL has also made strategic alliances with Ola Electric and Hero Motors to set up fast charging facilities for electric 2-wheelers in cities.

Fortifying governance at the RO forecourt leveraging technology for intelligent operations, the Integrated Risk Information System (IRIS) platform (BPCL’s digital nerve centre) was launched in December 2020 under the digitialisation initiative of the Company - Project Anubhav to ensure that operations at locations are safe, secure, efficient and seamless. Through bidirectional communication with location systems and video analytics, it monitors real-time performance of BPCL’s operating locations and ROs on key parameters to improve quality, safety and internal efficiency. IRIS raises alerts and notifications for various violations with prescribed responsibility centers, coupled with regular monitoring through a centralized control centre facility in Noida and has the capability to remotely handle processes and system exceptions. It has connected over 17,000 ROs so far, all the major bulk locations and over 14,000 tank lorries with a robust monitoring mechanism for tracking their functionality. On the customer front, to assure quality and quantity, this advanced system intelligently ensures no Retail Selling Price mismatch, no unauthorized decantation of products, periodic water level checks, adherence to Standard Operating Procedures, dispenser flow monitoring, quality adherence, etc.

The Company has ensured highest standards of safety through digital interventions by onboarding all retail depots and installations on the IRIS Digital Nerve Centre, with real-time monitoring of critical interlocks and safety parameters. An index, known as "Operability Index", introduced to measure safe and reliable operations at locations is calculated and monitored in real time by IRIS. Average Operability Index of Retail operating locations was more than 99 for the year 2021-22, signifying safe and smooth operations at locations. IRIS is also leveraged for intelligent management of Vehicle Tracking System violations. Also, a state-of-the-art "Experience Centre" was commissioned at Devanagonthi Installation with provisions for augmented and virtual reality training. The simulated fire drills are religiously carried out in all depots and installations to ensure preparedness in case of any incidents.

To fulfill our commitments towards the environment and inching towards a circular economy, all Retail operating locations are Zero Waste to Landfill (ZWL) certified along with a ban on single-use plastic. All conventional lights at locations have been replaced with energy-efficient LED lights and asbestos has been completely removed from locations. The Company also implemented Vapour Recovery System (VRS) in 1,000+ ROs in line with the Central Pollution Control Board/National Green Tribunal directives.

Overall, retail business remained the front-runner among its peers by delivering trust, convenience and personalization with efficient operations and offering digitally enabled solutions for customer convenience and create value for all stakeholders.

Biofuels

The Company has achieved highest ever ethanol blending of 8.7% in the year, as comparad to 5.8% in the previous year, while aiming at 10% in 2022-23. BPCL reduced 2.1 MMT CO_2 emissions by selling Ethanol Blended Petrol (1,120 crore liters) through our nationwide network of ROs.

The feedstocks for producing 1G Ethanol broadly include molasses, sugarcane, damaged food grains and surplus rice. As the industry coordinator for ethanol procurement, the procurement of 1G Ethanol from multiple sources has been well streamlined. Ethanol storage capacity has been augmented to 51 TKL from 36 TKL in the year 2021-22. The Company also initiated the movement of Ethanol Blended Motor Spirit (EBMS) as well as E100 (100% ethanol) by rail to address the gaps created in deficit locations/states so as to ensure the outreach of blended petrol across the length and breadth of the country.

In order to meet the gap between current availability within the state and its future requirements of ethanol for the EBP (Ethanol Blended Petrol) program, the Company on behalf of other Oil Marketing Companies (OMCs), under the guidance of MoP&NG, had floated an Expression of interest (EOI) for signing long-term agreement with upcoming dedicated ethanol plants in ethanol-deficit states for supply of ethanol to OMCs. The Company has also signed long-term off-take agreements with 131 project proponents for supply of estimated 430 crore litres of ethanol per year. The design capacity of these upcoming plants is about 757 crore litres per annum, which is expected to improve the ethanol availability and help in achieving the blending targets set for the country.

Apropos of our efforts to decarbonize the energy supplies, the Compressed Bio Gas (CBG) initiative has also been pursued by leveraging biomass waste/biomass sources like agricultural residue, sugarcane press mud, municipal solid waste, etc. as feedstock for generating CBG. The Company has issued 299 LOIs for a total estimated production capacity of 417 TMT per annum of CBG. Despite registering slow development in biodiesel proliferation, several steps have been taken to promote the production of biodiesel from used cooking oil and LOIs have been issued in this regard for an estimated production capacity of 28 TMT.

INDUSTRIAL AND COMMERCIAL

The Industrial & Commercial Strategic Business Unit (I&C SBU) the marketing unit catering to the Business to Business (B2B) segment of BPCL. Fully seized of the role that industrial and commercial establishments play in the economic growth of the nation, the business adapts a dynamic approach to align with developments in each of the Industrial segment to fuel growth. The I&C SBU energizes more than 8,000 industrial customers, with supply of 26 products across 17 diverse segments.

The business witnessed a mixed period of challenges and opportunities during the year 2021-22 and exhibited great agility in the face of every situation to harness the potential of the SBU's strengths across the entire product portfolio.

With customer-centricity as the core operating principle, the SBU focussed on sales of high margin products, growth in refinery economic zones and optimization of costs.

Registering an overall sales volume of 6,349 TMT, with a growth of 17% in 2021-22, the SBU emerged as growth leader with an impressive domestic market share increase of 1.65% amongst the PSU OMCs.

As a momentous milestone in the annals of BPCL, the I&C SBU launched the commercial sale of six niche petrochemical products from Kochi Refinery during the year. The SBU has inked 16 Memorandums of Understanding (MoUs) with prospective petrochemical customers for securing substantial volumes. As a significant marketing initiative, a robust supply chain has been put in place for all the products in the petrochemical range. A strong reseller channel has also been established to cater to a diverse category of customers.

Corporate tie-ups continue to be an extremely important strategy for the SBU, and during the year 2021-22, 57 MoUs were entered into to sustain product volumes across various key segments of the business.

Being a key product in the portfolio, the I&C SBU achieved diesel sales of 1,350 TMT in an extremely competitive market. With a strategic focus on high-growth segments of coal, mining and cement, I&C SBU has registered an impressive market share growth of 1.6% in diesel. Further, 62 new consumer pumps were commissioned during the year in various sectors like mining, industrial, state transport undertakings (STUs) and defense.

In order to capitalize on the sizeable gap between domestic availability and demand for bitumen, I&C sustained the successful business model of third-party sourcing, to meet the growing demand for this product in the infrastructure sector.

BPCL added Kandla port as an additional bunkering destination besides Mumbai and Kochi and supplied Very Low Sulphur Furnace Oil (VLSFO) to coastal and foreign vessels during the year, registering an impressive growth of 57% over the previous year.

Bestowed with the responsibility of marketing bulk LPG/Propane, the BU leveraged the synergy with industrial customer base and registered a sale of 147 TMT, with a growth of 13%.

The SBU also achieved ten-year-high sales of Mineral Turpentine Oil (MTO), propylene and hexane, which enabled increase in the domestic market share.

The business team took a giant leap into their digital journey by adopting key “Project Anubhav” initiatives of “Hello BPCL and Sales Buddy”. While “Hello BPCL” is the Customer Engagement Portal which features end-to-end processes for customers to seamlessly interact and transact with BPCL, “Sales Buddy” is the Customer Relationship Management portal, which has equipped the field force with digital tools to service customers efficiently and has helped in improving internal processes towards customer account management.

Amidst challenging times, the SBU enhanced its logistics capabilities and brought in innovative measures to achieve significant cost and freight optimization benefits. A first-of-its-kind multimodal transportation arrangement was put in place for petchem movement from Kochi to the west coast. The technical services team collaborated with refineries for sustained production and marketing of De-Aromatized Solvents, which will usher in import substitution and bring in significant quality improvements in traditional paint manufacturing processes. With constant technical updates, the team ensured development of technical selling capability of every member.

With yet another year of high performance on all fronts, the the I&C SBU looks forward to continuing the journey of success and aims at reaching newer heights.

GAS

The Gas SBU is playing an increasingly important role in supporting the Government's aim of developing India as a gas-based economy, which augurs widespread economic prosperity, while also reducing the nation’s dependence on oil imports and contributing to reduction in carbon emissions.

The SBU can be broadly categorized in three parts – (a) captive requirements of the refineries to enhance reliability and energy efficiency, (b) requirement for BPCL’s retailing business, essentially the City Gas Distribution (CGD) network, involving Compressed Natural Gas (CNG) stations and Piped Natural Gas (PNG) connections; and (c) sales to industrial customers, essentially in fertilizers, power, petrochemicals, glass and steel sectors.

Out of the total quantity of 1,806 TMT of natural gas handled by the SBU during the year 2021-22, 778 TMT was supplied to refineries for internal consumption, and 1028 TMT to various customers in fertilizers, power, petrochemicals, steel and to the CGD network across the country.

With unexpectedly high natural gas prices in the second half of the year 2021-22, natural gas consumption in BPCL refineries was optimized and surplus volume arising out of such optimization was marketed to spot customers, thereby maximizing the margins.

In 2021-22, the SBU recorded a growth of over 31% as compared to the previous year, which is significant in the backdrop of the second wave of Covid-19 in the first half of the year and unprecedented high prices towards the second half. During the year, BPCL revived 13 industrial customers pan-India and enrolled many new and potential customers.

It is also worthwhile to note that BPCL was active in the ‘Indian Gas Exchange’ (IGX) platform for leveraging trading opportunities. During the year, BPCL participated in trades of nearly 75 TMT on IGX to reach a wider spectrum of customers.

BPCL has secured the licenses for 8 new Geographical Areas (GAs) in Petroleum and Natural Gas Regulatory Board (PNGRB) 11th and 11A CGD bidding rounds. A cumulative rundown of the past CGD rounds sees BPCL emerge amongst the top 3 players in the country. BPCL now has licenses for developing City Gas Distribution (CGD) networks in 25 GAs covering 62 districts across the country. Overall, the Company has influence over a total of 50 GAs covering 105 districts, inclusive of JVs.

Commercial operations started at 8 new CGDs, i.e., Sangli-Satara, Ballari-Gadag, Bidar, Yamunanagar, Bilaspur-Hamirpur-Una, Satna-Shahdol, Amethi-Pratapgarh- Raebareli and Chatra-Palamu during the year 2021-22, in addition to the 4 CGD GAs commissioned in the previous financial year. During the year 2021-22, 155 new CNG stations were constructed in CGD GAs of BPCL and BGRL, in addition to the earlier 55 CNG stations. On the PNG front, approximately 53,800 domestic PNG connections were installed till the end of 2021-22.

LUBRICANTS

The Indian lubricants market is the world's third largest growing market. As per Petroleum Planning & Analysis Cell (PPAC) report, the country consumed approximately 4,570 TMT of lubricants during the year 2021-22. The market is expected to grow by 3.5% in the year 2022-23. The industry has over 35 established players, thus making the lubricant industry a very competitive one.

The year 2021-22 posed innumerable challenges in the form of subsequent waves of the pandemic, leading to volatility in market prices, thereby creating stress on business models. MAK Lubricants has overcome these challenges by re-organizing and rebuilding the business this year. The robust business models, brand strength, customer-centric approach, supply-chain resilience, widespread presence, and a strong customer base have helped us gain market share of 0.67% among PSUs, taking the total market share of MAK to 25.6% among PSUs. Apart from the domestic market, MAK Lubricants has expanded its footprints in SAARC and African countries and established itself as a reliable brand in international markets. Through aggressive marketing at the ground level, MAK Lubricants portrayed spectacular performance during the financial year.

Considering the importance of retailers and mechanics in the Bazaar channel, many customized programs and product-specific campaigns were conducted to create a pull for MAK in the market. To cope with the market requirements, BPCL introduced 21 new Stock Keeping Units (SKUs) in the synthetic and mineral space, which helped to capture niche segments. BPCL has appointed new channel partners to strengthen its distribution network pan-India. To assure right quality of product to consumers, BPCL has implemented QR Code on its packs, which allows retailers, mechanics and customers to track the source of supply of product and establish authenticity of the product.

In the Direct channel, superior product quality and prompt service is the key to sustained growth. Despite a challenging external environment, MAK has outperformed in this segment. This has been made possible through continuous customer acquisition and the introduction of new products, supported by customer engagement and digital marketing initiatives. BPCL also strengthened its position by entering into an agreement with Original Equipment Manufacturers (OEMs) for marketing Genuine Oil and to grow in the personal and commercial mobility space.

Moving ahead, growth opportunities in the market will be captured by creating a strong secondary network of retailers and mechanics on digitally enabled loyalty programs. Steel, cement, infrastructure and auto ancillary will continue to be focus areas for sustained business growth.

LPG

The LPG SBU has been operating in a volatile and a tough environment, characterized by high prices, impairing the ability of the OMCs to pass on the price increases to domestic consumers, LPG-domestic being a regulated product. Nevertheless, LPG BU continues to remain steadfast in its mission of providing clean cooking fuel to the households in the country.

The SBU registered a sale of 7,474 TMT for the year, attaining the highest growth of 4.42% amongst the PSU OMCs, thereby increasing the market share by 0.45% during the year 2021-22. Increasing the proliferation of LPG further, Pradhan Mantri Ujjwala Yojna (PMUY), Ujjwala 2.0, was launched from Uttar Pradesh in August 2021. The scheme led to acquisition of 25 lakh new customers during the year, with the business cumulating 2.35 crore LPG connections since inception of the scheme.

New customer enrolment of 41.24 lakh during 2021-22 took the domestic customer base to 8.84 crore as at the end of the year. Due to the improved living conditions, 17.09 lakh customers also opted for a second cylinder (DBC) during the year.

Expanding its LPG marketing network, BPCL added 54 new distributorships during the year, taking the total number of distributorships to 6,213 as on March 31, 2022. Additionally, 109 non-domestic distributors and 44 business associates were also added to our portfolio to increase commercial LPG sales.

In order to improve awareness and availability of LPG in remote rural areas, a new concept of Urja Devi was introduced, who is a village level women entrepreneur entrusted to promote fuel and non-fuel offerings in rural areas. During the year, 8,048 Urja Devis were enrolled who, in turn, are helping BPCL to enhance awareness about usage of LPG, to ensure availability of LPG nearer the home, bridging the last mile connect and enhancing women entrepreneurship, leading to empowerment of women in rural areas. Additionally, in order to reach nearer to the consumers, Company has strengthened its association with CSC Village Level Entrepreneurs (VLEs) and enrolled 20,985 VLEs to go closer to rural customers.

To provide convenience and enable customers the ease to pay anytime, BPCL rolled out different options for digital payments. Digital transactions were 36.84% of the total transactions during the year.

During the year 2021-22, BPCL achieved bottling of 7,522 TMT LPG, recording a growth of over 4.56%, as compared to the last year and achieved a capacity utilization of more than 100% from LPG bottling plants across the country. The Company added carousels in Allahabad, Raiganj and Saleempur plants to augment capacity. Further, a greenfield LPG bottling plant at Bokaro was commissioned in December 2021 with a bottling capacity of 90 TMTPA.

To further augment the LPG bottling capacity, four new private marketing company plants were commissioned at Salem, Jaunpur, Villupuram and Kakinada during the year. Construction of two cryogenic tanks at Uran Terminal is also underway, which would further enhance storage infrastructure in the West and facilitate higher imports. This project is expected to be completed by June 2024.

BPCL has procured four LPG rakes and is in the process of procuring eight more rakes to enhance the logistics capability, while the capacity of Uran-Chakan Pipeline is being doubled (from 1,000 TMTPA to 2,000 TMTPA) to meet the growing demand of LPG.

LPG bottling plants in BPCL continue to maintain their record of best practices in HSSE, coupled with improvement in productivity and cost leadership. The Company has taken specific effort to reduce energy consumption and 7 BPCL bottling plants featured in top 10 list of 200 OMC plants under Energy Efficiency Indexing (EEI). Sultanpur LPG Bottling Plant stood at first place among all 200 LPG plants.

As part of Project Anubhav, all LPG plants have been ported to the IRIS – a digital initiative to enhance the internal efficiency by ensuring safe operations through continuous monitoring of critical parameters for all LPG bottling plants.

LPG Indent and Supply Automation System (LISA) was launched during the year and rolled out across all the LPG bottling plants. This module incorporates 'Auto Indenting mechanism for Distributors' on a daily basis and is followed by auto allocation of vehicles based on reporting at the plants.

All BPCL LPG bottling plants have initiated the process for “Zero Waste to Landfill (ZWL) Certification” and ”Integrated Management System” covering ISO 9001, ISO 14001 and OSHAS 18001.

The Company propagated safe use of LPG through 6,250 LPG Panchayats and 29,890 Safety Clinics during the year. Training of LPG deliverymen and mechanics has been done to ensure improved customer service. Training was also imparted to Bulk and Packed LPG Tanker drivers as part of the safety initiative.

With a view to provide efficient and friendly services to its customers, BPCL embarked upon several customer-centric initiatives under the guidance of the Ministry of Petroleum & Natural Gas. One such initiative is the AI (artificial intelligence) enabled BAS (Booking After SMS) service, which analyses consumption patterns of customers for proactive booking, which gave a quantum leap of 158 TMT in sales. This initiative hit a success converging to 85% acceptance of the orders initiated.

BPCL launched a mobile application for customers to make digital payments through feature phones, enabling consumers to book refills and make payments through these apps, which is a first-of-its-kind initiative in the Oil Industry. Through this feature, the consumers who do not have smartphones or internet can book their cylinders and make payments through ‘UPI 123PAY’. With the introduction of this facility, nearly four crore consumers of BharatGas in rural India will be immensely benefited.

BPCL launched India’s first HTE (High Thermal Efficiency) hotplate with in-house developed patented technology that delivers 74% thermal efficiency and forayed into the world of consumer retailing by providing grocery and FMCG products to households with the promise of best quality and best rates through our consumer retailing initiative ‘Hobey’.

AVIATION

The Aviation sector made a partial recovery after witnessing the worst effects of pandemic during the year 2020-21, when the Government opened domestic sectors in a calibrated way once the first wave of the pandemic ebbed and introduced air transport bubble arrangements with specific countries. The ban on regular scheduled international flights continued throughout the year and was uplifted only on March 27, 2022. Although business was impacted, to boost the sector, various initiatives were taken such as disinvestment of Air India, modernization and expansion of airports, increasing the network of the Regional Connectivity Scheme of Government of India UDAN – and giving incentive to maintenance, repair and overhaul (MROs) operations. Full recovery of the domestic aviation segment is expected by the end of this year, whereas the international segment is likely to achieve pre-Covid sales only by the year 2023-24.

Braving the pandemic, Aviation SBU continued to provide its yeoman service of round-the-clock uninterrupted fueling to the airlines. This was done following the best practices ensuring quality, safety standards and standard aviation operating practices benchmarked with international standards. Growing at 32% over the previous year, BPCL has achieved Aviation Turbine Fuel (ATF) sales of 1,050 TMT and a market share of nearly 22.3%.

The international segment, which has always remained BPCL's mainstay, contributed more than half of the volume of ATF sales and grew at 46%, as compared to the previous year. The highlight of the year was that BPCL was not only able to retain all scheduled international passenger airlines but was also able to increase share-out with the Airlines at some locations. The business laid special focus on acquiring ad hoc international cargo business and non-scheduled flights operating under bubble arrangements.

BPCL has achieved a growth rate of 20% at locations where major domestic aviation fuel business had been awarded, as compared to the previous year. The Company has been serving all scheduled domestic airlines and most of the non-scheduled operators in India.

The year also marked the disinvestment of Air India and Air India Express, which were taken over by the Tata group. Both the airlines have cleared BPCL's entire outstanding dues.

As competition is growing, the SBU has increased its focus on generating revenue from building and operating aviation fuel infrastructure. Aviation SBU has been awarded operatorship of Mumbai Aviation Fuel Farm for another 5 years starting January 1, 2022, which BPCL has been operating since 2015. Another feather in the cap of Aviation SBU is that GMR Goa International Airport Ltd (GGIAL) has awarded a concession to BPCL for designing, development, construction, and operatorship of fuel farm with Into-plane service at the upcoming greenfield airport at Mopa Goa for 20 years.

Even during the pandemic, BPCL continued to work towards expansion of its Aviation Fuel Station (AFS) network, setting up Kalburgi AFS and Kushinagar AFS under UDAN. The Aviation BU is aligning its strategy with the Government's policy of developing AFSs at smaller airports. Innovating refueling processes, a high mobility cost-effective dispenser for narrow-body aircrafts has been designed and manufactured by BPCL's in-house team on pilot basis. As a small step towards achieving environmental goals, electric vehicles with zero emissions have been procured for Aviation BU's operational areas.

NEW BUSINESSES

With Indian retail market poised for exponential growth, BPCL is fully geared up to enhance its footprint in the non-fuel businesses that offer consumables, durables and services, by leveraging BPCL's nationwide network of over 20,000 Fuel Stations and 6,200+ LPG Distributors. In this direction, BPCL created a new Business Unit called "New Businesses" during the year to generate additional revenue streams in the non-fuel space. A comprehensive strategy was worked out and a unique digitally enabled omni-channel 'consumer rural retailing' model was rolled out in tier III/IV towns, i.e., sub-district areas in five states in March 2022 to cater to a wide assortment of fuel and non-fuel needs of consumers. This consumer retailing model, focusing on the ever-growing rural market, is first of its kind, where a bouquet of fuel and non-fuel products along with essential services such as insurance, financial products, and tele-medicine are being arranged together. BPCL is planning to leverage its pan-India network to cater to any market demand, from daily essentials to consumer durables, to building materials, to welfare schemes and so on and so forth. This network shall be of immense value, as BPCL could cross sell, re-sell and up-sell a varied assortment of products and services.

BPCL has taken its iconic brand of In & Out stores to Tehsils, with further extension to rural areas through village-level partners. These physical stores, enabled by a digital backbone, take modern retail to rural and semi-urban customers. These "Phygital" stores, with omni-channel presence, create attractive value propositions for the target customers. As part of this business model, the Company is creating village eco-centers by training rural women and providing them the necessary support and inputs to become village-level entrepreneurs. These village-level entrepreneurs – "Urja Devis" – are BPCL's mascots in deep rural areas of the country, representing the ethos and values that we have built over the years. Through these village eco-centers, BPCL is taking fuel and non-fuel offerings to the rural customers.

The rural consumer retailing model not only helps in increasing fuel turnover, but also gives an avenue for revenue generation to BPCL as well as its channel partners. BPCL will be one of the first companies to reach deep rural customers and set up an organised retailing eco-system. The Company has created 30 In & Out stores and enrolled 300 Urja Devis during the year 2021-22 and aims to expand aggressively in this space going forward.

BPCL is transforming its fuel retail outlets into all-encompassing 'Energy Stations' with the launch of tailor-made retailing models for urban and highway segments comprising food, consumer retailing, pharmacy, entertainment, etc. along with multiple fuel and energy solutions.

RENEWABLE ENERGY

The Renewable Energy BU was established during the year 2021-22 to meet the aspirations of BPCL in the field of energy transition and to help in achieving BPCL's aim of reaching Net Zero by 2040 in Scope 1 and 2 emissions. The BU explored various opportunities to scale up the green energy portfolio of BPCL, including participating in power purchase tenders and studying the feasibility of setting up solar power projects at land banks owned by BPCL. An MoU was signed with Solar Energy Corporation of India (SECI) for leveraging their expertise for development of solar projects. A detailed feasibility study for solar power plants at five BPCL lands (Tadali, Badnera, Sanganer, Karur Depots and Kochi Refinery) is in progress.

BRAND & PUBLIC RELATIONS

Put simply, a brand is more than "brand". It is the most concise, yet the most impactful statement about who we are and what we stand for. The brand speaks to the audiences on behalf of the Company and provides us a firm ground to elevate the discourse and take the engagement to a higher orbit. A carefully crafted public relation and brand strategy that is in sync with the changing times adds delightful dynamism to the communication and the manner in which BPCL mingles with the world.

Digital technology has not only shrunk the world but also redefined it in several profound ways. Today, it is not just about the speed of communication, but also about its richness and lavish interactivity. In a digitally connected world, especially in the social media space, audiences are no longer passive receivers of information but active, opinionated participants.

With changing times, BPCL's public relation and brand strategy has also evolved in step with changing expectations and perceptions of audiences. The focus, which once gravitated largely towards promotion of products and initiatives, has undergone a sea change. This year was a witness to this subtle metamorphosis.

The Company took a deep look beneath the onion skin and its first few layers, and benchmarked the communication strategy with global oil & gas majors. BPCL reframed its presence in the public domain, bringing to greater visibility of the efforts towards reducing carbon footprints, boosting renewables, digital transformation, technological advancements, safety culture, and employees taking almost an equal space. This helped to generate highly positive brand perceptions.

Use Social Media Presence for Brand Building & Marketing Campaign

This strategic impetus also helped the Company in expanding the base of followers on its social media platforms, which exceeded the expectations not only in sheer numbers but also in the depth of engagement. During the year, BPCL's Facebook page, with 2 million+ followers, became the largest followed page among oil & gas majors in India and second largest followed page among oil & gas majors in Asia today. Driven by an impactful content comprising 608 stills, 461 videos and 3,968 tweets/retweets, the social media handles added 8.12 lakh followers across the touchpoints, with a combined growth of 30%, taking the followership to 27 lakh. Instagram recorded the sharpest jump, with a stupendous 428% growth.

Leveraging Public Relations to Achieve Long-Term Goal

BPCL stood head and shoulders above its peers in an important metric. For the first time, on a yearly basis, the Company achieved the highest Advertorial Value Equivalent (AVE) of its media coverage, among OMCs, with 42.4% share of voice. Both the corporate journals – Petro Plus and Journeys – were transformed to host the best-in-class content, in visual appeal as well as incisive coverage. Meanwhile, BPC Tarang, the Company's unique voice-based programme, is writing its own success story through rising popularity.

Global Presence

BPCL raised significantly its brand presence overseas, with MAK Lubricants spreading wings wider in key global markets. The Company showcased its technological prowess, world-class products and future endeavours at ADIPEC in Abu Dhabi, World Expo in Dubai and World Petroleum Congress in Houston, USA, which resulted in deeper penetration of MAK Lubricants in these markets, yielding the Company the highest ever volume in these regions.

Establishing a Strong Brand Identity through Website

An element of smart interactivity and intuitive engagement was infused in the Company website with the launch of BPCL's innovative AI-based intelligent energy assistant "Urja". Ever since, the helpful and intelligent chatbot has been making waves and winning the hearts of the visitors.

With intelligent Search Engine Optimisation (SEO) strategy, newly designed pages and mobile-friendly website features, a 47% gain was achieved in website traffic, scoring a 50% increase in first page keywords during the search. With this jump in web traffic, the website clocked a monthly monitising value of ₹ 56 lakh.

Campaigns

BPCL launched several campaigns during the year, using its strong digital presence and media relationship.

For the Tokyo Olympics, as many as seven sport stars from BPCL were selected to represent India at the Games. The Company launched a series of ATL, BTL and digital campaigns to take our brand to people during the mega sporting event and received massive media coverage. The campaign was voted as the best PSU campaign for the Games, scoring a digital reach of over 63 lakh.

The Company's social media campaigns for 'More for Sure' promoting UFill, Azadi Ka Amrit Mahotsava, Urja Chatbot and MAK generated approximately 10 crore impressions.

Recognition

Bharat Petroleum reaped a bumper crop of 15 high-profile awards, including the coveted 'Champion of Champions' award at the Public Relations Council of India (PRCI) Awards 2022, reflecting the professionalism, creativity and reach of the Company in the public sphere.

International Award

BPCL Experience Centre at Corporate Office is a unique gallery that communicates an encapsulated message of a grand nation-building saga of BPCL. A coveted international award – the Inavate Asia Pacific Awards 2021 – was conferred on Sigma AVIT Technologies, BPCL's technology partner for the Experience Centre, under the 'corporate' category in an award ceremony held in Singapore.

Brand Quiz Badshah

After a gap of two years, BPCL once again organised the Brand Quiz Baadshah (BQB) contest, which is a one-of-its-kind initiative for employee engagement at the broadest level. Due to successive pandemic waves, the event was held in phases.

These well-curated and far-reaching brand promotion initiatives gave greater visibility to Brand BPCL, while enabling the Company to go wider and deeper to reach new audiences and penetrate new markets.

PROJECT ANUBHAV – BPCL' s pioneering digital initiative

Digital technologies have transpired across the world to usher in the fourth Industrial Revolution. Industry 4.0 is focused on the amalgamation of physical and digital technologies. The revolution is progressing at an unprecedented speed, driven by smart, connected technologies that are developing at an exponential rate. A range of innovative technologies like cloud computing and platforms, big data and analytics, mobile solutions, and Artificial Intelligence (AI) is fuelling business transformation. BPCL, in response to new-age technological revolution and fast-paced progressive business models, embarked on its journey of digital transformation under 'Project Anubhav'.

The project fundamentally focuses on delivering best experience to the consumer at every point of interaction, meeting their continuously evolving needs, while enhancing operational efficiencies and enabling penetration of digital DNA into not only every transaction, but every business opportunity. This feat to create exceptional and consistent customer experience rests on three foundational pillars – Convenience, Personalisation and Trust. Initiatives under Project Anubhav include Customer Engagement Platform, IRIS digital nerve centre, Digital Marketing Platform, and Integrated Supply Chain Management solutions.

HelloBPCL App/Portal, the customer-facing interface for all Project Anubhav initiatives, has garnered more than 2.4 million active users and has a footfall of 100 thousand customers per day. On a daily basis about 22,000 LPG cylinders are booked, and around 800 distributor portability requests, 100 Double Bottle Connections (DBC), 20,000 Lubes cash coupon redemptions and ₹ 200 crore of SmartFleet transactions are carried out on HelloBPCL currently. The portal also serves as a one-stop business portal for the industrial and commercial customers, with complete visibility of the entire chain of their transaction, eliminating manual intervention and enhancing response mechanism. This platform digitally empowers customers and associated logistics partners, right from purchase order to product delivery.

In the endeavour to consistently enhance the experience of our fleet, as well as corporate and B2C customers, Advanced Loyalty Program (ALP) was launched as a part of the HelloBPCL ecosystem. Built with best industry features, ALP enables the entire fleet value chain, right from the driver in the fueling bay, to the group fleet manager's dashboard, to the back-end ERP solution of the corporate customer with Cash Management System (CMS), personalized reports, and simplified fleet management & control.

Another Key initiative set up under 'Project Anubhav' is the Integrated Conversational Virtual Messaging Platform 'Urja', aimed at unifying all customer interactions into a consistent omni-channel platform. Powered by AI and natural language processing (NLP), 'Urja' is available in 13 languages, on Whatsapp and the BPCL website and has been designed to cater to 600+ use cases. 'Urja' has handled more than 2.3 crore customer interactions and exchanged around 42 crore messages till date.

BPCL's MAK lubricants is a leading name in the Indian lubricants industry with a sizeable market presence. The lubricant industry in India is highly dynamic, where around 40 players, including multinational companies, are active. BPCL has built an innovative QR Code solution for the highly competitive lubricants business, which helps to ensure traceability of product across the supply chain, loyalty schemes to mechanics and retailers, while also providing instant coupon redemption and cashback for all coupons distributed along with MAK Lubricants packs.

Another brand christened as 'UFill' was launched during the year, which is a pre-paid UPI-based touchless fuel refilling solution. UFill, available at around 6,500 BPCL ROs, is integrated with Fuel Automation System, which increases transaction transparency, while reducing turnaround time and enhancing customer experience during fuelling transaction.

A Customer Relationship Management (CRM) platform powered by M/s Salesforce 'SalesBuddy' has been deployed for internal employees. This platform aims to reinforce customer-centricity by enabling the BPCL field force to effectively build and improve customer relationships, manage the expanding base of customers and nurture prospects or leads effectively through a structured process.

IRIS, the digital nerve centre of BPCL, has been facilitating remote monitoring of operations in marketing terminals and bottling plants. It can accept more than 3 million inputs per second from local automated systems, cameras, and Internet of Things (IoT) devices deployed at key locations like retail outlets, fuel terminals (including depots and installations), LPG plants, consumer pumps, and railway installations along with the associated tank trucks deployed for product delivery. Currently, IRIS is integrated with 17000+ ROs, 83 Retail terminals, 52 LPG plants, and 25000+ tankers.

The digital initiative is bolstering BPCL's marketing prowess and giving it a unified perspective of the consumer, while improving business process efficiency, augmenting supply-chain transparency and enabling market intelligence. It is helping BPCL to achieve trust, convenience and personalization in ways that are unique to the industry and has created a niche for the Company in the market.

CORPORATE STRATEGY

Corporate Strategy department's key focus is to continuously develop and evolve medium-to long-term organizational strategies to achieve organizational vision and goals. In this endeavor, the Corporate Strategy setup takes a portfolio approach by looking at BPCL's various Business Units (BUs) to determine an overarching strategic roadmap. For this, the department routinely engages with the BUs to co-create enterprise-level plans and ensure that strategic initiatives are translated into business specific plans leading to on-ground implementation. With a strong focus on growth and value creation, the department continuously scans internal and external business environment to track megatrends, identify challenges and explore as well as evaluate strategic opportunities for suggesting strategic interventions required for the Company to deliver and sustain high performance.

Energy transition is rapidly accelerating across the globe. There is a paradigm shift in the energy landscape towards low-carbon solutions and technologies. Nations and organisations around the world have announced ambitious plans to decarbonize their energy consumption and operations amid growing calls for immediate climate action. India, too, has taken ambitious targets towards a greener and cleaner environment, promoting proliferation of various alternate energy sources like biofuels, renewables, electric vehicles, hydrogen, etc.

Aligned with the national priorities, BPCL is actively looking at diversification opportunities to develop business case for future investments, to open avenues of growth and de-risk the existing businesses in this rapidly evolving scenario. The major focus areas of the Corporate Strategy department are building low-carbon portfolio of gas, biofuels and renewables; transforming fuel retailing by developing new-age mobility solutions; and building a resilient hydrocarbon portfolio, including petrochemicals to make existing business more efficient, flexible and profitable. Corporate Strategy department is continuously evaluating organic and inorganic investment and growth opportunities in the above areas.

To further the organizational goals, the Corporate Strategy department also leverages India's vibrant startup ecosystem by supporting promising startups under its Startup initiative christened as "Project Ankur". The initiative was started in 2017, in line with Government of India's "Startup India" initiative and recognizing its importance as an innovation engine. The aim of Project Ankur is to develop an ecosystem that nurtures entrepreneurship in the country by backing innovative ideas/concepts that have the potential to grow into promising startups and create a multiplier effect. By engaging with the startups at an early stage, BPCL also gets access to some of the path-breaking technologies and solutions in the energy space. BPCL has allocated ₹ 50 crore for this purpose in two phases. This fund is being utilized to support deserving and budding startups in various ways, including grant funding. A total of 31 startups have been selected for grant funding amounting to a total of about ₹ 27.9 crore, out of which ₹ 25.4 crore has already been disbursed up to March 31, 2022. In addition to the grant funding, BPCL is also providing mentoring and guidance to the startups. Further, BPCL's Startup cell has been facilitating startups to engage with the BUs through separate contractual arrangements to implement new initiatives and test out the services provided by the startups.

BPCL is also collaborating with startups, selected through a nationwide startup grand challenge christened as "BPCL Startup Grandslam" (Season 1) for developing and implementing innovative solutions for some of BPCL's business challenges.

To amplify the outreach and effectiveness of Project Ankur, BPCL continuously engages with the startups ecosystem in India, including Startup India, leading academic institutions, incubators, accelerators and venture capital investors. Going forward, BPCL is committed to supporting startups in a variety of ways, with a focus on equity investments, business exposure, mentoring, networking support and guidance.

HUMAN RESOURCES

In the current dynamic environment with constant disruption and changes driven by concerns over climate change and accelerated by events like the Covid pandemic, the future of HR demands major shifts in mind-set, roles and capabilities, aptly enabled by technology. With this in mind, the leadership capability assessment and development process, which is carried out under the Talent Management Framework 'ASCEND', was further strengthened with a revised Leadership Competency Framework and assessment methodology comprising personality self-assessments and Assessment Centers. These brought in more nuanced profiling of behaviors that define a BPCL leader at various leadership levels and the framework is well-attuned to our ideology of business success and what it really takes to get there. Assessment Centres were launched as part of the revised potential assessment methodology and around 1,000 officers were covered under the process. Officers in senior leadership levels were also taken through a Development Centre process by way of exhaustive Development Workshops to enable them to chart out their development plans.

Executive coaching was successfully rolled out for select senior leaders in critical positions. The coaching journey will help the leaders transition to new roles by chalking out a plan for them to build on their strengths, while developing a heightened sense of self awareness in a guided manner.

One of the core values of BPCL is 'Development of People is the only way to success'. To bring in greater focus on equipping employees with skillsets that are more relevant to their learning needs in sync with their role requirement, a structured "need identification" was done, followed by customized learning interventions for various learning requirements. During the year 2021-22, along with the regular training programmes, simulation-based experiential learning programmes were introduced on a large scale for the first time in BPCL, covering around 3,700 staff members in a short span.

With a view to further encouraging a culture of self-paced learning, a larger selection of online learning platforms were extended to officers besides LinkedIn Learning, by introducing Emeritus Insights and Percipio by Skillsoft, which provided access to a vast library of e-learning courses.

Further, in the endeavour to make the HR practices more robust, focused efforts were made to achieve certification of Maturity Level 3 of the People Capability Maturity Model (PCMM). This model has been developed by the CMMI Institute based in the USA and is a proven set of people management practices that provides a roadmap for continuously improving the capability of an organization's workforce across five levels of maturity.

As a concerted effort in the direction of 'being a great organisation to work for' and enhancing Employee experience, "Voice of Employee Survey" was launched in partnership with Gallup, a global advisory firm in the space of employee engagement, and 83% of management staff shared their experience as part of this survey. The data collected from this engagement survey is being analyzed so that planned interventions can be rolled out to leverage strengths and work on areas of opportunity to enhance employee experience.

In view of the organizational priority of 'Going Digital', various learning initiatives were launched in the space of digital upskilling. To create a pool of Digital Champions, officers from across SBUs and Entities were enrolled in a customized learning journey, created in partnership with and anchored by premier management institutes. This hybrid course culminated into Action Learning projects, which were aligned with business objectives. Additionally, custom learning solutions were also curated for Business Councils associated with various digital services like 'Salesforce' training and 'SAP Hybris' to ensure necessary capability development for realization of success of digital initiatives.

The Company believes and practices empowering, inspiring and energizing people. With focus on young talent to provide them with capability-building opportunities and to groom them into future leaders, Junior Business Councils (JBC) were constituted. A structured orientation was conducted for alignment of JBC members on areas of collaboration, impact thinking, communication and influence. The innovative solutions provided by JBCs to existing business challenges and their successful execution in businesses was the highlight of this initiative.

The industrial relations climate remained harmonious and peaceful across the Company. While long-term settlements on wages and other matters have been successfully signed with seven out of eight eligible Marketing Unions in the past, discussions with the Refineries' Unions are in progress. There were no cases of any industrial unrest. The Company continued the thrust towards productivity enhancement and employee well-being, with a focus on regular communication with all employees on all important issues affecting them and the Company as a whole. The Management and the Unions are committed to improving standards of work and overall capability of workmen, thereby supporting the overall organizational objectives.

With the objective of cost optimisation and enhancing process efficiencies, units carrying out similar backend activities across the organization have been consolidated into centralized structures providing similar services. Some of the centralized structures, which have been set up are Centralized Benefit Administration, Payroll Administration and GST Accounting. Additionally, centres of excellence, namely, Central Maintenance and Reliability Organization and Central Refineries Project Organization, have been set up for handling major projects carried out across the refineries and improving Reliability Index of refineries. These centralised structures have enhanced the efficiency and optimised manpower for these activities that were hitherto being carried out independently by each refinery. These units are staffed by officers with the highest level of skills and competencies.

EMPLOYEE SATISFACTION ENHANCEMENT (ESE)

The Employee Satisfaction Enhancement (ESE) team continued its endeavor of touching lives of employees to ensure a healthy, productive, vibrant and energized workforce. Despite the difficulties posed by the pandemic, the ESE team ensured continuous employee connect through various means, including an online mode and proactively interacted with over 1,864 employees to understand their issues and grievances, if any, and resolved them.

Considering the lethal second wave of Covid in the beginning of the year 2021-22, the ESE team decided to reach out to employees and support them and their family members through specialized professional counselling during this difficult period. This was done through the initiative 'Covid Outbound Counselling', whereby the affected persons were connected to professional therapists to help them cope with the mental distress and anxiety inflicted by the disease. A total of 112 employees who were affected with Covid and expressed willingness for counselling were reached out to by professional counsellors.

Team leaders play a very crucial role in ensuring employee engagement and, therefore, sensitisation of the line managers on emotional wellbeing at the workplace assumes great important. During the year, the ESE cell sensitised 480 line managers of their role in creating a positive, stress-free workplace and the way in which they can enable their team members to reach out for help through the Employee Assistance Program (EAP) being offered by ESE.

ESE is continuously making efforts to enhance the wellness of employees by arranging webinars with the tag line "Wellness – Staying healthy starts from within".

ESE's effort to normalise conversation around mental health was recognised by the Indian Health & Wellness Council in its 7th IHW Awards with a Bronze award for BPCL. ESE observed the month of October 2021 as Mental Health Month and ran various campaigns and panel discussions with our senior leaders and counsellors in the panel.

INTEGRATED INFORMATION SYSTEM (IIS)

BPCL continued the digital transformation journey, which started around two years back, in an aggressive manner into the year 2021-22. Various customer-centric digital initiatives were rolled out during the year to develop customer's trust, provide convenience to customers and also get deep insights to offer personalised services to customers.

During the year, the IIS team, collaborating with the Project Anubhav team, developed more than 69 digital interfaces to ensure smooth functioning of customer-facing digital initiatives, like Urja Chatbot, HelloBPCL Mobile App, SalesBuddy and IRIS, for centralised monitoring and control of various customer-facing and operational parameters at ROs and operating locations.

The IIS team also developed many innovative solutions for sales and operations during the year, based on three principles – Digitalisation, Phygitalisation and Process Automation. These solutions enabled ease of doing business, helped in making business processes simpler and improved internal efficiencies by reducing manual effort and optimising cost. The initiatives further contributed to BPCL's commitment for a better environment by making many processes paperless.

Some of the initiatives developed and implemented by the IIS team are as follows:

Road Intelligent Transport Automation System (RITA): The team developed and implemented a robust solution to control and monitor end-to-end logistics movement of Bulk LPG, in the most economical way. Now the entire planning of all road movements, lorry allocation, route allocation, etc. is done through this solution, which helps in maintaining optimum stock at all operating locations and also to optimise logistic movements.

LPG Indenting and Supply Automation (LISA): The team developed and implemented a solution to enable secondary supply automation for LPG BU. This solution enables auto planning and allocation of loads to LPG Distributors from operating locations and helps in timely supply of LPG to the network, optimum stock maintenance at operating locations and also at the Distributor's end. This also helped in optimising secondary transportation cost and ensured timely delivery of cylinders to the customers.

HEALTH, SAFETY, SECURITY & ENVIRONMENT (HSSE)

Health, Safety, Security and Environmental initiatives remain at the core of business activities of BPCL. All the Business Units and Entities in BPCL adhere to the commanding principle of 'Safety First, Safety Must'. The objective is to achieve zero incidents, effective containment of hydrocarbons and mitigation of associated hazards. The organization's mission is to achieve 'Zero Incidents, Zero Harm and Zero Excuses'.

The Corporate Safety Management System (CSMS) and 12 Life-Saving Rules (LSR) are adhered to across the organization to achieve standardisation and uniformity of Safety Management Systems.

BPCL has a well-structured Emergency Response Disaster Management Plan (ERDMP), which encompasses Preparedness, Mitigation, Planning and Restoration (PMPR). Mock drills are regularly conducted and reviewed to ensure emergency preparedness at all locations. The learnings and recommendations are leveraged to further strengthen response mechanisms.

Internal and External Audits are an integral part of operations. Internal Safety Audits (ISAs) are done as per the schedule in line with Oil Industry Safety Directorate (OISD) and other statutory requirements. External Safety Audits (ESAs) are frequently undertaken by OISD, Petroleum and Natural Gas Regulatory Board (PNGRB), Factory Inspectorate, etc. and their recommendations are implemented on topmost priority and in a time-bound manner.

Governance practices of safety systems and standard operating procedures (SOPs) of the critical processes are regularly monitored and reviewed to ensure safe operations across all locations. Any near-miss incidents and accidents are reported on our online portal. These are analyzed and the recommendations arising out of incident investigation are implemented across all locations.

BPCL completed the Safety Perception Survey (SPS) for all officers to gauge the level of Safety Culture prevalent across the organisation. The outcome of the survey indicated that the overall safety culture of the organization stands at calculative and generative state, which indicates a positive and mature safety culture. Improvement plans were formulated and disseminated to further strenghten the safety culture across the organisation.

Technological interventions like robotic cleaning of confined places, IIoT-based Wireless Asset Monitoring System, cloud-based HSSE portal, and use of drones, coupled with video analytics in turnaround safety surveillance, are being deployed to enhance safety across the organization.

Electronic Work Permit System (e-WPS) was integrated with IRIS for monitoring all ultra-critical activities. The Company implemented Interlock Bypass Online Authorization System to enhance process safety with mapping of Geographical Information System (GIS) to enable comprehensive data management of entire pipelines on a single platform with concurrent access from anywhere and at any time.

The technology of Vehicle Tracking System (VTS)/Electromechanical (EM) Digital Locks was integrated with IRIS at Central Command and Control Centre, taking cognizance of Industrial Transport Discipline Guidelines (ITDG) for recording, monitoring and corrective actions against en-route violations, resulting in reduction of in-transit accidents collectively (Retail and LPG BUs) by 25% over the previous year.

BPCL's commitment to safety is demonstrated through Kochi Refinery (KR) achieving 74.7 million man-hours of safe operation and Mumbai Refinery (MR) achieving 8.8 million man-hours of safe operation by March 31, 2022. Process Safety Management (PSM) has been successfully implemented at both the refineries and a further sustenance phase is in progress at KR.

During the unprecedented time of the pandemic, the Company evolved and adopted a multi-pronged combat strategy for safe operations, taking care of all the stakeholders, thereby ensuring business continuity. The Company organised various Covid vaccination camps across the nation at and around operating locations and refineries.

Training and development forms an integral part of the organization's competency-building program. As part of capacity building, which includes Strategic Target for Enhancing Performance (STEP), Corporate HSSE department arranged and imparted trainings of more than 10,000 man-hours, covering 2,500 participants on various topics of HSSE. This includes self-paced mandatory online trainings by M/s Dupont for HSSE role-holders.

Refineries and Pipelines have been re-accredited with ISO 9001:2015, ISO 14001: 2015 and ISO 45001:2018 standards for Quality, Environment & Occupational Health, and Safety Management Systems.

The Company is fully dedicated to addressing the issues of climate change and global warming, and believes that a comprehensive solution encompassing technological advancements, efficient use of energy and economically viable carbon-neutral alternatives are the need of the hour for ensuring environmental safety and sustainable development.

In line with the nation's objective of achieving Net Zero emissions by 2070, as articulated at COP26, BPCL has set a target of achieving Net Zero for its controllable (i.e., Scope 1 and 2) greenhouse gas (GHG) emissions by 2040. The Company has identified various short-term and long-term initiatives to reduce emissions, with Renewable Energy (RE) generation being one of the key thrust areas towards this goal. The Company is also in the process of identifying viable Carbon Capture, Utilization and Storage (CCUS) technologies that can be implemented in its refineries to capture CO_2 emissions, with focus on Scope 1 emission reduction.

BPCL benchmarked its sustainability initiatives on Environment, Social and Governance (ESG) parameters on the Dow Jones Sustainability Index (DJSI) platform and ranked 8th best Company globally in the oil and gas sector for the year 2021-22. BPCL's score is the highest in the peer group of oil and gas companies in India and has thus helped in improving its brand value globally as a responsible business entity.

The Company also benchmarked its performance on the Carbon Disclosure Project (CDP) Platform of sustainability and climate change, representing the Company's transition towards environmental stewardship and maintaining its rating at "Management Level", which is the best in the Indian oil and gas sector and on par with international peer group. The Company's efforts on sustainability were recognized during the year by various institutions and agencies through a number of awards and accolades, such as Federation of Indian Petroleum Industry (FIPI), the Confederation of Indian Industry (CII), etc.

The latest report on sustainability was published in the year 2020-21 following Global Reporting Initiative (GRI) Standards and mapped with United Nations' 17 Sustainable Development Goals. The Sustainable Development Report is assured by an independent third party.

The Company is continuously implementing various initiatives and firmly believes that clean energy alternatives shall help in protecting the environment. The capacity of RE increased to 46.44 MW and Energy-efficient Lighting (EEL) capacity has increased to 59.66 MW during the year. These renewables initiatives resulted in annual reduction of greenhouse gas (GHG) emissions by approximately 271 $TMTCO_2e$. Additionally, other sustainable initiatives such as Ujjwala Yojna, transportation of product through pipelines and use of bio-fuels in MS and HSD have helped in reduction of emissions by approximately 5,461 $TMTCO_2e$, totaling to 5,732 $TMTCO_2e$ for the year 2021-22. BPCL is proactively taking various initiatives in implementing low-carbon product technologies such as 1G & 2G Bioethanol, Compressed Bio Gas (CBG), Bio-Diesel, etc.

In the 2021-22, the Company planted approximately 90,000 trees to improve green cover and enhance biodiversity. Additionally, around 5 lakh 'seed bombs' were planted through seed-bombing technique in Maharashtra state. The Miyawaki Technique (Multi-layered Dense Forestation) plantation was initiated at Lokmanya Tilak Terminus Kurla, Mumbai, with replication in 15 Retail and Lubricants locations. These tree plantation initiatives have helped in increasing the size of CO_2 sink by sequestrating 12,000 $MTCO_2e$.

The Company has been proactively and continuously working towards increasing the rainwater Harvesting (RWH) capacity to reduce the dependency on other sources of water and expanded catchment area to 9,07,938 sq. m during the year 2021-22. Recycling of wastewater is achieved through Effluent Treatment Plants (ETP) and treated water is used for various non-potable purposes at operating locations.

As a responsible corporate citizen having its obligation towards prevention of soil contamination, BPCL carried out pilot studies at three locations on "Zero Waste to Landfill". Further, Mumbai Refinery and all Retail operating locations have now been certified for "Zero Waste to Landfill". BPCL's R&D Centre has developed a novel technology for use of waste plastic as sub-base in construction of roads. The Company has adopted composting in a big way to dispose of organic waste in a responsible manner and 350 MT of organic waste has been converted into compost and used for gardening purposes in the year 2021-22.

BPCL is committed to leveraging sustainable development, energy and operational efficiency, improved processes and technologies as well as reduced resource consumption, in line with national policy. It is also dedicated to complying with the related regulatory norms to conserve and sustain natural, social and biodiverse eco-systems as an integral element of our business and to thus create a healthy, safe, secure and environment-friendly workplace.

INTERNATIONAL TRADE & RISK MANAGEMENT (ITRM)

BPCL's International Trade and Risk Management (ITRM) setup does all activities pertaining to import of crude and import/export of products. ITRM procures crude indigenously, as well as through imports. Petroleum products are imported and exported based on domestic demand-supply scenarios. Allied services of ship chartering and operations are also facilitated by ITRM. Further, the ITRM setup includes an active Derivatives Desk engaged in risk management activities via the paper (financial derivatives) market, thereby covering operating costs of refineries and other associated costs.

After gaining key insights and understanding the nuances of the global spot crude oil market by partnering with M/s Shell International Trading and Shipping Company Limited, for a period over three years, BPCL's Independent Crude Oil Trading Desk went live in March 2021. In the very first year of operation, a major milestone of 100 million barrels of crude oil procurement (a total of 103 million barrels since the start of independent operation) was achieved for BPCL group of refineries during the year 2021-22. Through this Integrated Trading Desk approach, the Company captured opportunities in the oil market across the globe and became trend-setter amongst the Oil PSUs. The Trading Desk is fortified with a comprehensive trading policy and a robust governance framework that ensures the highest levels of controls in spot crude oil procurement.

BPCL became the first OMC to start the Very Large Gas Carriers (VLGC) lighterage operations at Haldia, thereby enabling discharge of entire cargoes at this location. This has immensely helped in reducing the bulk LPG Movement Cost (due to dead freighting from Dahej to Haldia), thus resulting in substantial savings for the nation on account of foreign exchange outgo. Besides, lighterages at Haldia have improved the availability and timely placement of bulk LPG in the eastern region and further to LPG bottling plants.

International Trade team rolled out its ambitious project of Invoice Life Cycle Management System in the year 2021-22 as a step towards digitization of its high value transactions to streamline the Vendor Invoice Payment process. This has given enormous benefits in terms of improving process transparency, accuracy and speed through document preservation, audit log & tracking, paperless transactions, and a system-driven approach.

BPCL, as a responsible corporate citizen, is whole-heartedly participating in various initiatives launched by Government of India, including Atmanirbhar Bharat. ITRM team conducted a first-of-its-kind workshop (Fusion with Future) for Indian ship owners and their senior operations team on November 26, 2021 in Mumbai. The workshop was aimed at helping Indian vessel owners become global players through an enhanced understanding of the global best practices with respect to operating and quality standards.

As part of BPCL's global strategy, ITRM has formulated an export strategy. This year, BPCL embarked on the focused methodology for export of petroleum products on planned and also on regular basis, rather than due to any supply-demand imbalance, thereby establishing and unleashing synergies.

ITRM has been constantly engaging in various activities for value addition such as exploring new geographies for sourcing new and better-value crudes, optimization of freight by leveraging options available in market, understanding infrastructure bottlenecks and ensuring infrastructure augmentation for enhanced performance. These activities are a result of synergies that are developed by interacting with various stakeholders. ITRM has leapfrogged from an era where crude purchases and refinery evacuation were closely controlled and monitored by the Government, to an era where pure economics will decide the best-fit decision.

With robust working policies and sound governance framework, ITRM has contributed immensely in the Company's growth path. It has ensured that policies are created, updated and followed to achieve rational outcomes.

RESEARCH AND DEVELOPMENT (R&D)

BPCL's R&D department plays a pivotal role in innovating and creating new technologies, niche products, and the future capabilities for business growth and sustainability. Towards this endeavor, during the year 2021-22, R&D department carried out various activities for establishing new products and supporting sustainability of refining processes. During the year, Central Research and Development Centre (CRDC) successfully showcased a number of innovative solutions like Bharat Hi-Star LPG stove with increased efficiency of 75% (up 6% from existing market). This is being commercialized through joint ventures with manufacturers and sellers. Various developmental activities in niche petrochemicals, novel and energy-efficient refinery processes, product development, biofuels, green hydrogen and CO_2 mitigation were taken up during the year. The R&D team has successfully developed new Superabsorbent Polymer formulations with improved properties. The product is under certification and testing by customers. Further scale-up of the plant for increased production is in progress. De-aeration of de-mineralized water using Hi-Gee technology, digital tools like K Model and BPMARRK for crude oil compatibility prediction and Bharat H_2 Separation Membranes for hydrogen were also implemented during the year.

With the focus on energy transition and for development of new processes, Memorandums of Agreement (MOAs) have been entered into with BARC for electrolysis of water to produce green hydrogen, and with Indian Institute of Chemical Technology (IICT) Hyderabad to develop biogas production process using lignocellulosic biomass as feedstock. An MOA was also firmed up with M/s Engineers India Ltd (EIL) to commercialize indigenous Crude Oil De-salter and Divided Wall technologies. A successful field trial for in-house developed Corrosion Inhibitor for crude pipelines was carried out and the use of product initiated.

During the year, research by the CRDC team resulted in the grant of three Indian patents. Also, five new patent applications (four Indian and one foreign) were filed during the year. The R&D department of BPCL is no longer merely an innovation hub, but also a revenue generator through implementation and commercialization of various solutions.

BPCL is looking forward to developing many more advanced technologies, with focus on carbon capture and green Hydrogen for improving environment and ensuring sustainability of the organization.

Exploration and Production of Crude Oil and Gas through Wholly Owned Subsidiary

Operations of the Company

Bharat PetroResources Limited (BPRL) has Participating Interest (PI) in eighteen blocks, of which nine are in India and nine overseas, along with equity stake in two Russian entities holding the license to four producing blocks in Russia. Five of the nine blocks in India were acquired under different rounds of New Exploration Licensing Policy (NELP), one block was awarded under Discovered Small Fields (DSF) Bid Round 1 and three blocks were awarded under the Open Acreage Licensing Policy (OALP) Bid Round 1. Out of the nine overseas blocks, five are in Brazil, two in United Arab Emirates and one each in Mozambique and Indonesia. The blocks of BPRL are in various stages of exploration, appraisal, development and production. The total acreage held by BPRL and its subsidiaries is around 22,000 sq. km, of which approximately 49% is offshore.

The PI in respect of the blocks in India are held directly by BPRL. BPRL has wholly owned subsidiary companies located in the Netherlands, Singapore, and India. The subsidiary located in the Netherlands, i.e., BPRL International BV, in turn, has four wholly owned subsidiary companies, viz., BPRL Ventures BV, BPRL Ventures Mozambique BV, BPRL Ventures Indonesia BV and BPRL International Ventures BV. BPRL Ventures BV has 60.88% stake in IBV Brasil Petroleo Limitada, which currently holds PI ranging from 20% to 40% in five blocks in offshore Brazil. BPRL Ventures Mozambique BV has PI of 10% in a block in Mozambique, and BPRL Ventures Indonesia BV holds PI of 16.2%[1] in a block in Indonesia. BPRL, through BPRL International Ventures BV, has 30% stake in Falcon Oil and Gas BV, which holds 10% stake in the Lower Zakum Concession in offshore Abu Dhabi, UAE. Further, BPRL's wholly owned subsidiary in Singapore, i.e., BPRL International Singapore Pte Ltd (BISPL) holds 33% each in two Special Purpose Vehicles (SPV), viz.,Taas India Pte Ltd (TIPL) and Vankor India Pte Ltd (VIPL), which hold 29.9% and 23.9% in the Russian entities LLC Taas-Yuryakh Neftegazodobycha ("TYNGD") and JSC Vankorneft, respectively. BISPL further holds 50% stake in Urja Bharat Pte Limited (UBPL) in Singapore, which is the Operator of Onshore Block 1 Concession in Abu Dhabi with 100% PI. The subsidiary in India, viz., Bharat PetroResources JPDA Limited, held PI in a block in Timor Leste, which has been relinquished.

Current Status of Blocks

Overseas Assets

RUSSIA

BPRL along with Oil India Limited (OIL) and Indian Oil Corporation Ltd (IOCL), jointly referred to as the Indian Consortium (IC), holds 23.9% stake in JSC Vankorneft and 29.9% stake in LLC TYNGD through joint ventures Vankor India Pte. Ltd. (VIPL) and Taas India Pte. Ltd. (TIPL), respectively, both incorporated in Singapore.

In JSC Vankorneft, LLC Vostok holds 50.1% shares, ONGC Videsh Ltd. (OVL) holds 26% shares and IC holds the remaining 23.9%, through their respective subsidiary companies. During the year 2021-22, JSC Vankorneft produced approximately 10.38 MMT of oil and 5.72 BCM of natural gas (BPRL's effective share being 0.82 MMT oil and 0.45 BCM natural gas). During the year 2021-22, IC received dividend amounting to approximately USD 152 million (with BPRL's effective share of approximately USD 50 million).

In TYNGD, Rosneft holds 50.1% shares, BP holds 20% shares and IC holds the remaining 29.9% shares, through their respective subsidiary companies. During the year, TYNGD produced approximately 5.06 MMT of oil and 3.51 BCM of natural gas (BPRL's effective share being 0.50 MMT oil and 0.34 BCM natural gas). During the year 2021-22, IC received dividend and capital repayment amounting to approximately USD 276 million (with BPRL's effective share of approximately USD 91 million).

UNITED ARAB EMIRATES (UAE)

Lower Zakum Concession

The Lower Zakum field, located in Abu Dhabi offshore shallow water, has been producing crude oil since 1967.

The Indian consortium, comprising BPRL along with OVL and IOCL, acquired 10% stake in the offshore producing oil asset

[1] *Notice of withdrawal issued by Pertamina and BPRL to defaulting partner for transferring defaulting partner's PI to non-defaulting partners in proportion of existing PI. Approval pending from Indonesian regulator, SKK Migas.*

Lower Zakum Concession in Abu Dhabi, UAE. The Indian Consortium's share in the Lower Zakum Concession is held through Falcon Oil & Gas BV, a SPV incorporated in the Netherlands, where BPRL holds 30% shares through its step-down subsidiary BPRL International Ventures BV. The concession has a term of 40 years, effective from March 9, 2018. The other shareholders in the Lower Zakum Concession are JODCO (10%, a wholly owned subsidiary of Japan's INPEX Corporation), China National Petroleum Corporation (10%), Italy's ENI (5%) and France's Total S.A. (5%). The Abu Dhabi National Oil Company (ADNOC) holds a majority 60% stake in the concession.

During the year, BPCL group refineries lifted approximately 4.3 million barrels (0.56 MMT) of Das Blend Crude Oil as its equity oil from the Lower Zakum Concession.

Onshore Block 1 Concession

BPRL, jointly with Indian Oil Corporation Ltd. (IOCL), was awarded the Onshore Block 1 Concession as an Operator with 100% PI in March 2019 under Abu Dhabi 2018 Block Bid Round. The block is held by Urja Bharat Pte Limited (UBPL), a 50:50 joint venture company of wholly owned subsidiaries (WOS) of BPRL and IOCL, incorporated in Singapore.

Onshore Block 1 covers an area of 6,162 sq. km located in the Al Dhafra region around Ruwais City and the refining complex, including the coastal region to the west. There are two existing undeveloped discoveries in the area, named Ruwais and Mirfa, in addition to available prospects/leads for exploration.

The drilling and testing of appraisal wells in Ruwais Discovery have been completed, which has established the presence of hydrocarbons, and further studies are in progress.

During the year 2021-22, the first exploration well in the unexplored area was spud on March 3, 2022 and the remaining exploration wells are planned to be drilled subsequently.

MOZAMBIQUE

BPRL, through its Netherlands based step-down subsidiary company BPRL Ventures Mozambique B.V, holds 10% PI in the Offshore Area 1, Rovuma Basin concession in Mozambique. Total E&P Mozambique Area 1 Limitada, a wholly owned step-down subsidiary of Total S.A. is the Operator with 26.5% PI and the other consortium partners are Mitsui E&P Mozambique Area 1 Limited (20%), ENH Rovuma Área Um, S.A. (15%), ONGC Videsh Rovuma Limited (10%), Beas Rovuma Energy Mozambique Limited (10%) and PTTEP Mozambique Area 1 Limited (8.5%).

Following the discovery of vast quantities of natural gas in the Rovuma Offshore Area 1 off the coast of northern Mozambique, Area 1 consortium partners announced Final Investment Decision (FID) on June 18, 2019 to develop a 2x6.56 MMTPA-Train onshore initial LNG Project for monetization of gas discovered from offshore Golfinho-Atum discovery area. With the announcement of the FID, the Golfinho-Atum Field Development Plan became effective and Development and Production Period of 30 years commenced.

The Area 1 Partnership has finalized Senior Debt Financing of approximately US$ 14.9 billion for the project. The senior debt comprises a mix of Export Credit Agencies (ECA) Direct Loans, ECA Covered Facilities, Commercial Bank Facilities, and finance from a multilateral development institution.

While the project activities were progressing on schedule till March 2021, the project operations have been suspended and force majeure has been declared during the year 2021-22, since the Operator is unable to perform its obligations due to the security situation in the vicinity of the project site.

The Government of Mozambique is working towards reestablishing peace and resolving the security situation. Mozambican military along with Joint forces from Rwanda and Southern African Development Community (SADC) continue their operations in the region.

The Area 1 Project is assisting in the development of local social and economic infrastructure and the project is currently implementing various initiatives in the areas of agriculture, water and sanitation, health, education and capacity building, fisheries, solarization and small business development.

While the project remains in force majeure, the relationship with contractors remains constructive, with specific care taken to review the situation with local Mozambican companies, given the sensitivity of local content, employment, and training, etc. The Operator has informed that the equipment and infrastructure at the site is in good condition.

The Area 1 Concessionaires remain committed to restart once the security situation is resolved in a sustainable manner.

BRAZIL

IBV Brasil Petroleo Limitada (incorporated in Brazil), a joint venture company of BPRL Ventures BV with 60.88% shareholding, and Videocon Energy Brazil Ltd, step-down subsidiaries of BPRL & Videocon Industries Limited, respectively, currently hold PIs in five deep-water blocks in three concessions.

Sergipe Alagoas (BM-SEAL-11) concession

The concession currently consists of two blocks – SEAL-M-426 and SEAL-M-349 – and Petrobras is the Operator with 60% PI, while IBV holds the remaining 40% PI. During the exploration periods, four discoveries of oil and gas, i.e., Barra, Farfan, Cumbe and Barra-1, have been made in this concession. The Operator, Petrobras, concluded an extended well testing in the Farfan field. The Operator, on behalf of the Concessionaires, has submitted the Declaration of Commerciality (DoC) to ANP (Brazilian Regulator) on December 30, 2021 for Farfan and Barra appraisal plans, which have been since renamed as 'Cavala' and 'Agulhinha', respectively. The Concessionaires are progressing on finalizing the Field Development Plan (FDP).

Campos (BM-C-30) concession

In the BM-C-30 Concession, IBV has 35.714% PI and PetroRio Jaguar Petroleo Ltda has become the Operator of the block in June 2021 with 64.286% PI after acquiring stakes from BP (erstwhile Operator with 35.714% PI) and the other partner Total Energies (28.572% PI). The Operator has proceeded with an exclusive operation for development of the Wahoo discovery in the block, following which IBV has initiated arbitration proceedings against the Operator at International Chamber of Commerce (ICC), London.

Potiguar (BM-POT-16) Concession

The Concession is operated by Petrobras with 30% PI and the other partners are IBV (20% PI), Petrogal (20% PI) and BP (30% PI). The Operator has approached ANP on behalf of the Concessionaires for relinquishment of the block and ANP's approval is awaited.

INDONESIA

BPRL farmed in to Nunukan Production Sharing Contract (PSC) in September 2009 and has a PI of 16.2%[1], held through its step-down subsidiary BPRL Ventures Indonesia BV.

PT Pertamina Hulu Energi Nunukan Company (PHENC), a wholly owned subsidiary of Pertamina, the National Oil Company of Indonesia, has 83.8%[2] PI in the consortium and is the Operator. The Production Sharing Contract (PSC) was signed on December 12, 2004 and is valid for a period of 30 years, i.e., till 2034. The block is located in shallow waters offshore of Bunyu Island in Tarakan basin of North Kalimantan province.

The minimum work programme committed as per the PSC under the exploration phase has been completed.

The results of the appraisal drilling program, Geological, Geophysical and Reservoir studies along with an independent reserve certification had indicated significant reduction in recoverable oil and gas resource volume from the Parang discovery.

Various alternative options are being evaluated to decide the way forward in the block.

BLOCKS IN INDIA

A. Operated Blocks

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

Under the NELP-IX bid round, a BPRL-led consortium was awarded one on-land block CB-ONN-2010/8, in Cambay basin. BPRL is the Lead Operator with 25% PI and the other consortium partners are GAIL (India) Ltd - 25% PI (Joint Operator), Engineers India Ltd (EIL) - 20% PI, BF Infrastructure Ltd (BFIL) - 20% PI and Monnet Ispat & Energy Ltd (MIEL) - 10% PI. Due to MIEL's cash call payment default under the Joint Operating Agreement (JOA), the other non-defaulting parties have agreed to distribute MIEL's 10% PI in proportion to their existing share.

During the initial exploration period, two discoveries were made and a Field Development Plan was approved by the Directorate General of Hydrocarbons (DGH). However, in view of the unviable project economics, BPRL submitted a relinquishment proposal to DGH, which is under approval.

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

The block CB-ONHP-2017/9 in Cambay basin, Gujarat was awarded to BPRL under the 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 Oil and Natural Gas Corporation Limited (ONGC) is the partner with 40% PI.

Petroleum Exploration License (PEL) and Environmental Clearance have been obtained. Due to outbreak of Covid-19, DGH has extended the exploration period up to June 30, 2023.

Drilling prospects have been identified and activities are in progress towards the minimum work program.

[1&2] Notice of withdrawal issued by BPRL and Pertamina to defaulting partner for transferring defaulting partner's PI to non-defaulting partners in proportion of existing PI. Approval pending from Indonesian regulator, SKK Migas.

iii. 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 awaited from State Govt. of Tamil Nadu and support of DGH has been sought to expedite the same.

B. Non-Operated Blocks

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

BPRL has a Participating Interest (PI) of 40% in an on-land Block CY-ONN-2002/2 in Cauvery Basin, with ONGC being the Operator with 60% PI. During the exploration phase, the consortium has made one oil discovery, viz., the Madanam oil discovery. Based on the discovery, two appraisal wells were drilled. The first appraisal well flowed natural gas, which was identified as Thirunagari gas discovery. The second appraisal well flowed oil and natural gas.

The consortium has completed drilling of eight wells under the field development phase.

The block currently has six producing wells with a combined monthly average oil production of 6,300 tonnes (BPRL share 2,520 tonnes). During the year 2021-22, 75,500 tonnes of oil (BPRL share 30,200 tonnes) and associated gas of 29 million cubic meters (BPRL share 11.6 million cubic meters) has been produced from the block. In May 2021, monetization of associated natural gas commenced with gas supply to GAIL. A natural gas pipeline from Thirunagari field to Madanam Central Processing Facility is under construction.

ii. NELP VI Block (CY-ONN-2004/2, Onshore Cauvery Basin, Tamil Nadu)

Government of India, during year 2004, awarded this on-land block to the consortium of BPRL and ONGC. BPRL has a PI of 20% in this block, and ONGC, with a PI of 80%, is the Operator of the block.

The consortium has completed the drilling of four exploratory wells and two appraisal wells as on date. Based on the testing results of one discovery well, the FDP was approved on July 13, 2017 and, accordingly, the block has entered the Development Phase.

The first two development wells drilled did not yield the desired results, due to which additional studies are being carried out.

iii. NELP IX Blocks

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

CB-ONN-2010/11, an on-land block, was awarded by Government of India to a consortium consisting of GAIL, BPRL, EIL, BFIL and MIEL. GAIL, with 25% PI, is the Lead Operator of the block. BPRL with 25% PI is the Joint Operator of the block.

Due to MIEL's cash call payment default under the Joint Operating Agreement (JOA), the other non-defaulting parties have agreed to distribute MIEL's 15% PI in proportion to their existing share, for which a request has been submitted to DGH for approval.

The Field Development Plan (FDP) of Galiyana #1 was approved on February 10, 2020 and development activities are in progress.

b) 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 OIL, ONGC and BPRL. OIL with 40% PI is the Operator of the block. BPRL has 20% PI and ONGC holds 40 % PI in the block. The Petroleum Exploration License for the block was granted by the Government of Assam with effect from December 12, 2013.

Based on the interpretation of newly acquired seismic data, drilling of exploratory well targeting the Lakhadong-Therria (LK+TH) formation is in progress.

iv. OALP I Blocks

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

Government of India awarded the block AA-ONHP-2017/12 to OIL under OALP I Bid Round. BPRL farmed into the block with PI of 10% in December 2019. The other consortium partners of the block are OIL (60% PI) as Operator, IOCL (20% PI) and Numaligarh Refineries Limited (10%). The total block is 489 sq. km in area, of which 488.50 sq. km is in Assam and 0.5 sq. km is in Arunachal Pradesh.

The exploration period is till November 23, 2023. The Airborne Gravity Gradiometry Survey, and 2D & 3D seismic data acquisition have been completed in the block and 3D seismic data processing is currently in progress.

b) CY-ONHP-2017/1 (Cauvery Basin, Tamil Nadu)

Government of India awarded the block CY-ONHP-2017/1 to ONGC under OALP 1 Bid Round. BPRL farmed into the blocks with PI of 40% in December 2019. Out of the total block area of 731 sq. km, 579 sq. km is onshore area and the remaining 152 sq. km is offshore area. PEL has been granted for the offshore area.

Government of Tamil Nadu, vide its extraordinary Gazette notification dated 24 February 2020, has prohibited exploration, drilling and extraction of oil and natural gas, including coal-bed methane, shale gas and other similar hydrocarbons from Nagapattinam district and part of Cuddalore district. A major part of the entire envisaged prospective area of the block falls within the Nagapattinam district and part of Cuddalore district. As the offshore area was interpreted not to have prospectivity, a relinquishment proposal has been submitted by the Operator on behalf of the partners to DGH.

BLOCKS RELINQUISHED DURING THE YEAR

EP-413 (AUSTRALIA)

BPRL has exited the EP-413 block during the year 2021-22, considering the low hydrocarbon prospectivity.

RJ-ONN-2005/1 (Rajasthan Basin, Rajasthan)

RJ-ONN-2005/1, an on-land block, was awarded by the Government of India on December 22, 2008 to a consortium consisting of Hindustan Oil Exploration Corporation (HOEC), BPRL, IMC Limited and Jindal Petroleum Limited (JPL). HOEC is the Lead Operator and BPRL is the Joint Operator of this block. The Petroleum Exploration License (PEL) for the block was granted by the Government of Rajasthan on July 13, 2009. On award, all the consortium partners had an equal PI of 25% each in this block. BPRL's PI was increased to 33.33% subsequent to JPL's exit from the block.

All the minimum work program commitments except drilling of six wells have been completed in the block. The drilling of exploratory wells was delayed because of inordinate delay in obtaining Environmental Clearance and clearance from Ministry of Defence. The Lead Operator HOEC submitted a proposal to Directorate General of Hydrocarbon (DGH) to exit the block and waiver of Liquidated Damages (LD) in 2015 due to more than two years of delay in obtaining Environment Clearance in line with Government policy dated 10.11. 2014. However, the same was turned down by DGH. Thereafter, BPRL's had submitted a proposal for re-commencement of exploration activities in the block. DGH had informed that the proposal for re-commencement of exploration work by consortium members has not been agreed to by the competent authority and it has been decided to bring the block under Open Acreage Licensing Policy (OALP). However, DGH raised the demand for payment of cost of unfinished Minimum Work Programme (MWP). The matter is in discussion with DGH.

BUSINESS PROCESS EXCELLENCE CENTRE (BPEC)

Business Process Excellence Centre (BPEC) is a centralized setup for transaction/document processing in BPCL. The Centre started its journey with processing of non-hydrocarbon vendor payments in the Company. Over the years, BPEC has expended the operations from Accounts Payable to Accounts Receivable, Centralized Goods and Service Tax and Centralized Payroll.

In spite of the pandemic, BPEC continued its operations seamlessly in the year 2021-22. BPEC processed 4.50 lakh vendor invoices amounting to ₹ 16,400 crore, with more than 85% of the invoices processed within 15 days of receipt at BPEC. The Digital Invoice Management (DIM) initiative enhanced value, by which 80% of vendor invoices were received digitally through the Vendor Invoice Management portal. This not only reduced processing time but also resulted in promoting green initiative.

In the course of the Company's journey towards centralization, digital transformation and automation, BPEC has migrated various standard processes in Accounts Receivable (AR) Management, namely, customer account clearing, collection management, dispute management, customer master governance and debit/credit notes issuance for customers, etc. This has resulted in effective governance 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 and transactional excellence. Almost 95% of customer accounts of the Company are under automatic matching & clearing system and multiple other AR-related activities are being handled centrally, leading to standardization of processes across the Company as well as saving time of the field force in routine transactions.

Recognizing the vital role that Micro, Small and Medium Enterprises (MSMEs) play in socio-economic growth, employment opportunities, eradication of poverty, etc. and mindful of the financial hardships faced by them, the Company has created a separate cell for MSMEs to ensure uninterrupted and prompt payments to them. Further, the Company has implemented the Trade Receivables Discounting System (TReDS), which is a digital platform to support MSMEs to get their invoices financed at a competitive rate through an auction where multiple registered financiers can participate. The Company started invoice discounting for MSME vendors from December 2018 through this platform. During the year 2021-22, there has been a substantial increase in the quantum and value of MSME bills discounted (150% higher than the previous year). BPCL discounted 3,700 invoices valued at ₹ 263 crore, as against ₹ 105 crore during the year 2020-21.

During the year 2021-22, Goods and Service Tax Cell and Payroll processing were centralised at BPEC with the objective of enhancing value to the Company in terms of increasing efficiency, standardisation of processes and optimisation of manpower resources.

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, 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. Key business process changes are reviewed by the internal team before implementation.

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.

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:

Sr. No	Ratio Type	Unit	2021-22	2020-21	Variation (in %)	Explanation for Changes
1	Debtors Turnover Ratio	No. of Days	7.42	7.88	-5.90%	
2	Inventory Turnover Days	No. of Ratio	26.63	28.62	-6.97%	
3	Interest Coverage Ratio (Profit before Interest and Tax + Depreciation)/ Finance Cost	Times	13.77	25.66	-46.34%	The Interest Coverage Ratio has reduced during the current year as compared to the previous year due to lower profits in the current year. The Profit before Interest and Tax was higher in the previous year (2020-21) on account of gain on disposal of investment in one of the subsidiaries – Numaligarh Refinery Ltd.
4	Current Ratio	Times	0.76	0.92	-16.90%	
5	Debt-Equity Ratio	Times	0.49	0.48	2.08%	
6	Operating Profit Margin Ratio (OPM) OPM = (Profit before Exceptional Itemsa nd Tax minus Other Income)/Sales	%	2.21	3.92	-43.74%	The decrease in Operating Profit Margin Ratio is mainly due to a decrease in the marketing margin in the current year, coupled with an increase in turnover value
7	Net Profit Margin Ratio	%	2.03	6.31	-67.86%	The Net Profit Margin Ratio has decreased mainly on account of lower Profit after Tax when compared to the previous year
8	Return on Net Worth	%	17.69	34.91	-49.31%	The Return on Net Worth has decreased in the current year mainly on account of lower Profit after Tax

ANNEXURE - A

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

A. Conservation of Energy

Mumbai Refinery (MR)

(i) Steps taken for impact on conservation of energy

Paramount importance has been accorded to energy conservation efforts and MR has in place, a sound and effective Energy Management System (EnMS), accredited & upgraded with ISO 50001:2018 certifications by M/s DNV. Continuous monitoring of energy performance and keeping abreast of latest technologies for energy conservation have helped to achieve a robust energy performance during the year.

BPCL MR was issued 83,996 number of ESCerts (Energy saving Certificates) by Bureau of Energy Efficiency (BEE), under Ministry of Power, issued under PAT-II.

With the untiring efforts and commitment, MR successfully completed various energy conservation initiatives which is reflected in the Specific Energy Consumption (SEC) at 64.4 MBN for FY 2021-22. This performance is attributed to sustained operation at higher intake level of energy efficient CDU4, higher capacity utilization of secondary process units, energy champion scheme and various energy conserving efforts undertaken during the year. Total 27 Encon schemes were implemented which helped us to save 18,407 MTOE / year and to reduce CO2 emission by 57,982 MT / Year.

The following are the measures taken up at MR for energy conservation:

- Unit wise daily monitoring of steam leaks to achieve zero steam leaks.
- Continuous monitoring & control of all parameters of Furnaces & Boilers.
- On-line chemical cleaning of furnaces to clean off fouling and deposits on the radiation tubes leading to better heat absorption in radiation section.
- Continuous recovery of flare gas with the help of FGRS and stringent monitoring of process conditions to control flare loss.
- Continuous Survey of PSV/PCV to identify passing valves and rectification to reduce flare loss.
- Periodical Survey of Compressed air and Nitrogen leaks and rectification.
- Provision of superior insulation on steam headers (FRIC – Flexible Reusable insulation covers) to reduce surface heat loss.
- Implementation of various Advance Process Control (APC) strategies in process units to reduce energy.
- Usage of “Energy Analytics Dashboard” for on-line monitoring of Refinery process Performance along with MBN / Unit wise Energy Model Analytics.
- Use of Nitrogen as flare purge in place of fuel gas for fuel saving.
- Installation of IFC (Intelligent flow controller) for compressed air system in Boiler House.
- Revamp of RFU Naphtha Splitters to reduce energy consumption. Resulted EII reduction by 0.98.
- Replacement of conventional cooling tower fan blades in ARU/DHDS with new energy efficient EFRP.
- Implementation of Electric heat tracing in BBU process lines.

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

- Cumulative solar power generation for 2021-22 was 1,471 MWH/annum from Solar Power Plant installed at Refinery & Chembur Staff colony.
- Team comprising of MR, KR & BR senior officials has been formed as a part of “Energy Transition Council” to identify alternate source of energy to be utilized in future.

(iii) The capital invested on energy conservation and estimated savings

Sr. No	Description of Schemes	Capital Investment (₹ crore)	Energy Savings	
			Fuel (MT/Year)	Power (MWH/Year)
1	Installation of insulation jackets on valves/flanges/strainers/moisture separators, steam distribution manifolds & flow meters.	0.70	752	
2	Optimization of Steam to LOBS FPU ejector system.	NIL	238	
3	Reduction of MAB air to Regenerator by utilization of VPSA O2.	NIL	2,136	
4	20P10 A/B put on load for pumping wild gasoline to GCU as well for Reflux and Reflux pump was stopped.	NIL		240
5	MACs removal by using plant air from B/H.	NIL	5	
6	Using G10B for delivering LDO to TDU and stoppage of G9B.	NIL		400
7	Methanol fractionator column 111-C-03 feed inlet line lagging/cladding done	NIL	24	
8	New APC strategies for steam reduction in CCU	NIL	243	
9	Increment in steam temperature to VDU3 ejector leading to steam saving	NIL	357	
10	Preheat exchanger cleaning in CDU4 leading to fuel saving	0.18	467	
11	Two additional splitter off gas burners were commissioned in CCR furnace,thereby avoiding flaring.	NIL	500	
12	Preheat exchanger cleaning in CDU3 leading to fuel saving.	NIL	133	
13	Application of Ceramic Coating in DHDS heater.	0.09	180	
14	Replacement of conventional cooling tower fan blades in ARU/DHDS with new energy efficient EFRP.	0.18		967.9
15	Corro-coating of cooling water pumps in DHDS CW pump P-11 B.	0.07		174.4
16	Replacement of DHDS heater APH for fuel saving.	1.19	133	
17	Replacement of DHDS RGC motor in shutdown.	1		80
18	Part of FCC cracked gasoline was routed directly to PH-5 bypassing GTU, for saving of RON loss and Energy in GTU.	NIL	2,000	
19	Revamp of RFU Naphtha Splitters to reduce energy consumption.	36	8,690	
20	Air required for CCU Merox Caustic Regeneration was taken from plant air header and Air compressors 004K101A/B stopped.	NIL		92
21	HCU Steam generator 132-E-223 Passing RV was replaced.	NIL	714	
22	Stoppage of CCU CW turbine P502 which was kept on idling at 1200 RPM.	NIL	107	
23	Replacement of Air Compressor AC-12 in Boiler House.	1.58		2,053
24	Electric heat tracing in BBU process lines.	4.03	390	
25	Stopping of HEB-1 on hot banking during non-monsoon seasons.	NIL	180	
26	Condensate recovery system in Boiler House, CPP & PR-12.	2.37	365	
27	Corro-coating of MOC CW pump P1.	0.10		160
	Total	**47.49**	**17,614**	**4,167.30**

Kochi Refinery (KR)

(i) Steps taken for impact on conservation of energy

KR has been certified with Energy Management System (EnMS), ISO 50001:2018 by M/s TUV India for a period of three years.

KR accomplished lowest ever Specific Energy Consumption (SEC) of 67.06 MBN for the year 2021-22 as against previous best MBN of 68.2. This performance is attributed to sustained operation at higher crude throughput of energy efficient CDU3 unit, higher capacity utilization of secondary process units, implementation of schemes proposed by energy champions and various energy conservation efforts undertaken during the year. 14 energy conservation initiatives were completed during the year 2021-22 resulting in saving 18,407 MTOE / year, equivalent to a reduction of 1,32,706 MT of CO_2 emission per annum.

BPCL KR was issued 10764 number of ESCerts (Energy saving Certificates) by Bureau of Energy Efficiency (BEE), under Ministry of Power, under PAT-II.

KR adopted the following energy conservation and loss control measures in the year 2021-22, resulting in significant fuel savings:

- Opportunity shutdowns and rationalization of units, systems and intermediate tanks
- Enhancing flare gas recovery by debottlenecking FGRC compressor suction loop.
- FGH production from MSBP Penex unit and shutting down of the inefficient NHT ISOM unit.
- Stopping steam coupled APH operation in fuel gas fired heaters by ensuring fuel gas quality and maximization of gaseous fuel.
- Flare purge gas reduction in CEMP flare by sequentially replacing it with nitrogen.
- Replacement of CDU2 crude heaters casing and refractory & APH overhauling to minimize radiation losses and maximize efficiency
- Replacement of 19000 numbers of conventional lights inside refinery by energy efficient LED lights.
- Advanced process control for IREP units

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

Installed and commissioned 330 kWp solar plant on the rooftop of new 220 kV substation

(iii) The capital invested on energy conservation and estimated savings

Sr. No	Description of Schemes	Capital Investment (₹ crore)	Energy Savings	
			Fuel (MT/Year)	Power (MWH/Year)
1	Stopping KHDS unit utilizing capacity of DHDT and ATF Merox to meet demand.	Nil	3,000	
2	Enhancing flare gas recovery by debottlenecking FGRC suction loop.	Nil	6,000	
3	Offsite Steam trap management: completion of rectification of all identified leaking steam traps.	1.7	5,700	
4	Intermediate tank rationalization.	Nil	3,900	
5	Stopping SCAPH operation in CDU-3 crude furnace on full gas firing mode.	Nil	3,424	
6	Flare purge reduction in CEMP flare by replacing with nitrogen in phased manner.	Nil	2,600	
7	CDU-1 PF system shutdown for by maximization of gaseous fuel firing.	Nil	900	
8	CDU-2 crude heaters APH cleaning and general burner overhauling and refractory rectification.	0.50	400	
9	Implement the scheme for Back purge facility for Packinox in CCR.	0.02	330	
10	CBD slop internal processing in DCU instead of reprocessing in CDU.	0.02	175	
11	Loader valves adjustment in NHT-Recycle gas Compressor.	0.02		826
12	FGH production and stopping NHT ISOM.	0.1	11,000	
13	Feed Preheat improvement in CDU-3 and FCCU by operational improvements.	Nil	2,075	
14	Power Saving by converting to 19000 nos. of conventional light fittings by Energy efficient LED lamps.	8.9		12,732
	Total	**11.26**	**39,504**	**13,558**

B. **Technology Absorption**

Mumbai Refinery (MR)

i) The efforts made towards technology absorption and the benefits derived such as product improvement, cost reduction, product development or import substitution:

a. New product 100N Group-III, was launched under make in India initiative which made BPCL MR the only Indian Refinery to produce this niche product.

b. DHDS catalyst was replaced with latest generation TK-578 BRIM to produce diesel with sulfur 4 to 6 ppmw, which allowed additional naphtha back blending into HSD pool. PGTR of new Catalyst was completed and all catalyst performance guarantees were met.

c. Naphtha absorption in HSD was increased from average 5% (Apr-Nov'21) to more than 8% by reducing the quality giveaway in Flash & Sulphur through APC / IBP corrections in HN / Keeping Treated Diesel Sulphur less than 5 ppm / Relaxation obtained in the minimum Specification of HSD Viscosity. This has increased HSD production by approximately 18 TMT/month.

d. Post Revamp, RFU Naphtha Splitters operation in series was made parallel to increase the capacity to 6,000 TPD from 4,200 TPD and Naphtha Splitter in ISOM was taken shutdown. Resulted the EII reduction by 0.98.

e. Processed for the first time, 500 TPD of Stabilized Naphtha in CCR to maximize MS Feed recipe of KMU was optimized to LK3 + LK4 in lieu of LK3 + HK3 to produce ATF as well as high aromatics MTO in large batch size without any flushing requirement. This helps to improve HSD pool flash point & in turn more naphtha absorption in HSD.

f. Started producing PCK of FBP at more than 210 Deg. C from HCU. This helps in increasing MS production by maximizing MS FBP to 202 Deg C for MMBPL. This has facilitated in maximizing MS production by 3 TMT/month approx.

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

a) The details of technology imported and the year of Import:

Sr. No.	Unit - Technology	Licensor	Year
1	Gasoline Treatment Unit (GTU)	M/s. Axens, France	2019

b) Has technology been fully absorbed?

Yes.

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

Not Applicable.

Kochi Refinery (KR)

i) The efforts made towards technology absorption and the benefits derived such as product improvement, cost reduction, product development or import substitution

a. Four New Trial Crudes were processed during the year 2021-22 as under:-

- Khafji - High sulphur crude from Kuwait.
- Johan Sverdrup - Low sulphur heavy crude from Norway.
- Ten Blend - Low sulphur heavy crude from Ghana.
- Saturno Crude Low sulphur from Angola

All 4 crudes were accepted for co-processing in future with suitable supporting crudes.

b. MSBP PGTR was successfully completed. Unit is currently being operated @ 112% of its design capacity on sustained basis.

c. In-house developed scheme for Food Grade Hexane Production from MSBP Penex Unit was commissioned on January 18, 2022. Commissioning of this facility will improve KR Energy Performance Improvement by reduction of EII by Onenumber with corresponding fuel savings of ₹ 31 crore/annum.

d. FCCU CLO was started processing in PFCCU fractionator for recovering LCO cut and thereby PFCCU CLO quality have been established as premium grade (Low Sulphur, High BMCI Index) CBFS Product (Import substitute).

e. A customized magnetic filter which is one of its kind in KR was commissioned on September 21, 2021 to remove trace particles from the ATF stream. Post commissioning of the filter, presence of particulate streams in ATF tanks have significantly reduced.

f. Shock dosing of CRDC developed biocide followed by Corrosion Inhibitor dozing program was started for the first time for preservation of 48” subsea crude pipeline.

g. Scheme for supplying oxygen from FCCU Oxygen Unit to Ambalamugal Government Covid Hospital (AGCH) was implemented for treating approx. 2300 covid patient.

h. Total refinery level EII improvement of 2 numbers was achieved in the year 2021-22 under various process initiatives.

i. Cloud based solution for progress monitoring and safety surveillance and manpower monitoring during plant shutdown was tested successfully during NHT-CCR and CDU-2 units’ shutdown. Both these technologies helped to automate the tedious task of shutdown progress monitoring and safety surveillance.

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

a) The details of technology imported and year of import:

Sr. No.	Technology	Year of Import
1	Naphtha Hydro-treating Unit licensed by M/s UOP, USA	2017
2	Light Naphtha Isomerization Unit licensed by M/s UOP, USA	2017
3	Continuous Catalytic Reformer Unit licensed by M/s UOP, USA	2017
4	Propylene Oxide Unit, Sumitomo, Japan	2019
5	Propylene Glycols (PG) Unit, Huntsman, USA	2019
6	Polyols Unit, Scientific Design, USA	2019
7	Ethylene Recovery Unit, Technip, UK	2019
8	Ethylene Oxide / Ethylene Glycol (EO/EG) Unit, Scientific Design, USA	2019
9	Cumene Unit, UOP, USA	2019

b) Has technology been fully absorbed?

No, except for Naphtha Hydro-treating Unit, Light Naphtha Isomerization Unit and Continuous Catalytic Reformer Unit.

c) If not absorbed, areas where this has not taken place, reasons therefore and future plans of action

Items 4-9: Post detailed feasibility study based on techno commercial evaluation showing higher CAPEX and reduced benefits along with learnings from handling niche petrochemicals from PDPP Polyols project, the project has been discontinued as per BPCL Board decision taken on January 31, 2022.

RESEARCH & DEVELOPMENT (R&D)

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

1. Green Hydrogen
2. Hydrogen recovery from refinery off-gases
3. CO2 Capture & Utilization
4. High Performance Domestic LPG Cooking Stove
5. Super Absorbing Polymer (SAP)
6. Niche petrochemicals and Petrochemical processes
7. Syngas Valorization
8. Hydrocarbon Vapor Recovery System
9. Sustainable Aviation Fuel (SAF)/ Bio-ATF
10. Advanced Biofuels and Bio-chemicals
11. BioGas/Bio-CNG
12. Bio-remediation

13. Processing of Municipal Solid/ Liquid waste (MSW)/(MLW)
14. Niche/Specialty Solvents developments
15. Process Chemicals
16. Benzene Valorization
17. Indigenous Desalter Technology
18. Divided Wall Column (DWC) technology
19. Process Intensification/Energy efficient processes
20. Novel reactor designs
21. AI based models for refinery CDU
22. Digitization approach for real-time Crude Assay for crude distillation monitoring and optimization
23. Software for predicting crude blend compatibility and optimization
24. Simulation models for refinery units
25. Crude Oil Pipeline Corrosion Inhibitor Development
26. Niche Catalyst Developments and Catalytic Processes
27. Residue up-gradation
28. White Oils for industrial application
29. Energy Efficient Furnace Operation
30. Energy Efficient Heat Exchangers
31. Low grade heat recovery
32. Synthetic engine oil for new generation fuel efficient motorcycles & scooters
33. Diesel engine oil with extended drain interval for off-highway application
34. Long Life Hydraulic Oil for off-highway applications
35. Premium soluble cutting oil
36. Transmission oil for metro rail car
37. OEM specific fuel-efficient manual transmission fluid

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

1. Digital solution tools viz. "BPMARRK®: Real-time Crude Oil Characterization Software" and "K Model for Crude Oil Compatibilities" fetched ₹ 22.20 crore and ₹ 23.84 crore, respectively towards licensing and continous usage in BPCL group refineries (MR, KR & BORL). These digital solutions offer help for crude column monitoring & optimization and enable refineries to process opportunity / heavy crudes.
2. The Nxt Gen BMCG was marketed through in-house developed Novel Additive resulting in value addition of about ₹ 20.64 crore.
3. Business support activities towards catalyst evaluation, product generation, evaluation and approvals, fuel testing, and analytical support led to saving of ₹ 3.98 crore.
4. Synthetic engine oil for new generation fuel efficient motorcycles & scooters created platform to generate new business
5. A new product developed viz. Diesel engine oil with extended drain interval for off-highway application offered enhance oil change interval in off-highway equipment in construction & mining segment and benefit customer by saving fuel.
6. High-performance long-life hydraulic oil was designed to reduce the total cost of ownership and contribute to long-term sustainability thereby leading to generating business opportunities in the high potential off-highway segment.
7. Premium soluble cutting oil designed for multi-metal machining operations provides longer sump life with reduced disposal thus protecting the environment, there by offering green solution to auto ancillary sector.
8. Synthetic transmission oil for metro rail car developed for garnering new business opportunity in metro rail segment.
9. OEM specific fuel-efficient manual transmission fluid developed to tap new business opportunity in passenger car segment.

3. **Future R&D areas**
    1. Net Zero Processes & Technologies
    2. Green Hydrogen
    3. Pathways for Circular Economy
    4. Renewable and Alternate Energy
    5. Bio-Products/Bio-chemicals
    6. Battery and Storage technologies
    7. Engine Research & Development
    8. Waste to energy and fuels
    9. Modeling approach for column overhead corrosion mitigation
    10. Strategy to handle petrochemical plant effluents
    11. Alternate fuel (DME) process demonstration
    12. Residue up-gradation to value added chemicals and products
    13. Process intensification based on Cross Flow Reactor concept
    14. Cost optimization for Bio-refineries and Side stream value creation
    15. Niche petrochemical product development
    16. Long life heavy duty diesel engine oil with fuel economy benefit for BS VI trucks & buses
    17. Engine oil for higher CC scooters
    18. High-performance gas engine oils
    19. Energy efficient industrial oils
    20. Industrial lubricants using re-refined base oils
    21. Long life final drive axle oil for Off-Highway equipment
    22. OEM specific synthetic ultra-long drain axle oil for commercial vehicle
    23. Premium coolant for indirect cooling for Battery Electrical Vehicles (BEVs) and Internal combustion engines (ICE)

4. **Expenditure on R&D during 2021-22:**

Particulars	Expenditure (in ₹ crore)*
Revenue / Recurring Expenditure	54.26
Capital Expenditure	35.84
Total	**90.10**

*includes salaries & depreciation, unaudited figure

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

(₹ in crore)

Particulars	2021-22	2020-21
Earnings in Foreign Exchange - Includes receipt of ₹ **784.07 crore** (previous year ₹ 186.40 crore) in Indian Currency out of total foreign currency billings made to foreign airlines and ₹ **391.20 crore** (previous year ₹ 287.09 crore) of INR exports to Nepal and Bhutan of I&C, Lubes and and Retail Customers.	**14,830.89**	6,615.55
Foreign Exchange Outgo - On account of purchase of Raw Materials, Capital Goods, Chemicals, Catalysts, Stores spares, International trading activities etc.	**1,44,104.55**	75,768.42

ANNEXURE – B
ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company:

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

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

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
i.	Shri Harshadkumar P. Shah	Independent Director, Chairman of the Committee	6	6
ii.	Shri Rajesh Aggarwal	Government Nominee Director, Member ceased w.e.f. 23.09.2021	3	3
iii.	Dr. K. Ellangovan	Government Nominee Director, Member ceased w.e.f. 01.02.2022	5	2
iv.	Shri K. Padmakar	Director (Human Resources), Member ceased w.e.f. 01.01.2022	5	5
v.	Shri N. Vijayagopal	Director (Finance), Member ceased w.e.f. 01.08.2021	2	2
vi.	Shri Vetsa Ramakrishna Gupta	Director (Finance), Member w.e.f 07.09.2021	4	4
vii.	Shri Suman Billa	Government Nominee Director, Member w.e.f 16.03.2022	1	0
viii.	Dr. (Smt.) Aiswarya Biswal	Independent Director, Member w.e.f 16.02.2022	1	1
ix.	Shri Gudey Srinivas	Government Nominee Director, Member w.e.f 21.10.2021	3	3

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.

The details of the CSR policy, projects and programmes are available on the website of the Company on https://www.bharatpetroleum.com/social-responsibility/csr-reporting.aspx

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).**

   BPCL has been conducting impact assessment of CSR projects to monitor and evaluate important CSR Projects. BPCL has taken cognizance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014 as notified w.e.f. 22.01.2021. Accordingly, impact assessment of most of the eligible projects has been completed. Brief of indicative impact assessment reports are appended at the end and the relevant reports are made available on the website: www.bharatpetroleum.com.

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set- off for the financial year, if any (in ₹)
1	-	NIL	NIL

6. **Average net profit of the company as per section 135(5) (₹Cr.)** : 8,336.49

7. (a) Two percent of average net profit of the company as per section 135(5) (₹ Cr.) : 166.73
   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years (₹ Cr.) : 0.00
   (c) Amount required to be set off for the financial year, if any (₹Cr.) : 0.00
   (d) Total CSR obligation for the financial year (7a+7b-7c). (₹ Cr.) : 183.74 #

   # Includes ₹ 17.01 Cr. on account of unspent b/f from FY 2020-21 & transferred to Unspent CSR Account on 30.04.2021.

8. **(a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (₹ Cr.)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount (₹ Cr.)	Date of transfer	Name of the Fund	Amount.	Date of transfer.
137.78	39.40	29.04.2022	N.A.	N.A.	N.A.

   (b) Details of CSR amount spent against **ongoing projects** for the financial year List attached as Annexure-I (A) (₹ Cr.) : 43.73
   (c) Details of CSR amount spent against **other than ongoing projects** for the financial year List attached as Annexure-I (B) (₹ Cr.) : 90.71
   (d) Amount spent in Administrative Overheads (₹ Cr.) : 3.28
   (e) Amount spent on Impact Assessment, if applicable (₹ Cr.) : 0.06
   (f) Total amount spent for the Financial Year (8b+8c+8d+8e) (₹ Cr.) : 137.78
   (g) Excess amount for set off, if any : NIL

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	N.A.
(ii)	Total amount spent for the Financial Year	N.A.
(iii)	Excess amount spent for the financial year [(ii)-(i)]	N.A.
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	N.A.
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	N.A.

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (₹ Cr.)	Amount spent in the reporting Financial Year (₹ Cr.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (₹ Cr.)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	FY 2020-21	17.01	10.45	N.A.	N.A.	N.A.	6.56
	TOTAL	17.01	10.45	N.A.	N.A.	N.A.	6.56

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

List attached as Annexure-I (C) (₹ Cr.) : 10.45

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year.

(a) Date of creation or acquisition of the capital asset(s) : None

(b) Amount of CSR spent for creation or acquisition of capital asset (₹ Cr.) : NIL

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : N.A.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : N.A.

11. Specify the reason(s) if the company has failed to spend two per cent of the average net profit as per section 135(5).

BPCL provided a budget of ₹166.73 crore in FY 2021-22 and allocated the entire budget for various projects within the items enumerated in Schedule VII, which includes several initiatives of national importance. Additionally, BPCL also carried forward ₹17.01 crore unspent budget from previous year/s which was earmarked for specific projects and transferred to the Unspent CSR Account as mandated by Companies Act. Against the above total allocation of ₹183.74 crore, an expenditure of ₹137.78 crore was incurred during the year. The shortfall of ₹45.96 crore (₹ 39.40 crore from FY 2021-22 and ₹6.56 crore out from unspent CSR amount of FY 2020-21) from the stipulated prescribed spends is on account of the reasons given below:

Delay in certain projects has been due to constraints faced by Implementing Agencies which were beyond their control - mainly on account of disruptions caused by COVID pandemic and difficulties in supply chain problems faced at various levels.

The unspent amount has been allocated to the identified ongoing CSR projects and expenditure would be incurred in the subsequent years as per CSR Rules.

Sd/-
Shri Harshadkumar P. Shah
Chairman – CSR Committee

Sd/-
Shri Vetsa Ramakrishna Gupta
Director Finance with Addl. Charge of Director HR

Date: June 20, 2022

Brief on Impact Assessment Reports:

i. Infrastructure for training in inorganic farming and sustainable livelihoods:

Budget: ₹ 456.34 lakh : Expenditure: ₹ 452.94 lakh

Implementing Agency: Eklavya Foundation

Location: Vikarabad, Telangana

- Through Eklavya Ssupport Centre, they could increase their reach and will conduct batches in a well-equipped environment. This project will be beneficial for the farmers and farm labourers for long duration. This project will also contribute to create greater change towards more sustainable farming and the prevention of chemical pesticides and unsustainable practices through organic farming.
- 240 people are benefitted everyday through the program.

ii. Support for Construction of High School Building:

Budget: ₹ 149.42 lakh : Expenditure: ₹ 119.53 lakh

Implementing Agency: Shree Bhuleshwar Shikshan Prasarak Mandal

Location: Malshiras, Pune, Maharashtra

- The construction of school building has resulted not only in creating more aesthetic appeal but also in increasing the overall quality of education in the school. New classrooms are providing a secure and education-friendly environment for the students which have increased the attention span of the students in the class.
- The school has enrolled 337 students from 18 nearby villages.

iii. Construction of AICYAM:

Budget: ₹ 345.08 lakh : Expenditure: ₹ 345.08 lakh

Implementing Agency: Vivekananda Kendra Academy

Location: Bhubaneswar, Odisha

- Academy for Indian Culture, Yoga and Management (AICYAM) with the financial support of BPCL has refurbished the interiors of the center with the best possible standards.
- 153 participants and faculty have been given accommodation and more than 100 events have been held at the facility.

iv. Providing medical equipment for quality pediatric cardiac services:

Budget: ₹ 497.29 lakh ; Expenditure: ₹ 456.37 lakh

Implementing Agency: Sri Sathya Sai Health & Education Trust

Location: Kharghar, Maharashtra

- The high tech and advanced equipment and machineries supported by BPCL are assisting in improving the success rate of the surgeries in the center upto 98 to 99%. This has contributed in reducing the global burden of congenital heart disease by providing it free of cost to everyone.
- 4,134 patients have benefitted through the program. 718 surgeries have been carried out along with 238 cath interventions. These numbers are expected to increase upto 9,000-12,000 next year.

Annexure-I(A)

Details of CSR amount spent against ongoing projects for the financial year: 2021-22

1	2	3	4	5		6	7	8	9	10	11	
Sr. No.	Name of the Project	Item from the list of Activities in Schedule VII to the act.	Local (Yes/ No)	Location of the Project State District		Project Duration	Amount Allocated for the Project (in ₹ Cr.)	Amount Spent in Current Financial Year (in ₹ Cr.)	Amount transferred to Unspent CSR Account for the project as per section 135(6) (in ₹ Cr.)	Mode of Imple-mentation - Direct (Yes/No)	Mode of Implementation - Through Implementing agency	
				State	District						Name	CSR Registration No
1	Support for setting up 10 Pressure Swing Adsorption (PSA) medical oxygen units for medical use amidst a second wave of the Covid-19 Pandemic	(i)	No	Uttar Pradesh, Bihar, Karnataka, Kerala, Maharashtra, Gujarat, Rajasthan	Various locations	3 months	14.34	11.86	0.00	Yes	BPCL in-house	Not Applicable
2	Infrastructure facilities for promoting sports	(vii)	Yes	Maharashtra	Mumbai	18 months	9.72	5.31	3.49	No	Mumbai Railway Police	Not Applicable
3	Construction of a Nursing School & Skill Development Institute in Alandi	(i)	Yes	Maharashtra	Pune	36 months	7.17	3.17	2.75	No	Swa-Roopwardhinee	CSR00002033
4	Support for Cancer care and cure	(i)	No	Across India	Across India	24 months	21.64	3.08	6.07	No	Indian Cancer Society	CSR00000792
5	Support for Digitalization, Documentation, Organization and safe storage of the Art & Craft collections	(v)	Yes	New Delhi	New Delhi	36 months	13.41	2.20	5.88	No	Office of Development Commissioner, National Crafts Museum / Hastkala Academy, Delhi	Not Applicable
6	Providing infrastructure and allied facilities for School of Nursing	(i)	No	Maharashtra	Sindhudurg	18 months	5.00	1.80	0.00	No	Manav Sadhan Vikas Sanstha (MSVS)	CSR00002126
7	Support for medical equipment for cancer care in Cachar Cancer Hospital & Research Center	(i)	No	Assam	Cachar	6 months	1.99	1.22	0.00	No	District Administration, Cachar, Assam	Not Applicable
8	Construction of Toy House and procurement of Mobile Toy Libraries	(ii)	No	Gujarat	Gandhinagar	24 months	4.80	1.19	2.21	No	Children's University (CU)	Not Applicable
9	Setting up of a model school in Harobelavadi Village	(x)	Yes	Karnataka	Dharwad	24 months	2.84	0.85	0.00	No	Project Manager, Nirmithi Kendra, Dharwad	Not Applicable
10	Support for Child Response Vehicle (Bala Rakshak)	(x)	Yes	Telangana	Telangana	6 months	0.83	0.74	0.00	No	Surge Impact Foundation (SIF)	CSR00002744
11	Equipment for setting up digital lab and solar plants	(ii)	No	Tamil Nadu	Villupuram	6 months	1.77	0.71	0.00	No	RKM Villupuram	CSR00006101

1	2	3	4	5		6	7	8	9	10	11	
Sr. No.	Name of the Project	Item from the list of Activities in Schedule VII to the act.	Local (Yes/ No)	Location of the Project State District		Project Duration	Amount Allocated for the Project (in ₹ Cr.)	Amount Spent in Current Financial Year (in ₹ Cr.)	Amount transferred to Unspent CSR Account for the project as per section 135(6) (in ₹ Cr.)	Mode of Imple-mentation - Direct (Yes/No)	Mode of Implementation - Through Implementing agency	
				State	District						Name	CSR Registration No
12	Renovation of Vocational training centre for the deaf	(ii)	Yes	New Delhi	New Delhi	12 months	0.89	0.62	0.00	No	All India Federation of the Deaf (AIFD)	Not Applicable
13	Integrated Water Resources Development for livelihood enhancement	(iv)	No	Maharashtra & Rajasthan	Sangli & Karauli	12 months	1.44	0.60	0.00	No	Tarun Bharat Sangh	CSR00000505
14	Construction of first floor of primary school building	(ii)	No	Madhya Pradesh	Betul	18 months	0.99	0.60	0.00	No	Bharat Bharti Shiksha Samiti	CSR00009077
15	Support for undertaking "Jan Arogyam Community Healthcare Programme" (2021-22)	(i)	No	Haryana	Nuh	12 months	0.79	0.55	0.00	No	Bisnouli Sarvodaya Gramodyog Sewa Sansthan (BSGSS)	CSR00001405
16	Support for solar plant to Government Schools	(ii)	No	Arunachal Pradesh	Dibang Valley	12 months	0.65	0.52	0.00	No	Sri Sri Rural Development Program Trust (SSRDPT)	CSR00001258
17	Contribution towards Skill Development Institute Raebareli for operational expenses	(ii)	No	Uttar Pradesh	Raebareli	60 months	2.50	0.50	0.00	No	Skill Development Institute Society Raebareli	CSR00013353
18	Contribution towards Skill Development Institute Ahmedabad for operational expenses	(ii)	Yes	Gujarat	Ahmedabad	48 months	2.00	0.50	0.00	No	Skill Development Society Ahmedabad	Not Applicable
19	Contribution towards Skill Development Institute Guwahati for operational expenses	(ii)	Yes	Assam	Guwahati	36 months	1.50	0.50	0.00	No	Skill Development Institute Guwahati Society	Not Applicable
20	Projects wherein the amount spent during the year is less than ₹ 50 lakhs per project.	(i), (ii) & (ix)	Yes	Pan India			58.14	4.09	19.00		Multiple Implementing Agencies and BPCL Inhouse	
21	Projects wherein the amount spent during the year is less than ₹ 50 lakhs per project.	(i), (ii) & (x)	No	Pan India			14.03	3.11	0.00		Multiple Implementing Agencies and BPCL Inhouse	
	Total						166.44	43.73	39.40			

Sd/-
Shri Harshadkumar P. Shah
Chairman – CSR Committee

Sd/-
Shri Vetsa Ramakrishna Gupta
Director Finance with Addl. Charge of Director HR

Annexure-I(B)

Details of CSR amount spent against other than ongoing projects for the financial year: 2021-22

1	2	3	4	5		6	7	8	
Sr. No.	Name of the Project	Item from the list of Activities in Schedule VII to the act.	Local (Yes/ No)	Location of the Project State District		Amount Spent in Current Financial Year (in ₹ Cr.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration No
1	Contribution to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (COVID-19)	(i)	No	Across India	Across India	40.00	No	Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)	Not-Applicable
2	Contribution towards LPG Connections for BPL households	(i)	No	Across India	Across India	8.00	No	IOCL Nodal Agency	Not-Applicable
3	Support to provide 100 ventilators	(i)	No	Across India	Across India	7.20	Yes	HPCL/BPCL In-House	Not-Applicable
4	Providing 3,000 empty ISI mark jumbo size medical Oxygen Cylinders for effective and timely clinical treatment of Covid 19 patients	(i)	No	Across India	Across India	4.07	Yes	GAIL (India) Ltd. / BPCL In-house	Not-Applicable
5	Swachh Bharat Activities (2021-22)	(i)	No	All India	All India	3.98	Yes	BPCL in-house	Not-Applicable
6	Providing 1,000 Oxygen Concentrators for effective and timely clinical treatment of Covid-19 patients	(i)	No	Across India	Across India	3.56	Yes	Oil & Natural Gas Corporation Limited (ONGC) / BPC In-house	Not-Applicable
7	To support emergency relief measures extended to distressed Communities of Odisha due to damage caused by cyclone 'Yaas'	(i)	Yes	Odisha	Odisha	2.88	Yes	BPCL in-house	Not-Applicable
8	Contribution towards Skill Development Institute Kochi for operational expenses	(ii)	Yes	Kerala	Ernakulam	1.50	No	Skill Development Society (SDS) Kochi	Not-Applicable
9	Supporting Cold Chain Equipment (CCE) for Storage of COVID-19 vaccine	(i)	Yes	Haryana & Uttar Pradesh	Haryana & Uttar Pradesh	1.27	Yes	BPCL in-house	Not-Applicable
10	Support for infrastructure of existing school	(ii)	Yes	Tamil Nadu	Chennai	1.06	No	Ramakrishna Mission Belur Math Howrah	CSR00006101
11	Renovation & de-siltation of a water body	(i)	No	Maharashtra	Gadchiroli	0.94	No	Society for Education, Action and Research in Community Health (SEARCH)	Not-Applicable
12	Support to provide quality medical healthcare services through Lifeline Express (Hospital on a train)	(i)	No	Uttar Pradesh	Balrampur	0.90	No	Impact India foundation (IIF)	CSR00003362

1	2	3	4	5		6	7	8	
Sr. No.	Name of the Project	Item from the list of Activities in Schedule VII to the act.	Local (Yes/ No)	Location of the Project State District		Amount Spent in Current Financial Year (in ₹ Cr.)	Mode of Imple-mentation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration No
13	Project Akshay Chaitanya- Providing kitchen equipment and other allied facilities for centralized kitchen, Byculla	(i)	Yes	Maharashtra	Mumbai	0.90	No	Hare Krishna Movement Charitable Foundation (HKMCF)	CSR00001738
14	Ensuring clean drinking water by providing water purifier cum cooler	(i)	Yes	Maharashtra	Mumbai	0.80	No	Citizens Association for Child Rights	CSR00000040
15	Distribution of relief materials to the people affected severely by cyclone 'Yaas'	(i)	Yes	West Bengal	Purba Mednipur	0.70	Yes	BPCL in-house	Not-Applicable
16	Enhancing school infrastructure Girls' Higher Secondary School	(ii)	Yes	Tamil Nadu	Chennai	0.56	No	Ramakrishna Mission, Belur Math	CSR00006101
17	Enhancement of facilities at Government College, Kozhikode	(i)	Yes	Kerala	Kozhikode	0.55	No	District Collector, Kozhikode	Not-Applicable
18	Contribution towards Skill Development Institute Visakhapatnam for operational expenses	(ii)	Yes	Andhra Pradesh	Visakhapatnam	0.50	No	Skill Development Institute (SDI) Visakhapatnam Society	Not-Applicable
19	Contribution towards Skill Development Institute Bhubaneswar expenses	(ii)	Yes	Odisha	Khordha	0.50	No	Skill Development Institute (SDI) Bhubaneswar	Not-Applicable
20	Projects wherein the amount spent during the year is less than ₹ 50 lakhs per project.	(i), (ii), (iv) & (x)	Yes	Pan India		6.97		Multiple Implementing Agencies and BPCL Inhouse	
21	Projects wherein the amount spent during the year is less than ₹ 50 lakhs per project.	(i), (ii), (iv) & (x)	No	Pan India		3.84		Multiple Implementing Agencies and BPCL Inhouse	
	Total					**90.71**			

Sd/-
Shri Harshadkumar P. Shah
Chairman – CSR Committee

Sd/-
Shri Vetsa Ramakrishna Gupta
Director Finance with Addl. Charge of Director HR

Annexure-I [C]

Details of CSR amount spent in the financial year for ongoing projects of the preceding financial years: 2021-22

1	2	3	4	5	6	7	8	9
Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total Amount Allocated for the Project (in ₹ Cr.)	Amount spent on the project in the reporting Financial Year (in ₹ Cr.)	Cumulative amount spent at the end of the reporting Financial Year (in ₹ Cr.)	Status of project Completed/ Ongoing
1	G133	Construction of first floor of primary school building in Betul, MP.	2020-21	18 months	0.99	0.30	0.79	On-going
2	G136	Support to provide quality medical healthcare services through Lifeline Express (Hospital on a train) Balangir.	2020-21	3 months	1.00	0.40	0.73	Completed
3	G124	Integrated project for Cancer care in partnership with Indian Cancer Society	2020-21	24 months	21.64	3.99	7.57	On-going
4	G115	Support online program for the youth including NCC cadres and NSDC candidates across India and ITI students from Gujarat	2020-21	6 months	0.48	0.19	0.43	Completed
5	F017	Support for construction of a Dormitory for the patients & relatives and expansion of a water body (pond) at Shodhgram.	2019-20	12 months	0.70	0.25	0.70	Completed
6	F017	Support for construction of a Dormitory for the patients & relatives and expansion of a water body (pond) at Shodhgram.	2019-20	12 months	1.28	0.83	1.26	Completed
7	F005	Support for providing recycled footwear to 50,000 children in Nandurbar (Maharashtra), Hojai (Assam) & Kandhamal (Odisha)	2019-20	5 months	1.00	0.28	1.00	Completed
8	G034	To commence primary sections (Class LKG to Class V) at RKM Chennai by supporting construction of the additional rooms in the 2nd floor of the existing building	2020-21	10 months	1.93	0.68	1.93	Completed
9	G039	Supporting Digitalization, Documentation, Organization and safe storage of the collection	2020-21	36 months	13.41	1.88	4.08	On-going
10	G086	Bandicoot - Reducing manual scavenging by providing 2 local civic bodies with 10 robotic manhole cleaning machine along with operational cost and maintenance	2020-21	24 months	4.24	0.10	3.77	On-going
11	F009	Construction of building, equipment at Manav Sadhan Vikas Sanstha school of Nursing	2019-20	18 months	5.00	1.25	3.05	On-going
12	E166	Scaling up of Remedial Education project in 40 slums in Bhubaneswar in partnership with NGO Ruchika Social Service Organizarion (RSSO)	2018-19	24 months	0.92	0.16	0.92	On-going
13	E160	Proposal for support for operational expenses of RKM primary school managed by RKM Ashram, T. Nagar	2018-19	36 months	0.98	0.15	0.94	On-going
		Total			**53.58**	**10.45**	**27.18**	

Sd/-
Shri Harshadkumar P. Shah
Chairman – CSR Committee

Sd/-
Shri Vetsa Ramakrishna Gupta
Director Finance with Addl. Charge of Director HR

ANNEXURE - C

ANNUAL STATEMENT SHOWING THE REPRESENTATION OF SCHEDULED CASTES (SCs), SCHEDULED TRIBES (STs), OTHER BACKWARD CLASSES (OBCs), ECONOMICALLY WEAKER SECTIONS (EWS) AS ON 1ST JANUARY, 2022 AND NUMBER OF APPOINTMENTS MADE DURING THE PRECEEDING CALENDAR YEAR, 2021

NAME OF THE PUBLIC SECTOR ENTERPRISE: BHARAT PETROLEUM CORPORATION LTD.

Groups	Representation of SCs/STs/OBCs/EWS (As on 1.1.2022)					Number of appointments made during the calendar year 2021													
						By Direct Recruitment					By Promotion			By Other Methods				
	Total number of Employees	SCs	STs	OBCs	EWS	Total	SCs	STs	OBC	EWS	Total	SCs	STs	Total	SCs	STs	OBCs	EWS
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Group-A	5,149	857	354	1,078	4	20	0	0	2	#1	33	8	2	**1	0	0	0	0
Group-B	1,461	202	54	264	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Group-C	1,390	175	67	475	0	0	0	0	0	0	3	1	0	0	0	0	0	0
*Group-D/Ds	708	118	55	165	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	**8,708**	**1,352**	**530**	**1,982**	**4**	**20**	**0**	**0**	**2**	**1**	**36**	**9**	**2**	****1**	**0**	**0**	**0**	**0**

*Group D/Ds-Group is merged

#Reservation for Economically Weaker Section (EWS): Vacancies to be notified on or after 01.02.2019. 1 EWS recruited in 2021 in Group " A"

**1 sportsperson promoted

ANNUAL STATEMENT SHOWING THE REPRESENTATION OF SCHEDULED CASTES (SCs), SCHEDULED TRIBES (STs), OTHER BACKWARD CLASSES (OBCs), ECONOMICALLY WEAKER SECTIONS (EWS) IN VARIOUS GROUP "A" SERVICES AS ON 1ST JANUARY, 2022 AND NUMBER OF APPOINTMENTS MADE IN THE SERVICE IN VARIOUS GRADE IN THE YEAR 2021

NAME OF THE PUBLIC SECTOR ENTERPRISE: BHARAT PETROLEUM CORPORATION LTD.

JG	Pay Scales (in ₹)	Representation of SCs/STs/OBCs/EWS (as on 01.01.2022)					Number of Appointments made during the calendar year 2021													
		Total Number of Employees					By Direct Recruitment					By Promotion			By Other Methods				
		Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	Total	SCs	STs	OBCs	EWS
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**	**16**	**17**	**18**	**19**	**20**
A0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A	40000-140000	30	7	2	12	-	-	-	-	-	-	30	7	2	-	-	-	-	-
A1	50000-160000	3	1	-	-	-	-	-				3	1	-	-	-	-	-	-
A2	60000-180000	316	35	18	108	4	20	-	-	2	1	-	-	-	*1	-	-	-	-
B	70000-200000	1,457	226	109	369	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	80000-220000	1,145	199	63	279	-	-	-	-	-	-	-	-	-	-	-	-	-	-
D	90000-240000	882	146	76	168	-	-	-	-	-	-	-	-	-	-	-	-	-	-
E	100000-260000	662	141	62	101	-	-	-	-	-	-	-	-	-	-	-	-	-	-
F	120000-280000	391	76	16	30	-	-	-	-	-	-	-	-	-	-	-	-	-	-
G	120000-280000	179	21	8	10	-	-	-	-	-	-	-	-	-	-	-	-	-	-
H	120000-280000	55	5	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
I	150000-300000	27	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
J	180000-340000	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
K	200000-370000	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL	**5,149**	**857**	**354**	**1,078**	**4**	**20**	**-**	**-**	**2**	**1**	**33**	**8**	**2**	**1**	**-**	**-**	**-**	**-**

*1 Sportsperson promoted

ANNUAL STATEMENT SHOWING REPRESENTATION OF THE PERSONS WITH DISABILITIES (PWDs) IN SERVICE AS ON 1ST JANUARY, 2022 AND NO. OF APPOINTMENTS OF PWDs - (RECRUITMENT / PROMOTION) DURING THE CALENDAR YEAR 2021

Group	Total number of Employees (as on 01.01.2022)	Number of PWD Employees (as on 01.01.2022)					*No. of Appointments (2021)			
		TOTAL	VH	HH	OH	LD	VH	HH	OH	LD
1	2	3	4	5	6	7	8	9	10	11
"A"	5,149	109	13	9	87	--	--	--	1	--
"B"	1,461	36	5	3	28	--	--	--	--	--
"C"	1,390	27	6	10	11	--	--	--	1	--
"D/DS"	708	10	0	2	8	--	--	--	--	--
TOTAL	**8,708**	**182**	**24**	**24**	**134**	**--**	**--**	**--**	**2**	**--**

* No. of Appointments include (Recruitment & Promotion)

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

HH stands for Hearing Handicapped (persons suffering from hearing impairment-deaf and hard of hearing)

OH stands for Orthopaedically Handicapped (including persons suffering from locomotor disability, cereberal palsy, acid attack victims, dwarfism, muscular dystrophy and leprosy cured)

LD stands for Learning Disability / Intellectual Disability (persons with autism, intellectual disability, specific learning disability and mental illness)

ANNEXURE D

REPORT ON CORPORATE GOVERNANCE

1) Company's philosophy on Code of Governance

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

2) Composition of Board of Directors

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

As on March 31, 2022, the BPCL Board comprised 11 Directors represented by 3 Whole-time (Executive) Directors including Chairman & Managing Director, 2 Part-time (Ex-Officio) Nominee Directors of Government of India and Government of Kerala, respectively (Government Directors) and 6 Part-time (Non-official) Directors (Independent Directors).

Shri N. Vijayagopal, Director (Finance) ceased to be the Director of the Company w.e.f. 01.08.2021 on his superannuation. He was also the Chief Financial Officer of the Company.

Shri Arun Kumar Singh, Director (Marketing) took over charge of Chairman & Managing Director w.e.f. 07.09.2021 and also holds additional charge of Director (Marketing) w.e.f 14.09.2021. He also held additional charge of Director (Refineries) up to 21.02.2022.

Shri Vetsa Ramakrishna Gupta was appointed as Chief Financial Officer of the Company w.e.f. 01.08.2021. He was appointed as Director (Finance) and as an Additional Director w.e.f. 07.09.2021. Thereafter, he was appointed as Director (Finance) in the Annual General Meeting w.e.f. 27.09.2021. He also holds additional charge of Director (Human Resources) w.e.f 01.01.2022.

Shri Rajesh Aggarwal, Government Director ceased to be the Director of the Company w.e.f. 23.09.2021.

Shri Gudey Srinivas, Government Director was appointed as an Additional Director of the Company w.e.f. 13.10.2021. He was appointed as Director by shareholders by way of Postal Ballot w.e.f. 17.04.2022.

Shri Pradeep Vishambhar Agrawal, Shri Ghanshyam Sher, Dr. (Smt.) Aiswarya Biswal, Prof. (Dr.) Bhagwati Prasad Saraswat, Shri Gopal Krishan Agarwal, Independent Directors were appointed as Additional Directors of the Company w.e.f. 12.11.2021. They were appointed as Independent Directors by shareholders by way of Postal Ballot w.e.f. 17.04.2022.

Shri K. Padmakar, Director (Human Resources) ceased to be the Director of the Company w.e.f. 01.01.2022 on his superannuation. He was holding additional charge of Chairman & Managing Director till Shri Arun Kumar Singh took over as Chairman & Managing Director on 07.09.2021.

Shri K. Ellangovan, Government Director ceased to be the Director of the Company w.e.f. 01.02.2022 on his retirement from office of Principal Secretary, Industries & Norka, Govt. of Kerala.

Shri Sanjay Khanna, Director (Refineries) was appointed as an Additional Director of the Company w.e.f. 22.02.2022. He was further appointed as Director (Refineries) by shareholders by way of Postal Ballot w.e.f. 17.04.2022.

Shri Suman Billa, Government Director was appointed as an Additional Director of the Company w.e.f. 16.03.2022. He was further appointed as Director by shareholders by way of Postal Ballot w.e.f. 17.04.2022.

Shri Harshadkumar P. Shah, Independent Director ceased to be Independent Director of the Company w.e.f. 16.07.2022 on completion of his tenure.

In line with Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") no person aged seventy five years or more were appointed or continued as non-executive directors in the company.

During the Financial Year 2021-22, all meetings of the Board and the Annual General Meeting were chaired by the Chairman & Managing Director.

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

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

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

BPCL being a Government Company, all the Directors are appointed as per the nominations from the Government of India based on the required skills, competencies and expertise. The Company has a competent Board with background and knowledge of the Company's Businesses and also of finance, accounts and general administration. The Board comprises Directors from diverse experience, qualifications, skills, expertise etc. which are aligned with the Company's business, overall strategy, corporate ethics, values and culture etc.

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

Particulars of Directors including their attendance at the Board/Members' Meetings during the Financial Year 2021-22

Names of the Directors	Academic Qualifications	Attendance out of 14 Board Meetings held during the year and percentage thereof		Attendance at the last Annual General Meeting	Details of Directorships held in other Companies (as on March 31, 2022)	Memberships held in Committees as specified under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
		No. of Meetings Attended	%			
Whole-time Directors						
Shri Arun Kumar Singh Director (Marketing) (up to 06.09.2021) Chairman & Managing Director (w.e.f. 07.09.2021) with additional charge of Director (Marketing)	Mechanical Engineering with first rank from NIT, Patna (Formerly BCE, Patna)	14	100	Attended	**Chairman:** 1. Indraprastha Gas Limited (Listed Entity) 2. Bharat Oman Refineries Ltd. **Director:** 1. Petronet LNG Limited (Listed Entity) 2. Bharat Gas Resources Limited 3. Bharat PetroResources Limited	-
Shri K. Padmakar Additional charge of Chairman & Managing Director (up to 06.09.2021) Director (Human Resources) (up to 31.12.2021)	Master's degree in Personnel Management from TISS, Bachelor's Degree in Agriculture	11	100*	Attended	**Director:** 1. Bharat Oman Refineries Ltd. 2. Bharat Gas Resources Limited 3. Bharat PetroResources Limited	-
Shri N.Vijayagopal Director (Finance)(up to. 31.07.2021)	A.C.A., LL.B.	4	100*	N.A.#	**Director:** 1. Bharat Oman Refineries Ltd. 2. Bharat Gas Resources Limited 3. Bharat PetroResources Limited 4. Ratnagiri Refinery and Petrochemicals Limited	Stakeholders' Relationship Committee: Member Bharat Petroleum Corporation Limited
Shri Vetsa Ramakrishna Gupta Director (Finance) (w.e.f. 07.09.2021) with additional charge of Director (Human Resources)	B.Com, ACA, AICWA	8	100*	Attended	**Director:** 1. Bharat Oman Refineries Ltd. 2. Bharat Gas Resources Limited 3. Bharat PetroResources Limited 4. Fino Paytech Limited	Stakeholders' Relationship Committee: Member Bharat Petroleum Corporation Limited
Shri Sanjay Khanna Director (Refineries) (w.e.f. 22.02.2022)	B.Tech, Chemical Engineering, Post Graduate in Finance Management	1	100*	N.A.#	**Director:** 1. Bharat Oman Refineries Ltd.	-

* Percentage computed by considering the meetings attended with the total meetings held during the Directors tenure.

N.A.# Not applicable

Particulars of Directors including their attendance at the Board/Members' Meetings during the Financial Year 2021-22

Names of the Directors	Academic Qualifications	Attendance out of 14 Board Meetings held during the year and percentage thereof		Attendance at the last Annual General Meeting	Details of Directorships held in other Companies (as on March 31, 2022)	Memberships held in Committees as specified under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
		No. of Meetings Attended	%			
Non-Executive Directors **a) Government Directors**						
Shri Rajesh Aggarwal Additional Secretary and Financial Adviser, MoP&NG (up to 22.09.2021)	I.A.S., B. Tech (Computer Science & Engineering) from IIT (Delhi)	6	85.71*	N.A.#	**Director:** 1. Oil & Natural Gas Corporation Ltd. (Listed Entity-Nominee Director of Govt. of India). 2. Indian Strategic Petroleum Reserves Limited.	-
Dr. K. Ellangovan Principal Secretary, (Industries & NORKA), Government of Kerala (up to 31.01.2022)	I.A.S., PhD from IIT Madras and MS from Bangalore Medical College	8	66.67*	Not Attended	**Chairman:** 1. The Kerala Minerals and Metals Limited 2. Nitta Gelatin India Limited (Listed Entity-Nominee Director of Govt. of India) 3. Malabar Cements Ltd. **Director:** 4. Kerala State Industrial Development Corporation Ltd 5. Overseas Keralites Investment and Holding Limited 6. INKEL Limited 7. Norka-Roots (Sec 25 Company)	-
Shri Gudey Srinivas AS&FA, Ministry of Consumer Affairs, Food & Public Distribution and holding financial advice charge of Ministry of Petroleum & Natural Gas (MoP&NG), (w.e.f. 13.10.2021)	IAS B. Tech (Civil Engg). M.E. (Civil Engg). Management Programme in Public Policy from Indian School of Business.	6	85.71*	N.A.#	**Director:** 1. Food Corporation of India 2. Indian Strategic Petroleum Reserves Limited.	
Shri Suman Billa Principal Secretary, (Industries & NORKA), Government of Kerala (w.e.f. 16.03.2022)	IAS M Phil, British Chevening Gurukul Scholar at the London School of Economics.	0	0*	N.A.#	**Director:** 1. Malabar Cements Limited 2. Overseas Keralites Investments and Holdings Limited 3. INKEL Limited 4. Kerala State Industrial Development Corporation Limited	

* Percentage computed by considering the meetings attended with the total meetings held during the Directors tenure
N.A.# Not applicable

Particulars of Directors including their attendance at the Board/Members' Meetings during the Financial Year 2021-22

Names of the Directors	Academic Qualifications	Attendance out of 14 Board Meetings held during the year and percentage thereof		Attendance at the last Annual General Meeting	Details of Directorships held in other Companies (as on March 31, 2022)	Memberships held in Committees as specified under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
		No. of Meetings Attended	%			
Non-Executive Directors (b)Part-time (Independent Directors)						
Shri Harshadkumar P. Shah Independent Director (up to 15.07.2022)	B. SC. (Maths)	14	100	Attended	-	Stakeholder's Relationship Committee: Chairman Bharat Petroleum Corporation Limited
Shri Pradeep Vishambhar Agrawal Independent Director (w.e.f. 12.11.2021)	Fellow member of the Institute of Chartered Accountants of India and member of the Institute of Company Secretaries of India.	5	100*	N.A.#	**Director:** 1. Vital Care Pvt Ltd 2. Interpharm Biotech Private Limited 3. Shine Pharmaceuticals Limited 4. Bhoomi Medicaments Limited 5. Vadodara Smile Foundation 6. Shashvat Vikas Prabodhan Parishad 7. Vadodara City Police Parivaar Kalyan Foundation	Audit Committee: Member Bharat Petroleum Corporation Limited
Shri Ghanshyam Sher Independent Director (w.e.f. 12.11.2021)	M.Com. M.A. (Political Science). M.A. (Economics). L.L.B.	5	100*	N.A.#	-	Audit Committee: Member Bharat Petroleum Corporation Limited Stakeholder's Relationship Committee: Member Bharat Petroleum Corporation Limited
Dr. (Smt.) Aiswarya Biswal Independent Director (w.e.f. 12.11.2021)	Bachelor of Dental Surgery. Masters in Management from University of Liverpool, United Kingdom.	5	100*	N.A.#	-	Stakeholder's Relationship Committee: Member Bharat Petroleum Corporation Limited

* Percentage computed by considering the meetings attended with the total meetings held during the Directors tenure.
N.A.# Not applicable

Particulars of Directors including their attendance at the Board/Members' Meetings during the Financial Year 2021-22

Names of the Directors	Academic Qualifications	Attendance out of 14 Board Meetings held during the year and percentage thereof		Attendance at the last Annual General Meeting	Details of Directorships held in other Companies (as on March 31, 2022)	Memberships held in Committees as specified under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
		No. of Meetings Attended	%			
Prof. (Dr.) Bhagwati Prasad Saraswat Independent Director (w.e.f. 12.11.2021)	M.Com (Gold Medalist). Ph.D in Financial Evolution of Drugs & Pharmaceutical Companies in India.	5	100*	N.A.#	-	Audit Committee: Member Bharat Petroleum Corporation Limited
Shri Gopal Krishan Agarwal Independent Director (w.e.f. 12.11.2021)	Fellow member of the Institute of Chartered Accountants of India MA (Economics) B.Com (Hons).	5	100*	N.A.#	**Director:** 1. Genuine Creations Private Limited 2. Jaladhikar Foundation 3. Professional Data System Private Limited 4. Gangotri Overseas Private Limited 5. ICSI Institute of Insolvency Professionals	Audit Committee: Chairman Bharat Petroleum Corporation Limited Stakeholder's Relationship Committee:Member Bharat Petroleum Corporation Limited

*Percentage computed by considering the meetings attended with the total meetings held during the Directors tenure
N.A.# Not applicable
Note: Details of familiarization programmes imparted to Independent Directors are available on website of the Company:
https://www.bharatpetroleum.in/bharat-petroleum-for/Investors/Our-Policies.aspx

Board Meetings

Fourteen Board Meetings were held during the Financial Year 2021-22 on the following dates:-

April 21, 2021	May 26, 2021	June 21, 2021	July 23, 2021
August 12, 2021	September 7, 2021	September 17, 2021	October 21, 2021
October 29, 2021	November 29, 2021	December 29, 2021	January 31, 2022
February 22, 2022	March 22, 2022		

The Company was in compliant with Regulations 17(2) and 17(2A) of Listing Regulations regarding the minimum number of Board Meetings, maximum time gap between two Board meetings and Quorum requirement in each Board Meeting.

In line with Regulation 17(3) of the Listing Regulations, the Board has reviewed the compliance of all laws applicable to the Company as well as steps taken by the listed entity to rectify instances of non-compliances.

In line with Regulation 17(5) of the Listing Regulations, the Board has adopted a Code of Conduct for the Directors and also for the Senior Management of the Company and the same has been posted on the website of the Company. There is a system in the organization of affirming compliance with Corporate Governance by the Board Members and Senior Management Personnel of the Company. A declaration of compliance signed by Chairman & Managing Director of the Company is enclosed with this Annual Report. The Code of Conduct has suitably incorporated the duties of the Independent Directors as envisaged in the Companies Act, 2013.

There are no inter-se relationships between our Board members. None of the Non-Executive Directors of BPCL has any pecuniary relationship / transaction with the Company during the Financial Year.

During the year, all recommendations made by the Committees were accepted by the Board. The declaration has been received from the Independent Director about meeting the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, the Independent Director fulfill the conditions of independence specified in the said Act and Regulations and are independent of the management.

3) Board Committees

A) Audit Committee

The Audit Committee comprises four Independent Directors. The role, powers and functions of the Audit Committee were specified and approved by the Board. The quorum for the meetings of the Committee is one-third of the total number of members or two members, whichever is higher with the presence of at least two Independent Directors. The members possess the requisite knowledge of finance & accounting for effective functioning of the Audit Committee. Smt. V Kala, Company Secretary acts as the Secretary to the Audit Committee.

The Head of Internal Audit is an invitee to the Audit Committee and attends and participates in the said meetings. In addition, Whole-time Directors are also invited to attend the Audit Committee meetings as and when required. The Statutory Auditors and Cost Auditors are invited to attend and participate at the meetings for relevant agendas of Audit Committee.

As on 01.04.2021, the Company had only one Independent Director and hence Company was not able to re-constitute the Audit Committee. The matter was taken up with the Government of India from time to time with regard to the nomination / appointment of requisite number of Independent Directors on the Board. The Government of India, vide their letter dated 08.11.2021, communicated the nomination of five Independent Directors on the Board including Women Independent Director. Accordingly, these Independent Directors were inducted on the Board w.e.f. 12.11.2021. Subsequently, Company has reconstituted the Audit Committee on 04.12.2021 by inducting Shri Gopal Krishan Agarwal, Independent Director, as the Chairman of the Committee with Shri Ghanshyam Sher and Shri Pradeep Vishambhar Agrawal, Independent Directors as the Members of the Committee. Prof. (Dr.) Bhagwati Prasad Saraswat was appointed as Member of the Committee w.e.f. 16.02.2022.

As on March 31, 2022, the Audit Committee comprised of Shri Gopal Krishan Agarwal, Independent Director, as the Chairman and Shri Ghanshyam Sher, Shri Pradeep Vishambhar Agrawal and Dr. (Prof.) Bhagwati Prasad Saraswat, Independent Directors as its Members.

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

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

1) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

2) Recommending to the Board the fixation of audit fees;

3) Approval of payment to Statutory Auditors for any other services rendered by them;

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

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

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

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

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

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

    f) Disclosure of any related party transactions.

    g) Modified opinion(s) in the draft audit report;

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

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

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

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

9) Scrutinizing inter-corporate loans and investments;

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

11) Evaluating internal financial controls and risk management systems;

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

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

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

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

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

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

18) Reviewing the functioning of the Whistle Blower Mechanism;

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

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

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

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

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

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

25) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee has been sufficiently empowered by the Board of Directors with following powers:-

1) To investigate any activity within its terms of reference.

2) To seek information on and from any employee.

3) To obtain outside legal or other professional advice, subject to the approval of the Board of Directors.

4) To secure attendance of outsiders with relevant expertise, if it considers necessary.

5) To protect whistle blowers.

The Audit Committee reviews the following information:

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

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

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

4) Internal audit reports relating to internal control weaknesses;

5) The appointment, removal and terms of remuneration of the Chief Internal Auditor.

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

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

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

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

All the Subsidiary Companies of the Company are managed by their respective Boards and the Management. The Financial Statements of the Subsidiary Companies including investments made, if any, are reviewed by their respective Audit Committee / Board. The performance of Subsidiary Companies and the minutes of their Board meetings are placed at the Board meetings of the Company. Any significant transaction or arrangement entered into by the Subsidiary Companies are also reported to the Board of Directors of the Company.

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

Four meetings of the Audit Committee were held during the Financial Year 2021-22 on the following dates:

January 11, 2022	January 31, 2022	February 22, 2022	March 22, 2022

Attendance at the Audit Committee meetings during the year 2021-22

Names of the members	No of meetings attended	% *
Shri Gopal Krishan Agarwal, Chairman (w.e.f. 04.12.2021)	4	100
Shri Ghanshyam Sher, Member (w.e.f. 04.12.2021)	4	100
Shri Pradeep Vishambhar Agrawal, Member (w.e.f. 04.12.2021)	4	100
Prof (Dr.) Bhagwati Prasad Saraswat, Member (w.e.f. 16.02.2022)	2	100

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

Due to non-availability of quorum of the Committee, the Quarterly and Half Yearly Financial Statements as on June 30, 2021 and September 30, 2021 were reviewed by the Board on August 12, 2021 and October 29, 2021 respectively.

The Committee at its meetings held on January 31, 2022 reviewed the Quarterly Financial Statements as on December 31, 2021. Further, Annual Financial Statements as on March 31, 2022 were reviewed by the Committee at its meeting held on May 25, 2022 before the same were submitted to the Board for approval.

B) Project Evaluation Committee

The Project Evaluation Committee (PEC) comprises of two Independent Directors, one Government Director and Director (Finance).

The PEC evaluates, guides implementation, monitors, reviews, assesses deliverables, provides recommendations and advice to the Board for projects costing over ₹ 500 crore including investments in Subsidiaries / Joint Ventures.

During the Financial Year 2021-22, Shri N. Vijayagopal, Director (Finance) ceased to be a Member of the Committee w.e.f. 01.08.2021 on his superannuation. Shri Arun Kumar Singh was appointed as a Member of the Committee w.e.f. 06.08.2021 till 06.09.2021. Subsequently, Shri Vetsa Ramakrishna Gupta, Director (Finance) was appointed as a Member of the Committee w.e.f. 07.09.2021.

Shri K. Ellangovan, Government Director ceased to be a Member of the Committee w.e.f. 01.02.2022 on his retirement.

Subsequently, Shri Pradeep Vishambhar Agrawal, Independent Director was appointed as a Member of the Committee w.e.f. 16.02.2022 and Shri Suman Billa, Government Director was appointed as a Member of the Committee w.e.f. 16.03.2022.

As on 31st March, 2022, the PEC comprised of Shri Harshadkumar P. Shah, Independent Director as the Chairman and, Shri Pradeep Vishambhar Agrawal , Independent Director, Shri Vetsa Ramakrishna Gupta, Director (Finance) and Shri Suman Billa, Government Director as its Members.

Shri Harshadkumar P. Shah, Independent Director ceased to be a Chairman of the Committee w.e.f. 16.07.2022 on completion of his tenure.

Five meetings of the PEC were hed during the Financial Year 2021-22 on the following dates:

April 21, 2021	August 12, 2021	December 29, 2021	January 31, 2022	March 22, 2022

Attendance at the Projects Evaluation Committee meetings during the year 2021-22

Names of the members	No of meetings attended	% *
Shri Harshadkumar P. Shah, Chairman	5	100
Shri Arun Kumar Singh, Member (from 06.08.2021 to 06.09.2021)	1	100
Shri N. Vijayagopal, Member (up to 31.07.2021)	1	100
Dr. K. Ellangovan, Member (up to 31.01.2022)	3	75
Shri Vetsa Ramakrishna Gupta, Member (w.e.f. 07.09.2021)	3	100
Shri Pradeep Vishambhar Agrawal, Member (w.e.f. 16.02.2022)	1	100
Shri Suman Billa, Member (w.e.f. 16.03.2022)	-	-

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

C) Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) formulates and reviews policies related to remuneration / perquisites / incentives within the parameters of Guidelines issued by the Government of India. The role, powers and functions of the NRC were specified and approved by the Board. The NRC has formulated a policy to decide the annual bonus / variable pay pool and policy for its distribution across the executives and non unionized supervisors, as per the guidelines of DPE.

As on 01.04.2021, the Board comprised only one Independent Director and hence could not reconstitute the NRC. However, a Compensation & Remuneration Committee (CRC) with Shri Harshadkumar P. Shah, Independent Director as Chairman, Shri Rajesh Aggarwal and Dr. K. Ellangovan, Government Directors, as members, was constituted at the Board meeting held on August 13, 2020 for the limited purpose of administration, approvals and implementation of the Employee Stock Purchase Scheme based on relaxation received from SEBI under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.The CRC was also authorised by the Board to deicide the annual bonus/variable pay pool and its distribution across the executives, including Board level executives and non-unionized supervisors as per the framework and policy prescribed under the DPE and earlier approved by NRC and Board. One meeting of CRC was held on 21.04.2021 which was attended by all its members.

Shri Gudey srinivas appointed as member in place of Shri Rajesh Aggarwal w.e.f. 21.10.2021.

Subsequently, on nomination of five Independent Directors on the Board, NRC was reconstituted w.e.f. 04.12.2021 to take up the roles and responsibilities as prescribed under the Companies Act, 2013, Listing Regulations and DPE guidelines and also roles and responsibilities of CRC which was clubbed with NRC.

Prof (Dr.) Bhagwati Prasad Saraswat, Independent Director was appointed as Chairman of the Committee and Dr. K. Ellangovan, Government Director, Shri Gudey Srinivas, Government Director and Dr. (Smt.) Aiswarya Biswal, Independent Director were appointed as the Members of the Committee w.e.f. 04.12.2021. Subsequently, Shri Harshadkumar P. Shah was appointed as a Member of the Committee w.e.f. 01.01.2022. Dr. K. Ellangovan, Government Director ceased to be the Member of the Committee w.e.f. 01.02.2022 on his retirement.

As on March 31, 2022, the NRC comprised of Prof (Dr.) Bhagwati Prasad Saraswat, Independent Director as Chairman and, Shri Harshadkumar P. Shah, Dr. (Smt.) Aiswarya Biswal, Independent Director and Shri Gudey Srinivas, Government Director as its Members.

Shri Harshadkumar P. Shah, Independent Director ceased to be a member of the Committee w.e.f. 16.07.2022 on completion of his tenure.

During the Financial Year 2021-22, one meeting of the Committee was held on 29.12.2021, which was attended by Prof (Dr.) Bhagwati Prasad Saraswat, Chairman, Dr. (Smt.) Aiswarya Biswal and Shri Gudey Srinivas, Member.

BPCL is a Government Company and as per the MCA circular, exemptions have been given to Government Companies from applicability of Section 178 (2), (3), (4) of the Companies Act, 2013, for appointment / removal of Director, formulating the criteria for determining qualification, positive attributes and independence of Director, recommending to the Board a policy relating to the remuneration for the Directors and evaluation of performance of the Board, committees and individual Directors.

D) Stakeholders Relationship Committee

The role of the Stakeholders' Relationship Committee is to specifically look into the redressal of grievances of shareholders, debenture holders (and other security holders) including complaints related to transfer of shares, non-receipt of Annual Report, non-receipt of declared dividends, etc. and other additional roles as covered under the Listing Regulations.

Shri N. Vijayagopal, Director (Finance) ceased to be a Member of the Committee w.e.f. 01.08.2021 on his superannuation and Shri Arun Kumar Singh, Director (Marketing) was appointed as a Member of the Committee w.e.f. 06.08.2021. Subsequently, Shri Vetsa Ramakrishna Gupta, Director (Finance) was appointed as a Member of the Committee w.e.f. 07.09.2021 in place of Shri Arun Kumar Singh, Director (Marketing).

Shri K. Padmakar, Director (Human Resources) ceased to be the Member of the Committee w.e.f. 01.01.2022 on his superannuation.

Subsequently, Dr. (Smt.) Aiswarya Biswal, Shri Gopal Krishan Agarwal and Shri Ghanshyam Sher, Independent Directors were appointed as Members of the Committee w.e.f. 16.02.2022.

As on 31st March, 2022, the Stakeholders' Relationship Committee comprised of Shri Harshadkumar P. Shah, Independent Director as Chairman, and, Dr. (Smt.) Aiswarya Biswal, Shri Gopal Krishan Agarwal, Shri Ghanshyam Sher, Independent Directors and Shri Vetsa Ramakrishna Gupta, Director (Finance) as its Members.

Shri Harshadkumar P. Shah, Independent Director ceased to be a Chairman of the Committee w.e.f. 16.07.2022 on completion of his tenure.

The Committee, at its meeting held on March 22, 2022, reviewed the services rendered to the Shareholders / Investors including response to complaints / communications from the Shareholders of the Company. The said meeting was attended by all the Members of the Committee.

During the Financial Year 2021-22, seventy-four complaints were received from investors through SEBI, BSE and NSE, which were attended to and resolved on priority basis.

Smt. V Kala, Company Secretary acts as the Compliance Officer for matters related to investor relations.

E) Corporate Social Responsibility Committee

The terms of reference of the Corporate Social Responsibility (CSR) Committee broadly comprise:

1. In every Financial Year, utilizing at least 2% of average net profits of the Company made during the three immediately preceding financial years towards CSR activities as specified in Schedule VII of the Companies Act, 2013;
2. Providing guidance and suggestions on CSR activities to the CSR role holders and to monitor its progress, bringing greater transparency and experience in the execution of CSR activities of the Company etc.

Shri N. Vijayagopal, Director (Finance) ceased to be a Member of the Committee w.e.f. 01.08.2021 on his superannuation and Shri Arun Kumar Singh, Director (Marketing) was appointed as a Member of the Committee w.e.f. 06.08.2021 till 06.09.2021. Subsequently, Shri Vetsa Ramakrishna Gupta, Director (Finance) was appointed as a Member of the Committee w.e.f. 07.09.2021.

Shri Rajesh Aggarwal, Government Nominee Director ceased to be a Member of the Committee w.e.f. 23.09.2021.

Shri K. Padmakar, Director (Human Resources) ceased to be a Member of the Committee from 01.01.2022 on his superannuation and Shri K. Ellangovan, Government Director ceased to be a Member of the Committee from 01.02.2022 on his retirement.

Shri Gudey Srinivas, Government Nominee Director was appointed as Member in place of Shri Rajesh Aggarwal of the Committee w.e.f. 21.10.2021.

Dr. (Smt.) Aiswarya Biswal, Independent Director was appointed as a Member of the Committee w.e.f. 16.02.2022 and Shri Suman Billa, Government Director was appointed as a Member of the Committee w.e.f 16.03.2022.

As on March 31, 2022, the Committee comprised of Shri Harshadkumar P. Shah, Independent Director, as Chairman and Dr. (Smt.) Aiswarya Biswal, Independent Director, Shri Gudey Srinivas, Shri Suman Billa, Government Nominee Directors, Shri Vetsa Ramakrishna Gupta, Director (Finance) as its Members.

Shri Harshadkumar P. Shah, Independent Director ceased to be a Chairman of the Committee w.e.f. 16.07.2022 on completion of his tenure.

Six meetings of the Corporate Social Responsibility Committee were held during the Financial Year 2021-22 on the following dates:

May 26, 2021	July 23, 2021	September 17, 2021
November 29, 2021	December 29, 2021	March 22, 2022

Attendance at the Corporate Social Responsibility Committee meetings:

Names of the members	No of meetings attended	% *
Shri Harshadkumar P. Shah, Chairman (up to 15.07.2022)	6	100
Shri Rajesh Aggarwal, Member (up to 22.09.2021)	3	100
Shri K. Ellangovan, Member (up to 31.01.2022)	2	40
Shri K. Padmakar, Member (up to 31.12.2021)	5	100
Shri N. Vijayagopal, Member (up to 31.07.2021)	2	100
Shri Vetsa Ramakrishna Gupta, Member (w.e.f 07.09.2021)	4	100
Shri Gudey Srinivas, Member (w.e.f. 21.10.2021)	3	100
Dr. (Smt.) Aiswarya Biswal, Member (w.e.f. 16.02.2022)	1	100
Shri Suman Billa, Member (w.e.f 16.03.2022)	-	-

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

F) Risk Management Committee

Regulation 21 of the Listing Regulations requires the Company to constitute a Risk Management Committee. In compliance thereto, the Board had constituted the Risk Management Committee.

During the Financial Year 2021-22, Shri N. Vijayagopal, Director (Finance) ceased to be a Member from 01.08.2021 on his superannuation and Shri Vetsa Ramakrishna Gupta, Director (Finance) was appointed as a Member of the Committee w.e.f. 06.08.2021.

Shri K. Padmakar, Director (Human Resources) appointed as a member in place of Shri Arun Kumar Singh, Director, Chairman & Managing Director w.e.f. 21.10.2021.

Shri K. Padmakar, Director (Human Resources) ceased to be a Member of the Committee from 01.01.2022 on his superannuation.

Subsequently, Shri Gopal Krishan Agarwal, Independent Director was appointed as a Member of the Committee w.e.f. 16.02.2022 and Shri Sanjay Khanna, Director (Refineries) was appointed as a Member of the Committee w.e.f. 22.02.2022.

As on March 31, 2022, the Committee comprised of Shri Harshadkumar P. Shah, Independent Director as Chairman and Shri Gopal Krishan Agarwal, Independent Director, Shri Vetsa Ramakrishna Gupta, Director (Finance) and Shri Sanjay Khanna, Director (Refineries) as its Members.

Shri Harshadkumar P. Shah, Independent Director, ceased to be a Chairman of the Committee w.e.f. 16.07.2022 on completion of his tenure

During the Financial Year 2021-22, three meetings of the Risk Management Committee were held and the said meetings were attended by all the respective Members of the Committee on the following dates:

May 26, 2021	October 29, 2021	November 29, 2021

The role and responsibilities of the Risk Management Committee include the following

i) To formulate a detailed risk management policy which shall include:

- A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
- Measures for risk mitigation including systems and processes for internal control of identified risks
- Business continuity plan.

ii) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

iii) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

iv) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

v) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

vi) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

vii) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

viii) Review and recommend the risk management plan comprising risks assessed and their mitigation plans, identification of corporate level risks and their mitigation plans for approval of the Board with the recommendation by the Audit Committee;

ix) Review and recommend the Risk Management Report consisting of status of risk mitigation plans (including reporting of risks by businesses) to the Audit Committee/Board;

x) Review and recommend the statement to be published in the Board's Report indicating development and implementation of the risk management policy for the Company;

xi) Review and recommend any other proposal in relation to Risk Management to be put up to the Audit Committee/Board.

G) Sustainable Development Committee

The terms of reference of the Sustainable Development Committee are to oversee, approve, provide budgetary allocation and monitor the projects covered under Sustainable Development projects as part of the business plan of business units and involves an enduring and balanced approach to environmental responsibilities and includes reviewing of the 'Business Responsibility Report' on a half yearly basis and to place this report to the Board for information on an annual basis.

In line with DPE Guidelines on Sustainable Development, the Board reconstituted the Sustainable Development Committee.

Shri N. Vijayagopal, Director (Finance) ceased to be a Member of the Committee w.e.f. 01.08.2021 on his superannuation. Subsequently, Shri Vetsa Ramakrishna Gupta, Director (Finance) was appointed as a Member of the Committee w.e.f. 07.09.2021.

Shri K. Padmakar, Director (Human Resources) who was appointed as a Member of the Committee in place of Shri Arun Kumar Singh, Chairman & Managing Director w.e.f. 21.10.2021, has ceased to be Member w.e.f. 01.01.2022 on his superannuation.

Further, Shri Ghanshyam Sher and Dr. (Smt.) Aiswarya Biswal, Independent Director were appointed as the Members of the Committee w.e.f. 16.02.2022 and Shri Sanjay Khanna, Director (Refineries) was appointed as a Member of the Committee w.e.f. 22.02.2022.

As on March 31, 2022, the Committee comprised of Shri Harshadkumar P. Shah, Independent Director as Chairman and, Shri Ghanshyam Sher, Independent Director, Dr. (Smt.) Aiswarya Biswal, Independent Director, Shri Vetsa Ramakrishna Gupta, Director (Finance) and Shri Sanjay Khanna, Director (Refineries) as its Members.

Shri Harshadkumar P. Shah, Independent Director ceased to be a Chairman of the Committee w.e.f. 16.07.2022 on completion of his tenure.

Two meetings of the Sustainable Development Committee were held during the Financial Year 2021-22 on 23.07.2021 and 22.03.2022 which were attended by all the Members.

H) Separate Meeting of Independent Directors

One separate meeting of Independent Directors was held on 22.02.2022 which was attended by all the Independent Directors as on that date, wherein they reviewed various parameters for assessing the quality, quantity and timelines of flow of information between the Company, Management and the Board to effectively and reasonably perform their duties.

4) Remuneration to Directors

BPCL being a Government Company, appointment and remuneration of Whole-Time Directors are determined by the Government of India. The Nominee Directors of Government of India do not receive any remuneration from the Company. The Independent Directors received sitting fees of ₹ 40,000/- for each of the Board / Sub- Committee Meetings attended by them during the Financial Year 2021-22. The amount of sitting fees payable to independent directors was fixed by the Board. Performance Linked Incentives are payable to the Whole-time Functional Directors as employees of the Company as per the policy applicable to all employees of the Company.

Details of remuneration paid/payable to the whole-time Directors during the Financial Year 2021-22 are as follows :-

Name of Directors	All elements of remuneration packages of the Directors i.e. salary, benefits, bonus, pension, etc.#				Total (₹)
	Salary & Allowances (₹)	Contribution to Provident Fund & Other Funds (₹)	Other Benefits & Perquisites (₹)	Performance Related Pay (₹)	
Shri Arun Kumar Singh* Chairman & Managing Director	34,74,439	7,64,377	56,00,223	33,64,194	**1,32,03,233**
Shri Vetsa Ramakrishna Gupta** Director (Finance) (w.e.f. 07.09.2021)	17,17,536	3,77,858	27,21,218	-	**48,16,612**
Shri K. Padmakar Director (Human Resources) (up to 31.12.2021)	26,11,350	5,74,497	1,23,52,797	23,54,756	**1,78,93,400**
Shri N. Vijayagopal Director (Finance) (up to 31.07.2021)	10,96,176	2,41,159	77,95,515	23,97,374	**1,15,30,224**
Shri Sanjay Khanna Director (Refineries) (w.e.f. 22.02.2022)	3,75,953	82,710	4,38,112	-	**8,96,775**
TOTAL	**92,75,454**	**20,406,01**	**2,89,07,865**	**81,16,324**	**4,83,40,244**

* Shri Arun Kumar Singh held the post of Director (Marketing) up to 06.09.2021 and he was appointed as Chairman & Managing Director w.e.f. 07.09.2021. Presently, Shri Arun Kumar Singh, Chairman & Managing Director is also holding additional charge of Director (Marketing) w.e.f. 14.09.2021.

**Shri Vetsa Ramakrishna Gupta, Director (Finance) holds additional charge of Director (Human Resources) w.e.f 01.01.2022.

The Company had approved Employee Stock Purchase Scheme and eligible employees including Whole Time Directors were offered fully paid up equity shares as per the terms and conditions of the approved scheme. During the financial year 2021-22, the eligible employees including Whole Time Directors have availed the offer and purchased the shares under ESPS scheme and accordingly, the impact has been considered as a part of remuneration.

Service Contracts: As per terms & conditions of appointment communicated by the Administrative Ministry. (i.e. from the date of taking over charge of the post or till the date of superannuation or until further orders, whichever is earlier)

Notice period: Three months.

Non-Executive Director did not hold any Shares or any convertible securities in the Company during the Financial year 2021-22.

The sitting fees paid to the Independent Directors for attending the meetings of the Board/Committee during the Financial Year 2021-22 are given below:

Name of the Director	Amount (₹)
Shri Harshadkumar P. Shah	13,20,000
Shri Pradeep Vishambhar Agrawal *	4,40,000
Shri Ghanshyam Sher*	5,20,000
Dr. (Smt.) Aiswarya Biswal*	4,40,000
Prof. (Dr.) Bhagwati Prasad Saraswat*	3,60,000
Shri Gopal Krishan Agarwal*	4,40,000

*appointed as Independent Director w.e.f 12.11.2021.

` The Independent Directors are not entitled to any remuneration other than the sitting fees and are not entitled to any stock options.

5) General Body Meetings

a. The details of Annual General Meetings and Extra-ordinary General Meeting during the last three years are given below:

Meeting details	Date and Time of the Meeting	Venue
66th Annual General Meeting	August 30, 2019 at 10.30 a.m.	Y.B.Chavan Auditorium, Yashwantrao Chavan Pratishthan, General Jagannathrao Bhosale Marg, Mumbai 400 021
67th Annual General Meeting	September 28, 2020 at 11.00 a.m.	Video- Conferencing/ Other Audio Visual Means
Extra-ordinary General Meeting	March 25, 2021 at 10.30 a.m.	Video Conferencing/ Other Audio Visual Means
68th Annual General Meeting	September 27, 2021 at 10.30 a.m.	Video- Conferencing/ Other Audio Visual Means

b. The details of Special Resolutions passed in the previous three Annual General Meetings/Extra-Ordinary General Meeting are given below:

Meeting details	Date and Time of the Meeting	Special Resolutions passed at the Meeting
66th Annual General Meeting	August 30, 2019 at 10.30 a.m.	1. Reappointment of Shri Rajesh Kumar Mangal as an Independent Director.
67th Annual General Meeting	September 28, 2020 at 11.00 a.m.	1. Approval of 'BPCL Employee Stock Purchase Scheme 2020'. 2. Approval of offer of shares under the 'BPCL Employee Stock Purchase Scheme 2020' to the Executive/ Whole-time Director(s) of Subsidiary Company(ies) who are on lien with the Company. 3. Approval of secondary acquisition of shares through the Trust route for the implementation of the 'BPCL Employee Stock Purchase Scheme 2020' 4. Provision of money by the Company for purchase of its own shares by the Trust for the benefit of employees under the 'BPCL Employee Stock Purchase Scheme 2020'
Extra-ordinary General	March 25, 2021 at 10.30 a.m.	Approval for disinvestment of the entire equity shares held in Numaligarh Refinery Limited, a material subsidiary of Bharat Petroleum Corporation Limited.

The statement to be annexed to the notice as referred to in sub-section (1) of section 102 of the Companies Act, 2013 for each item of special business transacted at the above meetings had set forth clearly the recommendation of the Board to the shareholders on each of the specific items as specified under Regulation 17(11) of the Listing Regulations.

No Extraordinary General Meeting of the Members was held during Financial Year 2021-22.

c. Postal Ballot

During the Financial Year 2021-22, following Special Resolutions were passed by the Company through Postal Ballot.

Sr. No	Particulars of Resolution
1.	Appointment of Shri Pradeep Vishambhar Agrawal as an Independent Director
2.	Appointment of Shri Ghanshyam Sher as an Independent Director
3.	Appointment of Dr. (Smt.) Aiswarya Biswal as an Independent Director
4.	Appointment of Prof. (Dr.) Bhagwati Prasad Saraswat as an Independent Director
5.	Appointment of Shri Gopal Krishan Agarwal as an Independent Director

Voting Pattern

Sr No.	Particulars	% Votes in favour	% Votes against
1	Appointment of Shri Pradeep Vishambhar Agrawal as an Independent Director	99.4701	0.5299
2	Appointment of Shri Ghanshyam Sher as an Independent Director	98.0450	1.9550
3	Appointment of Dr. (Smt.) Aiswarya Biswal as an Independent Director	98.0674	1.9326
4	Appointment of Prof. (Dr.) Bhagwati Prasad Saraswat as an Independent Director	97.7778	2.2222
5	Appointment of Shri Gopal Krishan Agarwal as an Independent Director	97.9335	2.0665

The Special Resolution(s) were passed with requisite majority.

Procedure for Postal Ballot:

Pursuant to the provisions of Section 110 of the Act read with rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021 and General Circular No. 20/2021 dated December 8, 2021 from Ministry of Corporate Affairs ("MCA Circulars") and such other applicable laws and regulations, the Company had issued Postal Ballot Notice dated March 17, 2022 to the Members, seeking their consent with respect to appointment of Shri Pradeep Vishambhar Agrawal, Shri Ghanshyam Sher, Dr. (Smt.) Aiswarya Biswal, Prof. (Dr.) Bhagwati Prasad Saraswat and Shri Gopal Krishan Agarwal as an Independent Directors of the Company for a period of three consecutive years w.e.f. 12.11.2021.

In compliance with provisions of Section 108 and Section 110 and other applicable provisions of the Act read with the Management Rules the Company had provided remote e-voting facility to all the Members of the Company. The Company engaged the services of National Securities Depository Limited (NSDL) for availing services of remote e-voting for conducting Postal Ballot to enable the members to cast their votes electronically.

Smt. V. Kala, Company Secretary was authorised by the Board of Directors to conduct the Postal Ballot and to sign and send the notice to the members and in compliance with Rule 22(5) of the Rules, Smt. Ragini Chokshi, Practising Company Secretary (C.P. No. 1436), Ragini Chokshi & Co. (Membership No.2390) was appointed as Scrutinizer for conducting Postal Ballot process in a fair and transparent manner.

The voting period commenced on Saturday, March 19, 2022 at 9.00 (IST) a.m. and ended on Sunday, April 17, 2022 at 5.00 (IST) p.m. The cut-off date, for the purpose of determining the number of Members was Friday, March 11, 2022 and the total number of Members as on cut-off date was 9,29,683.

The Scrutiniser, after the completion of scrutiny, submitted his report to Smt. V. Kala, Company Secretary, who was duly authorised by the Chairperson to accept, acknowledge and countersign the Scrutiniser's Report as well as declare the voting results in accordance with the provisions of the Act, the Rules framed thereunder and the Secretarial Standard - 2 issued by the Institute of Company Secretaries of India.

Smt. Ragini Chokshi, Scrutiniser after the completion of scrutiny submitted the Consolidated Scrutinizer's Report dated April 19, 2022 to the Company Secretary as authorised by Chairman & Managing Director and the scrutinizer's report along with details of voting results in the format specified under Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 were submitted to the BSE and National Stock Exchange of India Limited on April 19, 2022 and also placed on Company's website.

No Special Resolution is proposed to be conducted through Postal Ballot as on the date of this Annual Report.

6) Means of Communication of Financial Performance

In order to give wider publicity and to reach the Members and other investing public across the nation, the financial results were published in various editions of leading newspapers.

The Audited / Unaudited Financial Results along with Auditor's Report / Limited Review Report, as the case maybe were filed with the Stock Exchanges.

The financial results of the Company are also displayed on the website of the Company at www.bharatpetroleum.in and the websites of Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE).

Post result conference call were held with institutional investors and analysts on the August 13, 2021, October 30, 2021 and February 2, 2022. The recordings of the conference call can be accessed on the website of the Compnay at https://www.bharatpetroleum.in/bharat-petroleum-for/Investors/Financial-Performance/Conference-Call-Recording.aspx

7) General Shareholders' / Members information:

As per SEBI Regulations, BPCL shares can be traded only in dematerialised form.

Annual General Meeting: Date, Time and Venue	Monday, August 29, 2022 at 10.30 a.m. IST The Company is conducting the meeting through VC / OAVM pursuant to the MCA Circulars. For details please refer to the Notice of this AGM.
Financial Year	BPCL follows the financial year from April to March. The Unaudited Results / Audited Results for the four quarters / Year end were taken on record by the Board on the following dates:

Period Ended	**Date of the Board Meeting**	**Date of publication**	**Unaudited/Audited**
Apr-Jun 2021	August 12, 2021	August 13, 2021	Unaudited
Jul-Sep 2021	October 29, 2021	October 30, 2021	Unaudited
Oct-Dec 2021	January 31, 2022	February 1, 2022	Unaudited
Jan-Mar 2022	May 25, 2022	May 26, 2022	Audited
F.Y. 2021-22	May 25, 2022	May 26, 2022	Audited

Dividend Payment Dates	**Date of Board Meeting approving declaration of Interim Dividend for FY 2021-22:**	**Amount per equity share for face value of ₹10/-**	**Date of Payment of the Dividend on:**
	First Interim Dividend: October 29, 2021	₹5/-	November 25, 2021
	Second Interim Dividend: January 31, 2022	₹5/-	February 25, 2022

The Board has recommended Final Dividend of ₹ 6/- per equity shares of ₹10 each.

Date of Book Closure	Tuesday, August 23, 2022 to Monday, August 29, 2022 (both days inclusive), for the purpose of AGM and Final Dividend.	
Debt Securities	The details of listing of Non-Convertible Debentures issued by the Company are given below:	
	BPCL Debentures 2018-Series I (₹ 750 crore issued on January 16, 2018) ISIN: INE029A08040 Security code : 957388	Listed on wholesale debt market segment of BSE and NSE
	BPCL Debentures 2019-Series I (₹1000 crore issued on March 11, 2019) ISIN: INE029A08057 Security code : 958631	Listed on wholesale debt market segment of BSE and NSE
	BPCL Debentures 2020-Series I (₹ 1995.20 crore issued on July 6, 2020) ISIN: INE029A08065 Security code: 959690	Listed on wholesale debt market segment of BSE and NSE

Debt Securities	The details of listing of Non-Convertible Debentures issued by BORL (which were transferred to BPCL post merger of BORL w.e.f. July 1, 2022) are given below:	
	BORL Debentures 2023 (₹ 600 crore issued on July 13, 2020) ISIN: INE322J08024 Security Code:959734	Listed on wholesale debt market segment of BSE and NSE
	BORL Debentures 2023 – Series II (₹ 840 crore issued on December 16, 2020) ISIN: INE322J08032 Security Code: 960324	Listed on wholesale debt market segment of BSE and NSE
	BORL Debentures 2026 (₹ 1000 crore issued on October 26, 2021) ISIN: INE322J08040 Security Code: 973554	Listed on wholesale debt market segment of BSE and NSE
Debenture Trustee	SBI CAP Trustee Company Ltd Appejay House, 6th Floor, 3, Dinshaw Wachha Road, Churchgate, Mumbai 400 020 Tel 022-4302 5555 Fax 022-2204 0465	

Details of Credit Rating obtained by BPCL along with revision:

Instruments	Rating Agency	Rating at the beginning of the year	Changes during the year	Ratings at the end of year	Ratings as on date
Non-Convertible Debenture 1. BPCL Debentures 2017-Series I* 2. BPCL Debentures 2018-Series I 3. BPCL Debentures 2019-Series I 4. BPCL Debentures 2020-Series I (issued on July 6, 2020)	CRISIL	CRISIL AAA/ Watch Developing	No change	CRISIL AAA/ Watch Developing	CRISIL AAA/ Stable
Non-Convertible Debenture 1. BPCL Debentures 2017-Series I* 2. BPCL Debentures 2018-Series I 3. BPCL Debentures 2019-Series I 4. BPCL Debentures 2020-Series I (issued on July 6, 2020)	CARE	CARE AAA (Under credit watch with Developing Implications)	No change	CARE AAA (Under credit watch with Developing Implications)	CARE AAA/ Stable
Bank Facilities Long Term	CRISL	CRISIL AAA/ Watch Developing	No change	CRISIL AAA/ Watch Developing	CRISIL AAA/Stable
Bank Facilities - Short Term	CRISL	CRISIL A1+	No change	CRISIL A1+	CRISIL A1+
Commercial Papers	CRISL	CRISIL A1+	No change	CRISIL A1+	CRISIL A1+
Senior Unsecured Debt-Foreign Currency	Fitch	BBB- (Negative)	No change	BBB- (Negative)	BBB-(Stable)
Senior Unsecured Debt-Foreign Currency	Moody's	Baa3- (Negative)	No change	Baa3- (Negative)	Baa3 (Stable)

*BPCL Debentures 2017- Series I has been repaid during the year and hence the rating for that debenture was withdrawn on repayment.

Details of Credit Ratings obtained by BORL along with revision (which were transferred to BPCL post merger of BORL w.e.f. July 1, 2022):

Instruments	Rating Agency	Rating at the beginning of the year	Changes during the year	Ratings at the end of year	Ratings as on date
Non-Convertible Debentures 1. BORL Debentures 2023 2. BORL Debentures 2023 – Series II 3. BORL Debentures 2026 Bank Facilities Long Term	CRISIL	CRISIL AAA/ Watch Developing	No change	CRISIL AAA/ Watch Developing	CRISIL AAA/ Stable
Bank Facilities – Short Term		CRISIL A1+	No change	CRISIL A1+	CRISIL A1+
Bank Facilities Long Term	ICRA	ICRA AAA/Watch with developing implications	No change	ICRA AAA/Watch with developing implications	ICRA AAA/ Stable
Bank Facilities – Short Term		ICRA A1+	No change	ICRA A1+	ICRA A1+

Listing on Stock Exchanges & Security Code	The Company’s shares are listed on the following Stock Exchanges:	
	Name of Stock Exchange	**Security Code / Symbol**
	BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001.	500547
	National Stock Exchange of India Ltd. Exchange Plaza, Plot No. C/1 Bandra Kurla Complex, Bandra (E), Mumbai 400 051.	BPCL
	The Listing Fees have been paid for the year 2022-23 to both the above Exchanges.	
ISIN Number	For National Securities Depository Ltd. (NSDL) & Central Depository Services India Ltd. (CDSL) for equity shares	INE029A01011
Market Price Data	High, low during each month in the last financial year	Please see Annexure I
	Performance in comparison to broad based indices i.e. BSE 100	Please see Annexure II

<table>
<tr><td>Registrar and Transfer Agents</td><td>Shri Benjamin Rajaratnam
General Manager (Capital Issues Division),
Data Software Research Co. Pvt. Ltd.
19, Pycrofts Garden Road, Off. Haddows Road, Nungambakkam, Chennai- 600006
Ph: +91-44-2821 3738 / 2821 4487
Email: bpcl@dsrc-cid.in</td></tr>
<tr><td>Share Transfer System</td><td>In line with the present statutory provisions, issue of duplicate shares, transmission of shares, transfer of equity shares etc. can be effected only in dematerialized mode through the depositories.The procedure for various investor service requests are available on the website of the Company on: https://www.bharatpetroleum.in/bharat-petroleum-for/Investors/Procedure-Related-to-Investor-Service-request.aspx

A Committee comprising of two Whole-time Directors considers the requests for transmission of shares, dematerialization of shares etc. Requests for dematerialization of shares are processed and confirmation is given to the respective depositories viz. NSDL and CDSL within 15 days.</td></tr>
<tr><td>Distribution of shareholding as on March 31, 2022</td><td>
<table>
<tr><th>Shareholders</th><th>No. of shares Held</th><th>% of holding</th></tr>
<tr><td>1) Govt. of India</td><td>1,14,91,83,592</td><td>52.98%</td></tr>
<tr><td>2) Govt. of Kerala</td><td>1,86,66,666</td><td>0.86%</td></tr>
<tr><td>3) BPCL Trust for Investment in Shares</td><td>3,29,60,307</td><td>1.52%</td></tr>
<tr><td>4) Mutual Finds/ UTI</td><td>25,71,13,946</td><td>11.85%</td></tr>
<tr><td>5) Financial Institutions/ Banks</td><td>30,64,412</td><td>0.14%</td></tr>
<tr><td>6) Insurance Companies</td><td>17,04,86,103</td><td>7.86%</td></tr>
<tr><td>7) Foreign Institutional Investors</td><td>29,69,45,875</td><td>13.69%</td></tr>
<tr><td>8) Bodies Corporate</td><td>1,52,57,254</td><td>0.70%</td></tr>
<tr><td>9) BPCL ESPS Trust</td><td>68,36,948</td><td>0.32%</td></tr>
<tr><td>10) Others</td><td>21,87,37,641</td><td>10.08%</td></tr>
<tr><td>Total</td><td>2,16,92,52,744</td><td>100.00%</td></tr>
</table>
Distribution of shareholding on number of shares held by the shareholders and shareholding pattern are given in Annexure III.</td></tr>
<tr><td>Dematerialization of shares and liquidity</td><td>Out of the shares held by the Shareholders, 99.01% are held in dematerialised form and balance in physical form as on March 31, 2022.

The Company has not issued any GDRs /ADRs/ Warrants, etc.</td></tr>
</table>

Plant Locations	Mumbai Refinery :	Bharat Petroleum Corporation Ltd., Mahul, Mumbai 400 074
	Kochi Refinery :	Bharat Petroleum Corporation Ltd., Ambalamugal, Kochi 682 302
	Bina Refinery*	Administrative Building, Refinery Complex, Post BORL Residential Complex, Bina, Sagar District – 470 124, Madhya Pradesh.
	Lubricant Plants :	Wadilube LOBP, Mallet Road, Chinchbunder, Wadibunder, Mumbai-400 009
		Sewree C-Installation, Sewree Fort Road, Sewree (East), Mumbai 400 015
		LOBP Tondiarpet, Post Box No.1152, 35 Vaidyanatha Mudali Street, Tondiarpet, Chennai-600 081
		LOBP Budge Budge, 2 Graham Road, P.O. Budge Budge, Dist. 24-Parganas [South], Budge Budge 700137
		MAK Lube Plant, Hastinapur Yojna, Village – Tilla Shahbajpur, Loni, Distt, Ghaziabad 201102
Address for Correspondence	The Secretarial Department Bharat Petroleum Corporation Ltd. Bharat Bhavan, 4&6, Currimbhoy Road Ballard Estate, Mumbai 400 001 Ph: 022 – 2271 3170 / 2271 3435 Email : ssc@bharatpetroleum.in	General Manager (Capital Issues Division), Data Software Research Co. Pvt. Ltd. 19, Pycrofts Garden Lane, Off. Haddows Road, Nungambakkam, Chennai- 600 006 Ph: +91-44-2821 3738 / 2821 4487 Email : bpcl@dsrc-cid.in

*vide Ministry of Corporate Affairs order dated June 22, 2022, the scheme of amalgamation of Bharat Oman Refineries Ltd. with Bharat Petroleum Corporation Limited was approved and the same became effective from July 1, 2022. Accordingly, Bina Refinery which was earlier under Bharat Oman Refineries Ltd. became a part of Bharat Petroleum Corporation Ltd. from the above effective date.

Investor Service Centre

BPCL's Investors' Service Centre (ISC), by Data Software Research Co. Pvt. Ltd., our Registrar & Share Transfer Agents has been functioning at the Registered Office of the Company at the following address to cater to the needs of the Members / Investors:

Data Software Research Co. Pvt. Ltd. (DSRC)
C/o. Bharat Petroleum Corporation Ltd.
Bharat Bhavan No.1, First Floor, 4 & 6 Currimbhoy Road,
Ballard Estate, Mumbai 400 001
Ph: 022 – 2271 3170 Email : z_dsrc@bharatpetroleum.in

The various procedures relating to investor service requests can be accessed on https://www.bharatpetroleum.in/bharat-petroleum-for/Investors/Procedure-Related-to-Investor-Service-request.aspx

Further, BPCL has designated an exclusive e-mail ID: ssc@bharatpetroleum.in for the purpose of communication from Members including investor complaints.

8) Management Discussion & Analysis Report

A detailed chapter on Management Discussion & Analysis is attached to the Directors' Report.

9) Other Disclosures

a. Details of 'Related Party Disclosures' are shown in Notes forming part of Accounts. The related party transactions were placed before the Audit Committee/Board for approval. The Corporation has incurred certain expenses on behalf of subsidiaries/joint ventures as co-promoter and such expenses are recoverable subsequently from the subsidiaries/joint venture companies. There were no transactions of material nature that may have potential conflict with the interests of the Company at large.

b. The Company has complied with the provisions of Regulation 24 of the Listing Regulations relating to Corporate Governance requirements in respect of the subsidiaries.

c. The Company has complied with all mandatory requirements as per Listing Regulations and DPE Guidelines on Corporate Governance within the ambit of the Company except for the following:

1) The Company did not have

   i. Optimum combination of executive and non-executive directors as required under Regulation 17(1)(a) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the period 01/04/2021 till 11/11/2021.

   ii. Requisite number of Independent Directors on the Board as required under Section 149(4) of the Act and Regulation 17(1)(b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the period 01/04/2021 till 11/11/2021.

   iii. Minimum 6 directors as required for top 1000 listed companies during the period 01/08/2021 till 06/09/2021 and during the period 23/09/2021 till 12/10/2021.

   iv. A woman Independent Director as required under Section 149 of the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1)(a) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the period 01/04/2021 to 11/11/2021.

   v. Proper composition of the Audit Committee as required under Section 177(2) of the Act and Regulation 18(1)(a), (b) and (d) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Nomination and Remuneration Committee as required under Section 178(1) of the Act and Regulation 19(1)(a) of SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015 during the period 01/04/2021 to 11/11/2021.

2) The Company has not held any meeting of Audit Committee as required under Regulation 18(2)(a)of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the period from 01/04/2021 to 10/01/2022.

Bharat Petroleum Corporation Ltd (BPCL) is a Government Company under the Administrative Control of Ministry of Petroleum and Natural Gas. The nomination/appointment of all categories of directors are done by Government of India in accordance with the laid down guidelines of Department of Public Enterprises. Accordingly, the subject matter of nomination/appointment of adequate number of Independent Directors including Woman Director falls under the purview of the Government of India. BPCL has from time to time communicated to the Ministry of Petroleum & Natural Gas with respect to the requirements of Independent Directors including Woman Director under the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. BPCL was not able to constitute an Audit and Nomination and Remuneration Committee as BPCL had only one Independent Director during the period referred by the Secretarial Auditor. However, all the obligations of these Committees were exercised by the Board of Directors. After continuous follow up, the Govt. of India, vide their letter dated 08.11.2021 had communicated the nomination of five Independent Directors on the Board including Women Independent Director. Accordingly, these Directors were inducted on the Board w.e.f. 12.11.2021. As a result, as on 12.11.2021, BPCL had six Independent Directors, two Govt. Directors and three whole time Directors. Accordingly, BPCL reconstituted Audit Committee & Nomination and Remuneration Committee on 4.12.2021 after proper induction programme to the Independent Directors and as on date BPCL has complied with respective provisions under Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

d. BPCL has also implemented the Whistle Blower Policy, which provides vigil mechanism to ensure greater transparency in all aspects of the Company's functioning and it also provides employees with a framework / procedure for responsible and secure reporting of improper activities without fear of victimization and no personnel has been denied access to the Audit Committee / Board.

e. Details of compliances with mandatory requirements and adoption of the non-mandatory requirements:

   The Company has been adhering to the applicable statutory provisions of regulatory authorities including SEBI, Stock Exchanges and Depositories. While Stock Exchange have issued notices levying penalty for non-compliance of Listing Regulations relating to Board composition, the Company has applied for waiver of the same. There has been no instance of non-compliance of any provisions of law, guidelines from regulatory authorities and the matters related to capital markets, during the last three years, except as stated above.

   In addition to compliance of mandatory requirements, the Company has fulfilled the following discretionary requirements as specified in Part E of Schedule II of Regulation 27 of the Listing Regulations:-

   a) Shareholders Rights: The Company has adopted requirements with regard to sending of quarterly / half yearly financial results to the Members of the Company.

   b) The Company has moved towards a regime of Standalone and Consolidated Financial Statements with unmodified audit opinion.

f. The web link for policy for determining 'material' subsidiaries is: https://www.bharatpetroleum.in/bharat-petroleum-for/Investors/Our-Policies.aspx

g. The web link for revised policy on dealing with related party transactions is: https://www.bharatpetroleum.in/bharat-petroleum-for/Investors/Our-Policies.aspx. The policy also covers material related party transactions as required under Regulation 23 of Listing Regulations. The policy is reviewed by the Board of Directors once in three years. The policy on Related Party Transaction covers interalia all provisions of Regulation 24 of Listing Regulations.

h. The web link for policy dealing with familiarisation programmes imparted to Independent Directors is: https://www.bharatpetroleum.in/bharat-petroleum-for/Investors/Our-Policies.aspx

i. BORL was incorporated in 1994 as a Joint Venture between BPCL and OQ S.A.O.C. (formerly known as Oman Oil Company S.A.O.C.). During the year under review, BPCL has acquired 36.62% of shares from OQ S.A.O.C, making BORL wholly owned subsidiary of BPCL. BPCL also acquired 2.69 crore warrants of BORL held by Government of Madhya Pradesh (GoMP) during the year.

   In October 2021, Board of Directors of BORL and BPCL approved the Scheme of amalgamation of BORL with BPCL and an application was submitted to the Ministry of Corporate Affairs (MCA).

   MCA vide its order dated February 14, 2022 directed BPCL to convene meetings of its equity shareholders, secured creditors and unsecured creditors and BORL to convene meetings of its secured creditors and unsecured creditors. In accordance with the order, these meetings were convened on April 21, 2022, wherein the resolutions inter-alia approving the Scheme of amalgamation were passed. Thereafter the companies filed Petition for amalgamation, with the MCA.

   On June 22, 2022, MCA has given final order approving the Scheme of Amalgamation of BORL with BPCL. The order has been filed with the Registrar of Companies at Gwalior and Mumbai respectively and BORL stands merged with BPCL effective July 1, 2022.

j. BGRL, a wholly owned subsidiary of BPCL, was incorporated in June 2018 for handling Natural Gas business.

In March 2021, the Board of Directors of BPCL and BGRL approved the scheme of amalgamation of BGRL with BPCL with the view of streamlining of the corporate structure and consolidation of assets and liabilities and an application was submitted to the Ministry of Corporate Affairs (MCA) for the purpose.

MCA vide its order dated October 27, 2021 directed BPCL to convene meetings of its equity shareholders, secured creditors and unsecured creditors. In accordance with the order, these meetings were convened on June 3, 2022, wherein the resolutions inter-alia approving the Scheme of amalgamation were passed.

Thereafter the companies filed petition for amalgamation, with the MCA. The process of amalgamation is in advanced stage now.

k. During the financial year, there were no funds raised by way of preferential allotment or through issue of non-convertible debentures or bonds.

l. A certificate from Shri Upendra Shukla, Practising Company Secretaries, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the companies by SEBI, Ministry of Corporate Affairs or any such statutory authority has been obtained.

m. BPCL nominates Directors for relevant training programmes/seminars conducted by reputed Institutions/ SCOPE/IICA etc. Further, strategy workshops are held to deliberate strategic issues, policy decisions etc.

n. The Report of Board of Directors to the Shareholders included the minimum information specified Part A Schedule II of the Listing Regulation read with regulation 17(7).

o. CEO and CFO Certification: The Chairman & Managing Director and Director (Finance) have certified to the Board in accordance with Part B of Schedule II of Regulation 17(8) of the Listing Regulations.

p. Disclosures with respect to demat suspense account/unclaimed suspense account: No Shares are kept under demat/unclaimed suspense account.

q. There are no items of expenditure in the books of accounts, which are not for the purpose of Business. Further no expenses were incurred which were personal in nature and incurred for the Board of Directors and Top Management of the Company. Administrative & Office expenses and Finance expenses constitute 0.48% and 0.44% of the total expenses respectively for the Financial Year 2021-22 as against 0.49% and 0.46% in previous year. Employee Benefit expenses and Repair maintenance & Stores and Spares as a percentage of total expenses constitute 0.80% & 0.34% for the Financial Year 2021-22, as against 1.85% & 0.40% in previous year. The decrease in employee benefit expenses is mainly on account of higher expenses incurred in previous year 2020-21 on account of Share based payment offered to eligible employees and Voluntary Retirement Scheme.

r. Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has in place the 'The Code for Prevention of Insider Trading in the Securities of BPCL' and 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information'. The Company Secretary is the Compliance Officer for the implementation of the said Codes.

s. In line with Listing Regulations, the Company has implemented the various policies which are disclosed on website of the Company under the link: https://www.bharatpetroleum.in/bharat-petroleum-for/Investors/Our-Policies.aspx

t. Risk Management Policy

The Company has adopted a Risk Management Policy framework. Accordingly, the Company periodically informs the Board Members about the risk assessment and procedures for minimizing the risks in line with Regulation 17(9) of the Listing Regulations.

u. Risk Management policy of the Corporation identifies that it has direct and substantial price risk exposure to certain commodities such as Crude Oil, Petroleum Products, Freight, Precious metals, Petro-chemicals and metals and the policy provides the broad framework and governance for undertaking Risk Management activities in these commodities.

Exposure in Commodities

Commodity Name	Exposure in INR towards the particular commodity (₹ crore)	Exposure in Quantity terms towards the particular commodity (Qty. TMT)	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Raw Material (Crude Oil)	13,328	2,141	0%	0%	0%	0%	0.00%
Finished Products	21,572	2,521	0%	0%	0%	0%	0.00%

Notes:-

a. Raw Material consist of Crude Oil Closing, in-transit and in process inventory as on March 31, 2022.

b. Finished Products majorly consist of Gasoline, Gasoil, SKO, Naphtha, ATF, FO, LNG, Lubricants and LPG Closing inventories as on March 31, 2022.

c. The exposure value is value of Closing inventory as on March 31, 2022.

d. During the year 2021-22, BPCL hedged product crack spreads (Difference between Product price and Dubai Crude Oil price) through Swaps/Options in the international Over the Counter market towards refinery margin to cover the operating expenses of refinery.

e. BPCL is an Oil Refining and Marketing Company and pricing of major petroleum products naturally hedge Crude purchase prices to large extent.

v. During the year, 2 complaints of sexual harassment was received in respect of our employees. 1 complaint was disposed during the financial year 2021-22 by the Internal Complaints Committee and 1 complaint was pending at the end of the financial year.

w. Total fees for all services pertaining to financial year 2021-22 availed from the current Statutory Auditors, M/s K.S. Aiyar & Co., and M/s Kalyaniwalla and Mistry LLP, and the earlier Statutory Auditors, M/s CVK & Associates and M/s Borkar & Muzumdar, on a consolidated basis, by the Company and its subsidiaries, are as follows:

Particulars	Amount ₹
Audit fees	70,00,000.00
Fees for other services – Certification	44,10,000.00
Reimbursement of expenses	4,40,377.00
TOTAL	**1,18,50,377.00**

ANNEXURE I

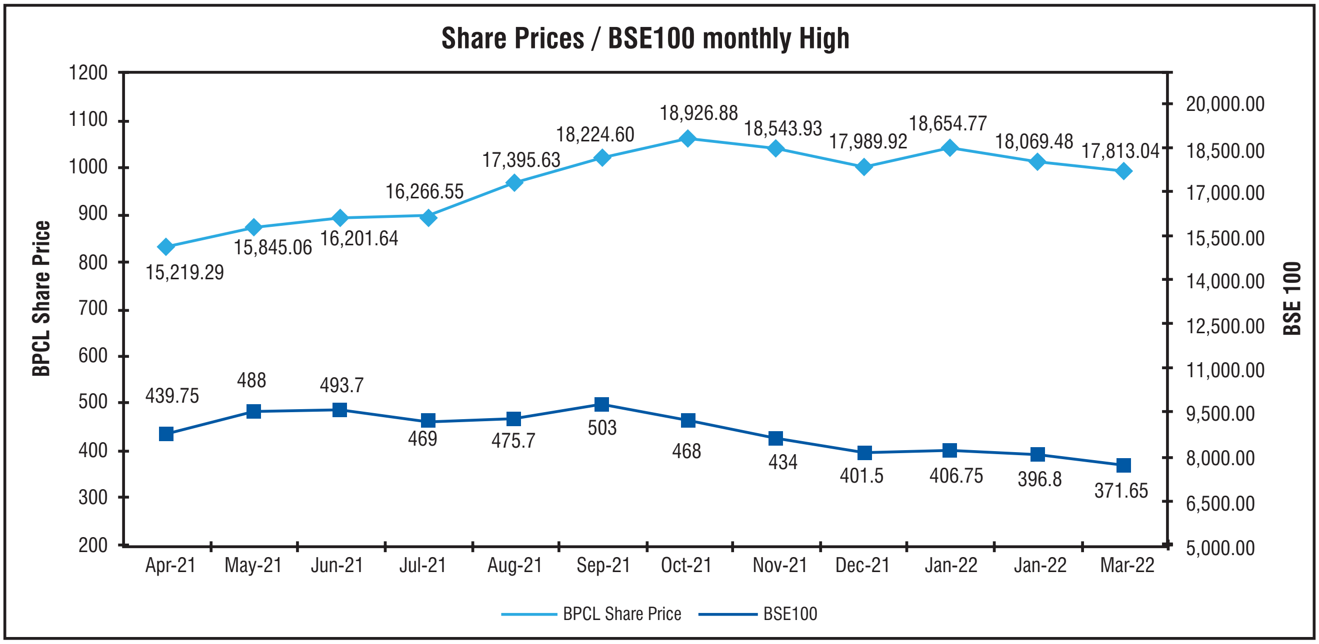
BPCL MARKET PRICE DATA						
APRIL 2021-MARCH 2022	**BSE**			**NSE**		
	High	**Low**	**Monthly Volume**	**High**	**Low**	**Monthly Volume**
	(₹ per share)	(₹ per share)	(No. of shares)	(₹ per share)	(₹ per share)	(No. of shares)
April	439.75	400.00	72,35,998	439.95	400.00	14,06,97,416
May	488.00	415.45	1,22,07,726	488.00	415.40	22,18,73,897
June	493.70	465.00	77,66,108	493.90	465.00	9,92,09,970
July	469.00	445.00	58,77,355	468.90	444.90	7,93,42,838
August	475.70	440.75	80,50,901	475.85	440.55	10,95,02,535
September	**503.00**	412.80	1,41,70,158	**503.00**	412.05	16,82,25,769
October	468.00	413.55	85,99,375	470.00	413.60	10,78,80,959
November	434.00	367.00	66,64,718	434.00	367.00	8,99,93,433
December	401.50	357.55	79,47,385	401.50	357.40	11,61,41,646
January	406.75	368.00	55,71,777	406.90	368.00	9,58,51,431
February	396.80	**331.00**	73,16,932	395.00	**331.10**	10,87,10,114
March	371.65	331.95	87,66,783	371.60	331.80	14,23,92,474

MARKET CAPITALISATION/SHARES TRADED DURING APRIL 1, 2021 TO MARCH 31, 2022

	BSE	**NSE**
No. of Shares traded	10,01,75,216	1,47,98,22,482
No. of Shares	2,16,92,52,744	2,16,92,52,744
Highest Share Price (₹)	503.00	503.00
Lowest Share Price (₹)	331.00	331.10
Closing Share Price as on March 31, 2022 (₹)	359.20	359.35
Market Capitalisation as on March 31, 2022 (₹ in crore)	77,919.55	77,952.27

ANNEXURE II

BPCL MARKET PRICE MOVEMENT IN COMPARISON TO BSE 100 INDICES

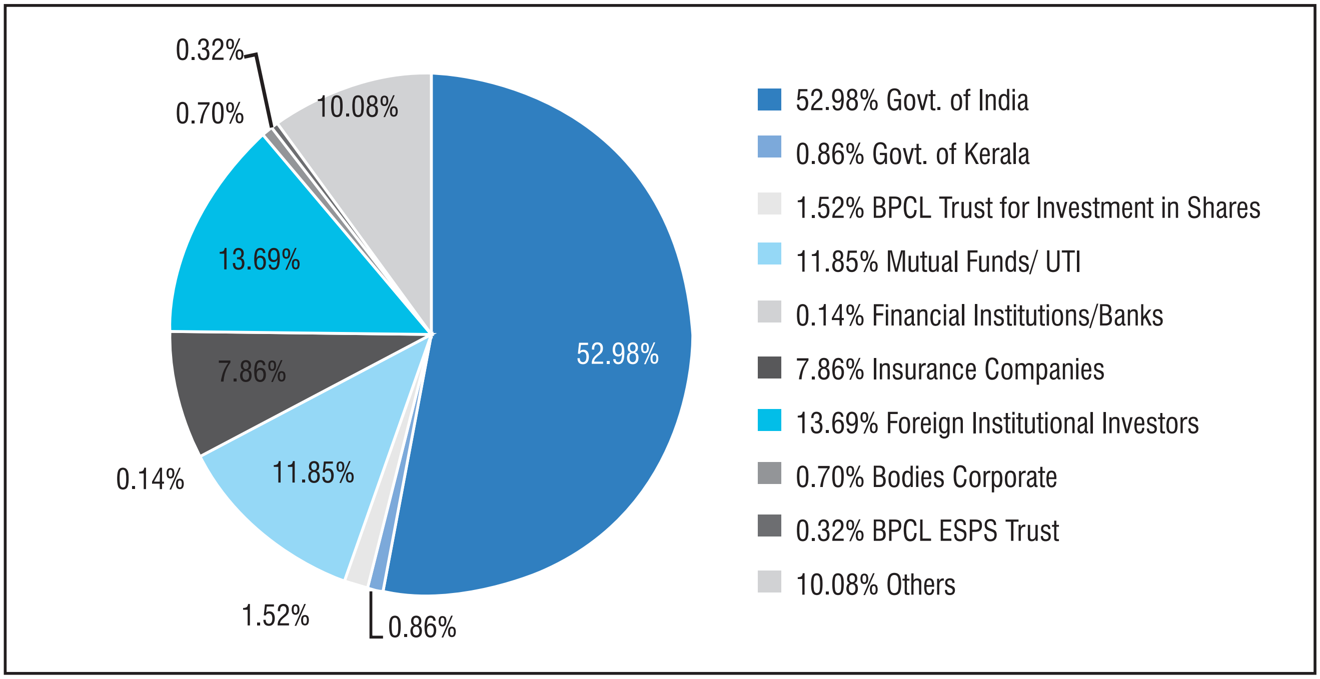


ANNEXURE III

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2022

NO. OF EQUITY SHARES HELD	NO. OF SHAREHOLDERS	NO. OF SHARES	% OF TOTAL
UPTO 5000	9,21,796	14,61,14,372	6.74
5001 TO 10000	6,474	4,05,38,555	1.87
10001 TO 50000	1,469	2,89,44,566	1.33
50001 TO 100000	239	1,73,63,539	0.80
100001 TO 500000	289	6,73,15,907	3.10
500001 TO 1000000	82	5,91,93,057	2.73
1000001 TO 2000000	62	9,00,28,577	4.15
2000001 TO 3000000	27	6,65,47,401	3.07
3000001 AND ABOVE	48	1,65,32,06,770	76.21
Total	**9,30,486**	**2,16,92,52,744**	**100.00**

SHAREHOLDING PATTERN OF BPCL AS ON MARCH 31, 2022 (PERCENTAGE)



CODE OF CONDUCT DECLARATION

I hereby declare that all the Board Members & Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors for the year ended March 31, 2022.

Sd/-

Arun Kumar Singh

Chairman & Managing Director

Bharat Petroleum Corporation Limited

Place : Mumbai

Date : July 16, 2022

CERTIFICATE UNDER PARA 10(I) OF PART C OF SCHEDULE V READ WITH REGULATION 34(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,

The Members of Bharat Petroleum Corporation Limited

I have examined the relevant registers, records, books, forms, returns and disclosures received from the Directors of Bharat Petroleum Corporation Limited, (CIN L23220MH1952GOI008931), having Registered Office at Bharat Bhavan, 4 & 6 Currimbhoy Road Ballard Estate, Mumbai 400 001 ("the Company"), produced before me by the Company for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verification (including Director Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanation furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended on 31st March, 2022 were debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India and/or Ministry of Corporate Affairs:

Sr. No.	Name of the Director	DIN	Date of First Appointment
1)	Shri Arun Kumar Singh	06646894	01.10.2018
2)	Shri Harshadkumar Prabhudas Shah	08511473	16.07.2019
3)	Shri Ramakrishna Gupta Vetsa	08188547	07.09.2021
4)	Shri Srinivas Gudey	02568812	13.10.2021
5)	Shri Pradeep Vishambhar Agrawal	00048699	12.11.2021
6)	Prof (Dr.) Gopal Krishan Agarwal	00226120	12.11.2021
7)	Shri Bhagwati Prasad Saraswat	09396479	12.11.2021
8)	Dr. (Smt.) Aiswarya Biswal	09396589	12.11.2021
9)	Shri Ghanshyam Sher	09396915	12.11.2021
10)	Shri Sanjay Khanna	09485131	22.02.2022
11)	Shri Suman Billa	00368821	16.03.2022

Ensuring the eligibility for appointment/continuing as Director on the Board is the responsibility of the Management of the Company. My responsibility is to express an opinion based on verification of documents/ information available to me. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Sd/-
U.C. SHUKLA
COMPANY SECRETARY
FCS: 2727/CP: 1654

Place: Mumbai
Date: July 22, 2022
UDIN: F002727D000672286

COMPLIANCE CERTIFICATE IN CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members of Bharat Petroleum Corporation Limited

I have examined the compliance of the conditions of Corporate Governance by Bharat Petroleum Corporation Limited ('the Company') for the financial year ended March 31, 2022, prescribed under Regulations 17 to 27, Clause (b) to (i) of Regulation 46(2) and paragraph C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR').

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on financial statements of the Company.

In my opinion and to the best of my information and according to explanation given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid provisions of SEBI LODR except –

1. Company did not have an optimum combination of executive and non-executive directors as required under Regulation 17(1)(a) during the period 01/04/2021 to 11/11/2021;

2. Company did not have a woman Independent Director as required under Regulation 17(1)(a) during the period 01/04/2021 to 11/11/2021;

3. Company did not have requisite number of Independent Directors as required under Regulation 17(1)(b) on the Board during the period 01/04/2021 till 11/11/2021;

4. Company did not have minimum 6 (six) directors as required for top 1000 listed companies during the period 01/08/2021 to 06/09/2021 and 23/09/2021 till 12/10/2021.

5. Evaluation of Independent Directors by Board of Directors as required under Regulation 17(10) was not done during the period under review.

6. Company did not have requisite number of Independent Directors during the period 01/04/2021 to 11/11/2021. Hence, Audit Committee was not duly constituted as required under Regulation 18(1)(a) and (18(1)(b) during that period.

7. No meeting of the Audit Committee was held during the period from 01/04/2021 to 10/01/2022 as required under Regulation 18(2).

8. Audit Committee of the Company had no Independent Director as the Chairman during the period 01/04/2021 till 11/11/2021 as required under Regulation 18(1)(d).

9. In absence of required number of Independent Directors during the period 01/04/2021 till 11/11/2021, Nomination & Remuneration Committee was not duly constituted during that period as required under Regulations 19(1)(a) to (c) and 19(2).

10. No meeting of the NRC was held during the financial year under review as required under Regulation period 01/04/2021 to 11/11/2021 as required under Regulation 19(3A).

11. All related party transactions were approved by the Board of Directors during the year under review instead of Audit Committee as required under Regulation 23(2).

12. Omnibus approval for entering into related party transactions and quarterly review thereof as required under Regulation 23(3) was done by Board of Directors during the year under review instead of Audit Committee;

13. In absence of duly constituted Audit Committee, review of financial statements including quarterly financial results and investments made by the unlisted subsidiary were done by the Board of Directors of the Company instead of Audit Committee under Regulation 24(2).

14. Company did not filled-up the vacancies caused due to expiry of tenure of appointment of Independent Directors within the stipulated time period prescribed under Regulation 25(6). As represented by the management, the Company being a Government Company, all the powers of appointment of Directors and fixation of terms of such appointments are exercised by the Ministry of Petroleum & Natural Gas.

I further state that such compliance is neither an assurance as to the further viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-
U.C. SHUKLA
COMPANY SECRETARY
FCS: 2727/CP: 1654

Place: Mumbai
Date: July 22, 2022
UDIN: F002727D000672275
Peer Review Certificate No: 1882/2022

COMPLIANCE CERTIFICATE OF CORPORATE GOVERNANCE GUIDELINES ISSUED BY DEPARTMENT OF PUBLIC SECTOR ENTERPRISES.

To,
The Members of Bharat Petroleum Corporation Limited

I have examined the compliance of the conditions of Corporate Governance by Bharat Petroleum Corporation Limited for the financial year ended March 31, 2022, as stipulated in Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010, issued by the Department of Public Enterprises, Government of India.

The Compliance of conditions of Corporate Governance as stipulated in the Guidelines is the responsibility of management. My examination was limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on financial statements of the Company.

In my opinion and to the best of my information and according to explanation given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 issued by the Department of Public Sector Enterprises except –

1. Clause 3.1.4 – The Board of Directors of the Company was comprised of less than 50% Independent Directors during the period 01/04/2021 to 11/11/2021;

2. Clause 4.1.1 – With regard to constitution of the Audit Committee, which should have minimum three Members and two third of the Members should be Independent Directors during the period 01/04/2021 to 11/11/2021;

3. Clause 4.1.2 – with regard to the Chairman of the Audit Committee to be an Independent Director during the period 01/04/2021 to 11/11/2021;

4. Clause 4.4 – with regard to holding of the Audit Committee meetings atleast four times in a financial year and not more than four months to elapse between two meetings. No meeting of Audit Committee was held during the period 1/4/2021 to 10/01/2022. Three meetings were held during the period from 11/01/2022 to 31/03/2022.

5. Clause 6.2 – with regard to review of financial statements of subsidiary companies, which were reviewed by the Board of Directors instead of Audit Committee.

As informed by the management, the Company being a Government Company, all the powers of appointment of Directors and fixation of terms of such appointments are exercised by the Ministry of Petroleum & Natural Gas, Government of India. The Company had taken up the matter with the concerned Ministry for appointment of the required number of Directors from time to time and as a result, Govt. of India vide their letter dated 8.11.2021 nominated five Independent Directors including Woman Director who were appointed on the Board w.e.f. 12.11.2021.

I further state that such compliance is neither an assurance as to the further viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-
U.C. SHUKLA
COMPANY SECRETARY
FCS: 2727/CP: 1654

Place: Mumbai
Date: July 22, 2022
UDIN: F002727D000672308
Peer Review Certificate No: 1882/2022

BUSINESS RESPONSIBILITY REPORT

ABOUT THIS REPORT

The Business Responsibility Report prepared by BPCL is in accordance with Regulation 34 (2) (f) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015, which requires that the Annual Report of the top one thousand listed entities on the BSE and NSE, based on Market Capitalization, include a Business Responsibility Report describing the Company's environmental, social, and governance initiatives.

The Reporting framework is based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business, 2011' (NVGs) issued by the Ministry of Corporate Affairs, Government of India. The guideline describes the organization's performance in terms of the nine Principles and the Core components that each of these Principles entails. The Business Responsibility Report of BPCL is based on the format suggested by SEBI in their circular.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY		
1	**Corporate Identification Number (CIN) of the Company**	L23220MH1952GOI008931
2	**Name of the Company**	Bharat Petroleum Corporation Limited
3	**Registered Address**	Bharat Bhavan, 4&6 Currimbhoy Road, Ballard Estate, Mumbai - 400001
4	**Website**	https://www.bharatpetroleum.in
5	**E-mail Id**	ssc@bharatpetroleum.in
6	**Financial Year reported**	2021-22

7 **Sector(s) that the Company is engaged in (industrial activity code-wise)**

Group	Class	Sub-class	Description
192	1920	19201	Production of liquid and gaseous fuels, illuminating oils, lubricating oils or greases or other products from crude petroleum or bituminous minerals
192	1920	19203	Bottling of LPG /Compressed Natural Gas (CNG)
192	1920	19209	Manufacture of other petroleum products (includes petroleum bitumen and other residues of petroleum oils or of oils obtained from bituminous minerals)
352	3520	35202	Distribution and sale of gaseous fuels
351	3510	35105	Electric power generation using solar energy
351	3510	35106	Electric power generation using other non-conventional sources
493	4930	49300	Transport via pipeline
466	4661	46610	Wholesale of solid, liquid, and gaseous fuels and related products
473	4730	47300	Retail sale of automotive fuel in specialized stores [includes the activity of petrol filling stations]
477	4773	47736	Retail sale of household fuel oil, bottled gas, coal, and fuel wood
721	7210	72100	Research and experimental development on natural sciences and engineering

(Activity codes are based upon NIC-2008 codes.)

*As per classification under National Industrial Classification, Central Statistical Organization, Ministry of Statistics and Programme Implementation, Government of India, New Delhi.

8	**List three key products/services that the Company manufactures/provides (as in balance sheet):**	The Company produces and supplies primary fuels including (but not limited to): 1. High Speed Diesel (HSD) 2. Motor Spirit (Petrol) 3. Liquefied Petroleum Gas (LPG)
9	**Total number of locations where business activity is undertaken by the Company**	
	i. Number of International Locations (Provide details of major 5)	BPCL undertakes lubricant business in international markets. The major locations are: 1. Bangladesh 2. Nepal 3. UAE 4. Qatar 5. Oman
	ii. Number of National Locations as on 31.03.2022	Details are as given below: a. Refineries: 2 (Mumbai and Kochi) b. Retail (Installations/Depots/TOPs): 82 c. LPG Bottling Plant: 54* (including one in MR) d. Lube Blending Plants: 4 e. Aviation Locations/Fuelling Stations/on-wheels: 57 f. Head Office: 1 g. Regional Offices: 4
10	**Markets served by the Company – Local/ State/ National/ International**	Local, State, National, International
SECTION B: FINANCIAL DETAILS OF THE COMPANY		
1	**Paid up Capital (INR)**	₹ 2,129.45 crore
2	**Total Turnover (INR)**	₹ 4,33,406.48 crore
3	**Total profit after taxes (INR)**	₹ 8,788.73 crore
4	**Total Spending on Corporate Social Responsibility (CSR) as percentage of average net profits of last three years (%)**	In line with the Companies Act 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, BPCL has earmarked 2% of our average profit amounting to ₹166.73 crore. In addition, we had a carry forward of ₹ 17.01 crore as unspent for the previous year. BPCL has spent ₹137.78 crore during the year 2021-22 which is equivalent to 1.65% of average profit after tax.
5	**List of activities in which expenditure in 4 above has been incurred**	Our CSR related activities are mainly in the areas of Education, Water Conservation, Skill Development, Health & Hygiene and Community Development. We have additionally contributed towards Covid-19 pandemic relief initiatives.

SECTION C: OTHER DETAILS		
1	Does the Company have any Subsidiary Company/ Companies?	Yes, BPCL has eleven subsidiaries. Five are Indian and six are foreign subsidiaries. The list is as follows:
		Indian: • Bharat Petro Resources Ltd • Bharat Petro Resources JPDA Ltd [Domestic Subsidiary of BPRL] • Bharat Oman Refineries Ltd. • Bharat Gas Resources Ltd • BPCL-KIAL Fuel Farm Pvt Ltd
		Foreign: • BPRL International B.V. (The Netherlands) [Overseas Subsidiary of BPRL] • BPRL Ventures B.V. (The Netherlands) [Overseas Subsidiary of BPRL] • BPRL Ventures Mozambique B.V. (The Netherlands) [Overseas Subsidiary of BPRL] • BPRL Ventures Indonesia B.V. (The Netherlands) [Overseas Subsidiary of BPRL] • BPRL International Singapore Pte Ltd. (Singapore) [Overseas Subsidiary of BPRL] • BPRL International Ventures BV (The Netherlands) [Overseas Subsidiary of BPRL]
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such Subsidiary Company(s)	No, the subsidiary companies do not participate in the Business Responsibility initiatives of the parent Company. They operate in different geographies/ business domain and are driven by their own policies.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No other entity/entities are involved in the Company's business or the BR initiatives. However, BPCL conducts scrutiny with respect to certain parameters of the 'National Voluntary Guidelines on Social, Environmental, and Economic Responsibilities of Business, 2011' principles during the selection/registration of suppliers, contractors, dealers, and distributors.

SECTION D: BR INFORMATION

1 Details of Director/Directors responsible for BR

BPCL has a Sustainable Development Committee for periodic review, discussions and guidance on various Sustainable Development initiatives and measures for implementation of Business Responsibility policies.

a. Details of the Director/Directors' responsible for implementation of the BR policy/policies

The details of the SD Committee members as on 31/03/2022 are as given below:

No.	DIN No.	Name	Designation
1	08511473	Shri Harshadkumar P. Shah	Chairman of the Committee
2	08188547	Shri Vetsa Ramakrishna Gupta	Member
3	09485131	Shri Sanjay Khanna	Member
4	09396915	Shri Ghanshyam Sher	Member
5	09396589	Dr. (Smt.) Aiswarya Biswal	Member

b. Details of the BR head

Particulars	Details
DIN Number	N.A.
Name	Ms. V. Kala
Designation	Company Secretary
Telephone number	(022) 22713440
Email	ssc@bharatpetroleum.in

2 Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

The 9 principles outlined in the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business, 2011 (NVGs) are as follows:

P1	Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains.
P4	Businesses should respect the interests of and be responsive to all its stakeholders.
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment.
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

2 A. Principle-wise (as per NVGs) BR Policy/policies: Detials of Compliance (Reply in Y/N)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/policies for?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		P1: Code of Conduct and Whistle blower P2: HSE and Sustainable Development policy P3: Internal HR policies P4: Sustainable Development policy P5: Internal HR policies P6: HSE and Sustainable Development policy P7: Sustainable Development policy P8: CSR policy P9: Citizen charter								
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Do the policies conform to any national/ international standards? If yes, specify?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Various policies at BPCL adhere to relevant applicable satutes/guidelines/ rules, etc. issued by the GOI and updated on a regular basis. While developing policies, industry practises and National/International standards are kept in mind.								
4	Has the policy been approved by the Board? If yes, has it been signed by the MD/owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Different policies are approved by Board/ Competent Authorities as per delegation of power.								
5	Does the Company have a specified committee of the Board /Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online	Refer table below @								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have an in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out an independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

@ Web-link for the policy:

NVG Principle	Web-link
Principle 1: Ethics, transparency & accountability	https://bharatpetroleum.com/images/files/CodeOfConduct_BPCL.pdf
Principle 2: Sustainability in life cycle of product	https://www.bharatpetroleum.in/sustainability/health,-safety,-security-&-environment/security-policy.aspx
Principle 3: Employee well-being	Company's Internal web (Intralink)
Principle 4: Stakeholder engagement	https://www.bharatpetroleum.in/sustainability/health,-safety,-security-&-environment/security-policy.aspx
Principle 5: Promotion of human rights	Company's Internal web (Intralink)
Principle 6: Environmental protection	https://www.bharatpetroleum.in/sustainability/health,-safety,-security-&-environment/security-policy.aspx
Principle 7: Responsible public policy advocacy	https://www.bharatpetroleum.in/sustainability/health,-safety,-security-&-environment/security-policy.aspx
Principle 8: Inclusive growth	https://www.bharatpetroleum.com/Social-Responsibility/Corporate-Social-Responsibility/Vision-and-Policy.aspx
Principle 9: Customer value	http://www.bharatpetroleum.com/PDF/Citizen_Charter.pdf

2 B. If answer to Sr. No. 1 against any Principle, is 'No', the reasons for the same have also been mentioned therein.

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	Not Applicable								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principle									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. GOVERNANCE RELATED TO BR

1 **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company - Within 3 months, 3-6 months, Annually, More than 1 year.**

BPCL has constituted 'Sustainable Development Committee of the Board' which reviews the sustainability initiatives every 3-6 months and provides directions for further improvement.

2 **Does the Company publish a BRR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

Yes, BPCL has been publishing the Business Responsibility Report (BRR) as part of its Annual Report. In addition, BPCL also publishes GRI Framework based Sustainable Development Report (SDR) every year since FY 2006-07. The Sustainable Development report for the past years is available at: https://www.bharatpetroleum.in/Sustainability/Sustainability-Reports.aspx

SECTION E: PRINCIPLE WISE PERFORMANCE

PRINCIPLE 1: ETHICS, TRANSPARENCY AND ACCOUNTABILITY

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

   Yes, the company has formulated Code of Conduct for Directors and Senior Management Personnel of the company that covers issues related to ethics, prevention of corruption and bribery. Further, Whistle-blower policy framed by the company enable reporting of improper activities which ensures greater transparency. These policies cover all stakeholders of the company.

   However, BPCL's group companies/joint ventures are separate legal entities having their own policies and procedures and are not covered by BPCL's policy on ethics, bribery, corruption, and human rights.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide the details thereof, in about 50 words or so.**

   BPCL has a multi-pronged approach to address concerns of its stakeholders depending upon the category of stakeholders and nature of concern. The numbers and details of these are outlined as follows:

- **Customers -** BPCL has in place a robust and easily accessible Customer Care System (CCS) enabling customers to provide their feedback, complaints, or suggestions. During the FY 2021-22, a total of 4,52,206 Customer Complaints were received and 4,49,706 were resolved, which is 99.44% with an average closure time of one day. Balance complaints have been addressed subsequently and closed satisfactorily.

- **Investors -** During the financial year 2021-22, 74 investor complaints have been received through SEBI, NSE and BSE (SEBI-1, NSE-9, and BSE -64) which were all attended to and resolved on priority basis.

- **External monitors -** BPCL has received 7 complaints before the panel of independent external monitors for joint deliberation and recommendations which were resolved satisfactorily.

- **Public grievance -** Public Grievance in BPCL is monitored through Centralized Public Grievance Redress and Monitoring System (CPGRAMS) which is an online web-enabled system (https://www.pgportal.gov.in/) developed by National Informatics Centre (NIC) and Department of Administrative Reforms and Public Grievances (DARPG). BPCL, with its dedicated team has redressed and closed 4,781 grievances out of 4,944 received in FY 2021-22, with an average disposal time of only 13 days, as against the norm of 30 days and the pending grievances has been closed subsequently.

- **Vigilance -** Complaints pertaining to incidents of corruption/corrupt practices are referred to the vigilance department at BPCL. There were 60 new complaints received by the vigilance department during the year. A total of 43 complaints were disposed this year leaving a balance of 48 complaints.

- **Employees -** the Employee Satisfaction Enhancement Department received a total of 25 grievances during the reporting period from the employees. All of these were addressed and resolved satisfactorily within the year.

PRINCIPLE 2: SUSTAINABILITY IN THE LIFECYCLE OF THE PRODUCT

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

BPCL has been constantly investing its efforts in ensuring that the usage of products is done in a safe and efficient manner. BPCL ensures that they do not pose unintended harm to the environment and to persons involved during its production, transportation, consumption, or disposal. The major three products are:

1. BS VI Motor Spirit
   - 10% Ethanol blended Motor Spirit
2. BS VI HSD
   - 7 % Bio Diesel blended
3. LPG

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

Oil and Gas sector is vulnerable to threats like continual depletion of natural resources and potential supply disruptions due to geopolitical uncertainties which makes resource efficiency a pain point for the industry. The Company meets its crude oil requirement through annual term contracts and spot contracts. BPCL has diversified its Global Crude Oil supply from various sources and efforts are made for optimisation of Crude Basket, minimise inventories while ensuring uninterrupted supplies of Crude Oil to Refineries.

As pipeline transportation is the safe and efficient way of transportation of Hydrocarbons, BPCL has been expanding its pipeline network which is approx. 2597 km in length as on 31.03.22. BPCL has commissioned 355 km of cross-country Bina Panki Pipeline which was dedicated to the National by Honourable PM of India on 28.12.2021. BPCL has been increasingly adopting cleaner and efficient methods for raw material (crude oil) sourcing through a mix of pipelines and Very Large Crude Carriers (VLCC). BPCL has transported approximately 8.40 MMT of Crude Oil through pipeline and VLCC which is equivalent to 27.94% of the total Crude Oil transported for the reporting period. BPCL has achieved GHG emissions reduction to the tune of 1.55 Lakh MTCO2 equivalent through pipeline transportation as compared to rail in the year 2021-22. Moreover, out of the total LPG import, 3.10 MMT i.e., equivalent to 72.73 % was through Very Large Gas Carrier (VLGC).

As a proactive measure, Environmental cell has been established at all locations for awareness building and to address & focus on environmental issues. Refineries and Pipelines have been re-accredited with ISO 9001:2015, ISO 14001: 2015 and ISO 45001:2018 standards for Quality, Environment & Occupational Health, and Safety Management Systems.

BPCL has undertaken several energy and water conservation initiatives and ensured that its operations do not pose any unintended harm to the environment during the production stage. The initiatives are demonstrated through the following performance parameters:

- By optimizing plant operation and implementing energy conservation schemes, the specific energy consumption (MBN) could be brought down to 66.9 from the figure of 68.9 in the previous year by Kochi Refinery despite challenging conditions.
- BPCL refineries Energy management system was recertified against ISO 50001:2018 and the scope was also extended to the new MS block and Petrochemicals in KR.
- BPCL Mumbai Refinery has processed 14.44 MMT of Crude oil. This represents a capacity utilization of 120 % and the MBN achieved was 64.4 MBN in the year 2021-22. Kochi Refinery processed 15.4 MMT crude oil with a capacity utilization of 100.45%.
- “Water conservation” drive always remained as high priority and Mumbai Refinery has used more than 950 thousand kilolitres (TKL) of treated water in various cooling towers thereby reducing fresh raw water consumption.

BPCL also endeavours to deliver products to customers in a resource efficient manner through its distribution network. One key initiative in this direction is the increased presence of BPCL in the City Gas Distribution (CGD) market, that aims to establish the piped gas distribution infrastructure across Geographical Areas (GAs) to reduce the dependency on energy intensive bottled gas supply. BPCL through its wholly owned subsidiary, Bharat Gas Resources Ltd. (BGRL), is active in 23 GAs as of of March 31, 2022 and shall be starting sales in 5 more GAs in 2022-23.

b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

BPCL refineries have successfully adhered to National Auto Fuel norms by producing and supplying Bharat VI fuels to the markets from April 1, 2020 pan India. BPCL Kochi Refinery has undertaken the BS VI Motor Spirit Block Project (MSBP) to maximize BS-VI grade Motor Spirit production by minimization of Naphtha. BPCL MR had already commissioned (GTU) Gasoline Treatment Unit earlier to produce BS-VI grade MS.

As per the Ministry of Petroleum and Natural Gas (MoP&NG) gazette Notification, for selling of Ethanol Blended Motor Spirit (EBMS) with Ethanol up to 10%, BPCL has undertaken maximization of blending of Ethanol in motor spirit which helped to reduce harmful emissions such as carbon monoxide. 9,72,000 KL of Ethanol is blended by BPCL in 97,20,000 KL of Ethanol Blended Motor Spirit in the year 2021-22. The total Ethanol blending ratio achieved was 9.7% as per Ethanol Sugar Year (ESY) 21-22 contributing to total CO_2 emission reduction of 2.07 MMT. While the Company blends and markets EBMS, it has also ventured into the production of bioethanol.

BPCL is proactively taking various initiatives in implementing low carbon product technologies such as 1G & 2G Bioethanol, Compressed Biogas (CBG), Bio-Diesel, etc. In line with PM-Jeevan Yojana, which aims at incentivizing the second-generation Bio Ethanol Projects, BPCL is setting up a 2G Bio-Ethanol Refinery Project of capacity 100 KL/day at District Bargarh, Odisha. The cumulative production capacity of refinery would be 200 KL/day of Fuel grade Ethanol. The plant shall utilize as feedstock around 150 kilo tons of Rice straw per annum for 2G (Second Generation) and 80 kilo tons of Rice grain per annum for 1G (First Generation) Ethanol Plant for production of 100 KL/day of Ethanol each from 2G and 1G Ethanol Plant. The plant shall also utilize around 120 kilo tons of Rice straw as fuel in the Boiler, where fossil fuel shall not be used in the production process. The project is in progress, with physical completion approximating to 45.94 % and financial progress to 30.59% respectively as of March 31 2022. The Bio Refinery project was approved by the Board at total capital outlay of ₹ 1607 crore.

BPCL has undertaken blending of 7% Biodiesel in HSD at selected locations, as per national policy of Biofuel. Biodiesel is manufactured from non-edible/edible oils and has almost no sulphur, no aromatics and approximately 10% built- in oxygen which helps in ensuring complete combustion. BPCL blended 960 KL of biodiesel (B-7) and the blending ratio achieved was 0.005 % for FY 2021-22. BPCL has also undertook production of Bio Diesel from Used Cooking Oil and floated 9 EOIs with combined bio-diesel production capacity of 138 TPD. Four LOIs have been issued with production capacity of 85 TPD as of March 2022.

BPCL has further taken steps in the field of biofuels by increasing the contribution of biogas in total energy mix. BPCL has undertaken production of Compressed Biogas (CBG) from Biomass waste/ Biomass sources like agricultural residue, sugarcane press mud, municipal solid waste, etc. In this context BPCL has invited Expression of Interest from potential entrepreneurs to set-up CBG plants and offer CBG to BPCL. 299 LOIs have been issued with production capacity of 1265 TPD as of March 2022. 7 CBG plants have been commissioned in 2021-22 while 3 CBG plants are to be commissioned by March 2023. Under SATAT (Sustainable Alternative towards Affordable Transportation) scheme, the sales of CBG has started at 4 Retail Outlets. BPCL is facilitating and supporting prospective CBG plant owners to setup CBG plants during the whole process including guiding and helping in resolving issues faced by them at various stages.

BPCL, added another initiative with announcement of its entry into the Electric Vehicle space. BPCL developed recommendations on EV charging enablement in OMC ROs and submitted to Energy Transition Advisory Committee (ETAC). The organization strategized upon 4 key aspects in FY 2021-22, i.e., 4W EV fast charging, 2W EV fast charging, Battery swapping for 2/3W and EV 2W retail sales.

BPCL entered following strategic alliances in FY 2022 to capitalize on EV strategy:

- Hero MotoCorp for 2Wheeler EV fast charging,
- Ola Electric for 2Wheeler EV fast charging,
- RACEnergy for 3Wheeler battery swapping
- Ionage for development of unified application for BPCL EV charging stations.

BPCL in collaboration with Pune-based Kinetic Green Energy & Power Solutions and IIT-Madras will enable this EV mobility system based on battery-swapping model for electric three-wheelers. BPCL, with the technology support for mobile app, battery management system and other systems from IIT-Madras, will provide the lithium-ion batteries for the vehicles.

To keep pace with accelerated energy transition needs, BPCL has launched a concept of Highway Fast Charging Corridor. As a pilot, BPCL has adopted 900 KM Chennai – Trichy – Madurai – Chennai highway (NH-45) as a first of its kind Highway Fast Charging Corridor in the country with the installation of DC 25 KW fast chargers at 10 strategic ROs, at an approximate inter-distance of 100 KMs. BPCL targets to replicate the same at around 100 prominent highway corridors in the country by 2022-23.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes. Product lifecycle sustainability is an approach to manage the stages of product existence so that any negative impact on the environment is minimized. BPCL strives for sustainable procurement across its value chain, right from the sourcing of raw materials i.e., Crude Oil to product transportation. BPCL is extensively using its pipeline for the transportation and distribution of its products, as it is the safest, cost-effective, energy-efficient, and environment-friendly mode for transportation of crude oil and petroleum products.

BPCL is focused on increasing the share of product/crude transportation through pipelines, therefore, expanding its cross-country pipeline network. Cross-country pipelines are also globally recognized as the safest, cost-effective, energy-efficient, and environment-friendly mode for transportation of petroleum products. Currently, BPCL is operating large Cross Country Pipelines network with total Pipelines lengths of approx. 2597 Km. Cumulative throughput of petroleum products in this financial year was 16.54 MMT against target of 16.17 MMT which is 102 % of the target.

BPCL-KR is also enhancing products' transfer through pipelines which will assist in reduction of operational (scope-3) GHG emissions. Single Point Mooring (SPM) facility helps BPCL-KR to port very large crude carriers (VLCC) for crude transportation. This facility also helped BPCL-KR to reduce operational risks.

BPCL has diversified its Global Crude Oil supply from various sources and efforts are made for optimization of the crude basket and minimization of inventories at the same time, ensuring uninterrupted supplies of transportation of crude oil to refineries. BPCL has sourced approx. 27.94% of the crude through sustainable methods.

BPCL has also undertaken route optimization to reduce emissions by following activities:

- Real time fleet tracking through VTS System based on GPS system so that the vehicles do not deviate from the assigned shortest route.
- Defined threshold age of the vehicles

Research & Development (R&D)

Research & Development play a vital role in business growth and sustainability. Corporate R&D is actively pursuing research in the niche areas of Petrochemicals, Biofuels, Alternate Energy, Green Hydrogen and Carbon Dioxide mitigation along with the conventional oil refining and related processes. R&D centers of BPCL continued the trend of developing energy efficient technologies, novel products, cleaner fuels and providing valuable technical support to Business Units.

Recently, Government of India (GoI) has proposed an ambitious National Hydrogen Energy Mission targeting replacement of fossil fuel-based hydrogen with green hydrogen. Considering the stiff target to meet (GoI) mandate to refineries, i.e., to replace grey hydrogen with green hydrogen up to 10% by 2025 and 50% by

2030 with limited global manufacturing capacity of electrolysers. BPCL has acquired a license for Alkaline Electrolyzer (AE) technology from Bhabha Atomic Research Centre (BARC) for scaling up and commercialization of Electrolyzer for indigenous use.

BPCL R&D Sewree has also undertaken the development of new products that are biodegradable, fuel efficient and help in reduction of waste. High performance Bio-degradable Hydraulic oil for Mining & Off-highway applications and Bio-degradable Honing oil, have been developed for super finishing operation, thus contributing significantly towards conserving the environment. Under Circular economy to conserve the precious petroleum reserves, R&D has developed Hydraulic oil & Pneumatic tool way oils and Engine oil formulated with re-refined base stock for light duty commercial vehicles. R&D has developed Fuel-efficient Synthetic engine oils for new generation ultra-low emission BS VI petrol and diesel passenger cars to extend drain interval and to reduce the oil change frequency of vehicles. R&D has also developed Semi-synthetic compressor oil for screw compressor lubrication, which helped in extending drain intervals.

4. Has the company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes, BPCL has taken several measures for promoting procurement of Goods and Services from small/local producers. Some of these include:

- As per existing Public Procurement Policy for MSEs Order 2012, in any tender, participating MSEs who are within price band of L1+15% will get a portion of order, provided they match L1 price. This allocation to MSEs is minimum 25%. BPCL fully abides by the Public Procurement Policy for MSEs Order 2012 and its amendment of November 2018. General Conditions of Contract (GCC) and General Purchase Conditions (GPC) of all tenders have purchase preference clause for MSEs.
- The Public Procurement Policy for MSEs Order 2012 also states that in the event of failure of such MSEs, owned by SC/ST, to participate in the tender process or meet tender requirements and match L1 price, 4% sub target shall be met from other MSEs. This 4% of the total tender quantity is reserved for SC/ST Entrepreneurs in MSE category and 3% is reserved for Women Entrepreneurs in MSE category. The procurement for Goods and Services from MSE-SC/ST Entrepreneurs stood at ₹ 133.16 crore in FY21-22 as compared to ₹ 114.80 crore last year.
- During 2021-22, the procurement value of BPCL for Goods and Services, excluding Works Contracts, where MSEs could have participated was ₹13,878.28 crore and the actual procurement value from MSEs was ₹ 4,006.52 crore, i.e., an achievement of 28.8% which exceeds the target of 25%.
- BPCL conducted four online Vendor Development Programs for MSE Vendors including 02 for MSE SC/ST & 01 for MSE Women, wherein over 500 vendors participated. BPCL also participated in MSME Expo 2022 at Nagpur, organised by Director MSME, Maharashtra. An online "Premier Vendor Workshop" was held during March 2022, wherein Asst. Director, MSME-DI, Mumbai, and Director-Buyer Management (CPSEs & Central Ministries), Government e-Marketplace made detailed presentations on the benefits of Public Procurement Policy for MSEs and GeM to the vendors.
- Substantial efforts are being made to increase the procurement value through (Government e-Market Place) GeM Portal. BPCL's procurement through GeM i.e., online procurement portal started by GOI stood at ₹ 1078.33 crore in FY21-22 as compared to ₹ 113.9 crore in FY20-21 with a substantial growth.
- BPCL offered Trades Receivable Discounting Scheme (TReDS) to its MSE Vendors. This facility was availed by MSE Vendors and over 3,722 invoices valued at ₹ 263.13 crore were discounted during FY 2021-22.

5. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

BPCL has been consistently exploring means to reduce intake of virgin materials through recycling of waste generated from its operations. As a responsible corporate and having its obligation towards prevention of soil contamination, BPCL disposes off its waste in a responsible manner as per Central Pollution Control Board (CPCB) guideline and other statutory requirements.

- BPCL MR has taken initiative to use enzyme-based additive which can Bio-Remediate Water mixed oily sludge very fast. During the year 2021-22, 339 m^3 of oily sludge has been treated and oil content was reduced below 0.5% wt in MR whereas 25 m^3 of hazardous waste disposed through bioremediation in KR.
- In KR, net sludge processed was 4157.2 m^3 and net oil recovered was 1572.9 m^3, i.e., 37.84% whereas in MR net sludge processed was 5008.90 m^3 and net oil recovered was 2059.56 m3, i.e., 39.60%, during FY 2021-22.
- The Effluent Treatment Plant (ETP) at MR comprises PACT (Powdered Activated Carbon Treatment) and WAR (Wet Air Regeneration) technology which helps in nil generation of sludge. A total of 933.7 TKL treated water was recycled back to process unit cooling tower thereby reducing equivalent amount of fresh make up raw water, in FY 2021-22
- Mumbai refinery had set up Sewage Treatment Plant (STP) last year in collaboration with Rastriya Chemicals & Fertilizers (RCF) with a capacity of 22.5 MLD of municipal sewage that would produce 15 MLD of treated water (where BPCL share was 6 MLD & RCF share was 9 MLD). BPCL MR has reduced its dependency on BMC freshwater supply by using 2118.2 TKL of STP water received from RCF during FY 2021-22.
- BPCL is following the rule of 3R i.e., Reduce, Reuse, and Recycle of waste in all its operations. BPCL refineries manage waste through following three mechanisms.

a) Waste to Product concept

i. KR explored a better option to dispose spent charcoal through pet coke and disposed 140 MT of spent charcoal as product through pet coke which would otherwise dispose of through secured land filling.

b) Waste to Recycle Concept

i. 2.49 MT of E-waste items accumulated inside KR and 0.77 MT in MR premises were recycled through approved Recycler. Around 93 MT of Spent clay and bio-remediated sludge were reused inside Refinery premises for landfilling instead of disposing through TSDF.

ii. MR sold 26.62 MT of Chemical drums and 10 MT of Transformer oil for reusing purposes

c) Waste to Recovery concept

i. KR Spent catalyst generated from hydro treating process units were sold to recycler for precious metal recovery items and the total quantity recycled was 1700 MT.

ii. MR used around 40.62 MT of LOBS & CCR Spent catalyst for metal Recovery.

- New mechanical composting machines were added in Marketing locations for composting of organic waste. Approximately 325 MT of compost generated through organic waste in marketing locations during FY 2021-22.
- About 5,469 m^3 of biogas was generated during the year 2021-22 in Mumbai Refinery which is equivalent to about 2,500 kg of LPG and similar quantities in Kochi refinery also through organic waste.
- Flare Gas Recovery system (FGRS) at Mumbai refinery for emission reduction and energy conservation is in operation. Flare Recovery facility recovers the Flare Gases and puts them

back into the Fuel Gas System, thus reducing precious hydrocarbon loss and minimizing fuel consumption and emissions. In 2021-22 total flare gas recovered was 1066 MT which was subsequently treated and again used as fuel gas in process furnaces whereas Flare gas recovery from KR was 3,910.6 MT.

- BPCL CRDC also contributed significantly by implementing a technology developed to utilise the plastic waste in road construction. Till date, about 175 metric tons of plastic waste has been utilized in waste plastic stretches prepared across India.
- Certification of Zero Waste to Land fill (ZWL) obtained for Mumbai refinery and all retail marketing locations which are 82 in numbers. Target has been taken to get certification of other refinery and marketing locations in the year 2022-23.
- In view of implementing scientific way of disposal, Mumbai refinery has started sale of UCO to FSSAI approved Used Cooking Oil Aggregator (UCOA) for biodiesel production since Dec-2021. Green certificates have been issued by UCOA to BPCL MR towards reduction in equivalent greenhouse gases. Approximately 1.2 MT of UCO has been sold in year 2021-22 resulted in revenue generation of ₹ 0.31 lakh
- Lubricants Business unit has also taken steps towards efficient waste management. They initiated process for obtaining license for Extended Producer's Responsibility (EPR) under brand owner category for lubricant packaging plastic containers, which shall help in safe disposal of 5,000 Tons/annum of plastic waste.
- As part of control measures regarding air pollution, BPCL-KR adopted various methods like electro-static precipitators (ESP), scrubbers and other pollution control equipment.
- Additionally, BPCL HSSE team has been undertaking training sessions on capacity building program on disposal of hazardous waste / zero waste to land fill certifications/ Water balance study/ sustainable development/ GHG inventory/ carbon sequestration etc.

PRINCIPLE 3: EMPLOYEE WELL BEING

1. Please indicate the total number of employees.

Total number of permanent employees as on March 31, 2022 are 8,594.

2. Please indicate the total number of employees hired on temporary/contractual/casual basis.

The total number of contract labour engaged in BPCL are 18,560# (approximately 90% Contract Labour in Non-Project and 10% in Project contracts)

#Contract labourers are engaged by contractors for non-core, sporadic and peripheral nature of jobs as per "Contract for Services". The number is dynamic and changes depending on projects/ works being undertaken. No casual labour is currently engaged in BPCL.

3. Please indicate the Number of permanent women employees.

The total number of permanent women employees as on March 31, 2022 are 656 [Management - 482, Clerical - 167, Labour - 7]

4. Please indicate the Number of permanent employees with disabilities

The number of permanent employees with disabilities as on March 31, 2022 are 181 [Management - 109, Clerical - 28, Labour - 44]

5. Do you have an employee association that is recognized by management?

There are 19 registered Trade Unions (including Refineries) operating in BPCL.

6. What percentage of your permanent employees is members of this recognized employee association?

Approximately, 96% of our (non-Management) employees are represented through these Trade Unions during FY 2021-22.

7. **Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

Sr. No.	Category	No of complaints filed during the financial year	No of complaints pending as at the end of the financial year
1.	Child labour/ forced labour/ involuntary labour	NIL	NIL
2.	Sexual harassment	2	0
3.	Discriminatory employment	NIL	NIL

8. **What percentage of your undermentioned employees were given safety and skill up-gradation training in the last year?**

Permanent Employees	On an average, 17.76 training hours, functional as well as behavioural training, was provided per employee in the reporting period which is inclusive of safety related training.
Permanent Women Employees	On an average, 20.21 training hours, functional as well as behavioural training, was provided per woman employee in the reporting period which is inclusive of safety related training.
Casual/ Temporary/ Contractual Employees	Across various locations and especially within the Refineries, 100 % contract labour mandatorily attends a comprehensive training programme which includes sessions on 'Safety within the workplace' without which they are not provided access.
Employees with Disabilities	Not tracked separately

11,370.25 man-hours of Health Safety, Security, Environment (HSSE) related capacity building programs were conducted at locations across business units during FY 2021-22.

PRINCIPLE 4: STAKEHOLDER ENGAGEMENT

1. **Has the company mapped its internal and external stakeholders? Yes/No**

Yes, BPCL has developed mechanisms to map both its internal and external stakeholders as part of the sustainability reporting process. The internal stakeholders primarily include employees, investors, and shareholders while the external stakeholders are listed as follows:

- Government and regulatory authorities
- Industry associations
- Customers
- Suppliers
- Community
- Dealers and distributors
- Contractors
- Media and academic institutions
- Transporters

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**

Yes, as a responsible organisation, BPCL cares about the community. Through CSR activities, BPCL has identified disadvantaged, vulnerable, and marginalized stakeholders and taken a holistic approach to their socio-economic development. Our projects aim to benefit communities that are identified as vulnerable/underprivileged and are located near our major business units such as refineries, depots, installations, and LPG bottling plants. Remote rural/ tribal communities also fall under the ambit of marginalized and vulnerable stakeholder.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof.**

Yes. BPCL's corporate values include contribution towards the society and working for the welfare of the underprivileged.

BPCL's CSR Vision is to " Be a Model Corporate Entity with Social Responsibility committed to Energizing Lives through Sustainable Development" and the corporation is dedicated to the communities around its business and far beyond. BPCL CSR has continually contributed to the attainment of the Sustainable Development Goals, making considerable progress in the core thrust areas of Education, Skill Development, Water Conservation, Community Development, and Health & Hygiene.

The Corporation collaborates with several qualified and reputed organizations to support program that serve the impoverished and oppressed. CSR initiatives are undertaken based on social, environmental and economic considerations. While the Company continues to launch new initiatives, BPCL has exited and handed over initiatives to either local government or communities in terms of sustainability for those projects that have been completed successfully.

While the adverse effect of the covid pandemic was deeply felt in most of the thrust areas such as Education, Skill development and Water conservation, BPCL in an overdrive took some exemplary measures to combat the pandemic and provide relief and rehabilitation to the most vulnerable sections of the society.

Details on some of the programmes are provided below.

A. HEALTH AND HYGIENE

The Corporation has reached out to larger segments of marginalized societies through innovative, value-driven, and well-designed projects that have raised health awareness. BPCL continued its unwavering support for cancer care by funding holistic cancer programme in 10 cancer hospitals across the country that includes cancer screening, surgical interventions for cancer patients, and subsequent rehabilitation for cancer survivors. The programme expects to conduct 700 screening camps, at least 415 surgeries, and nearly 350 cancer survivors for survivorship and rehabilitation. Despite the intermittent lockdowns, a project to build an affordable cancer care facility and a community awareness programme in the aspirational district of Darrang (Assam) has been completed and is ready for operation.

To underscore another flagship project of BPCL, the Lifeline Express 'Hospital on a Train,' which consists of 7 coaches converted into a hospital and travels to remote parts of the country to serve communities where access to hospitals is difficult. The initiative has helped to reduce avoidable disability, early disease detection, screening, and the provision of medical and surgical interventions to approximately 8000 patients in the district of Balrampur, Uttar Pradesh.

In addition, as part of its efforts to promote health and hygiene, BPCL has provided life-saving and diagnostic medical equipment's used for the detection and treatment of various ailments.

B. COVID RELIEF MEASURES

Under the leadership of the MoPNG and in collaboration with OMCs (Oil Marketing Companies), BPCL has provided Covid-19 combat infrastructure throughout the country. 11 PSA plants have been established at government hospitals in Uttar Pradesh (1), Maharashtra (2), Kerala (3), Madhya Pradesh (5), and 3,000 oxygen cylinders, 1,000 oxygen concentrators, and 100 ventilators have been purchased and stored at various locations across the country to be made available to the community in the event of an emergency. BPCL collaborated with local administration and police in various locations to provide PPE (Personal Protection Equipment) Kits, masks, and sanitizers to various front-line workers, as well as to assist marginalized groups, including migrant workers, by distributing Ration kits. Considering the immense relief provided to citizens of the country through the Prime Minister's Citizens Assistance and Relief in Emergency Situations Fund (PM Cares Fund), BPCL generously contributed ₹ 40 crore during the year.

C. EDUCATION

There is no denying that education is a critical enabler for realizing India's demographic advantage. Lack of access to high-quality education is a major impediment to the development of a just society and a sustainable economy.

Schools were the most impacted during the pandemic as they were closed throughout the year. However, BPCL initiated operations to renovate and build classrooms and other facilities in various schools for the benefit of children BPCL contributed towards school infrastructure in Mizoram, Betul in Madhya Pradesh, and Malshiras in Pune district of Maharashtra.

D. SKILL DEVELOPMENT

BPCL has persisted in its commitment towards enhancing the employability and entrepreneurship for youth in the Oil & Gas as well as in other sectors through the Skill Development Institute (SDI) at Kochi, Kerala. Since inception, 978 students have been trained. BPCL also assisted five other SDIs in

Ahmedabad, Vishakhapatnam, Guwahati, Raebareli, and Bhubaneswar in collaboration with other Oil & Gas Companies.

While the pandemic disrupted activities in skilling training institutes, the Company continued to support youth skilling efforts in Aspirational Districts of Madhya Pradesh. 15 batches of 375 individuals were trained in vocational skills and were linked to work and self-employment options using an online mode of instruction.

E. WATER CONSERVATION

Water is at the core of sustainable development and is critical for socio-economic development, energy and food production, healthy ecosystems and for human survival. Importance of water has risen from micro to macro issues, therefore, through its water conservation initiatives, collectively named "BOOND" – an integrated model of water conservation has been implemented in many villages in Maharashtra. BPCL has aimed at improving access to water for various needs including drinking, agriculture, and livelihood with focus on recharging ground water reserves. The key objective of this initiative is to transform villages from water scarce to water positive.

BPCL is ensuring sustainable water security for rural communities through renovation of rainwater harvesting structures, afforestation, farming livelihood and community awareness in 4 villages in Sangli (Maharashtra) & 8 villages in Karauli (Rajasthan).

F. COMMUNITY DEVELOPMENT

The Company's Community Development initiatives seek to empower individuals, groups of people and families with the amenities they need, to effect change within their communities. The projects are based on extensive needs assessment and focus on providing sustainable solutions to the community which gets benefitted.

"Transformation of Aspirational Districts Program", launched by NITI Aayog focusses mainly on Health & Nutrition, Education, Agriculture & Water Resources, Financial Inclusion & Skill Development, and Basic Infrastructure. In accordance with this programme, BPCL is collaborating with rural communities to improve the living standards of residents in these lowest-ranked districts as well as Non-Aspirational Districts, thereby ensuring inclusive growth for all.

Further, BPCL launched a project to distribute free seeds that are government-certified and use less water to 1,000 farmers, with each farmer receiving one 20 kg bag of wheat seed, two 8 kg bags of maize seed, and one 3 kg bag of millet seed. In total, 4,000 bags of seeds were distributed, and farmers were also provided training and information about the appropriate methodology of efficient farming practices.

G. SWACHH BHARAT ABHIYAN

The Corporation enthusiastically participated in 'Swachh Bharat Abhiyan', the flagship movement of Government of India. BPCL has been working tirelessly to make Bharat 'Swachh'. BPCL engaged in the Government of India's "Swachh Bharat Mission" with increased vigor, completing over 89,000 activities during the Swachhata Pakhwada and reaching out to over 62 lakh people. The activities included increasing hygiene and sanitation awareness and distributing PPE kits to frontline workers. The activities were meticulously planned and carried out while adhering to all social distancing precautions.

BPCL has also contributed to the creation of 'Open Defecation Free' country by constructing and renovating toilets in schools and communities. Further, as part of its attempts to eliminate manual scavenging, BPCL has provided 13 robotic manhole cleaning machines, 5 each to the municipal corporations of Indore and Coimbatore, 2 machines to the Mumbai Corporation of Greater Mumbai (MCGM), and 1 machine to the Dhule Municipal Corporation (DMC). The machines have been widely used, and the efforts have been recognized for restoring sanitation workers' dignity.

H. SWACHH ICONIC PLACES

The company continues to support Swachh Iconic Places such as Madurai Meenakshi Temple in Tamil Nadu and Sri Adi Shankaracharya Janmabhoomi Tirth in Kalady, Kerala. The initiatives include beautification of the surrounding areas, access to sanitation facilities, and safe drinking water, all with the goal of promoting tourism and providing visitors with an enriching experience.

I. INITIATIVES OUTSIDE THRUST AREAS

BPCL is also pursuing initiatives under Schedule VII of the Companies Act of 2013. One such project is collaboration with the National Crafts Museum and Hastkala Academy (New Delhi), which involves in the reorganization, restoration, and preservation of over 33,000 ancient objects.

Further, with a forward-thinking perspective, it is planned to digitally archive all available collections of artefacts for easy access to people and artisans through proper display in galleries.

PRINCIPLE 5: PROMOTION OF HUMAN RIGHTS

BPCL believes in equal opportunity for its employees and ensures that there is no discrimination based on caste, tribe, religion, or region in providing various welfare facilities (including but not limited to) employees' health, efficiency, financial well-being, social status, satisfaction, employment, growth, remuneration, or development. All our vendor contracts include explicitly stated terms and conditions (under General Conditions of Contract) for human rights engagements. As a primary employer, BPCL ensures that the provisions of the EPF and MP Act of 1952/ESI Act of 1948 covering social security aspects such as PF and ESI are followed, and the Contract Labour (Regulation and Abolition) Act of 1970 govern all contractual labour.

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/ NGOs/Others?**

   The Human Rights Policy of BPCL applies to all the Company's operations. It does not extend to its Group / Joint ventures etc.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   No complaint with respect to Human Rights were reported during the FY 2021-22

PRINCIPLE 6: ENVIRONMENTAL PROTECTION

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/ Contractors/ NGOs/others?**

   BPCL has an Environment Protection policy applicable to BPCL operations only. The Group companies and joint ventures have their own environmental policies.

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

   Yes, BPCL has a Sustainable Development Committee at the Board level that meets every 3-6 months to discuss and review projects on Sustainable Development and provide necessary directions and guidelines for further improved opportunities. Organization’s efforts on Sustainability were recognized during the year by various institutions and agencies through number of Awards and Accolades such as FIPI, CII, ICC, EEF etc.

   As part of its strategy for sustainable development, BPCL has been benchmarking its performance on global sustainability indices like Dow Jones Sustainability Index (DJSI), CDP etc. BPCL has achieved No.1 rank in Indian oil and gas sector and 8th best Company globally in Oil and Gas Sector for the year 2021-22 for its sustainability performance in 2021 edition of the S&P Dow Jones Sustainability Indices (DJSI) Corporate Sustainability Assessment (CSA) rankings. This is the 2nd consecutive year that BPCL is at the top of the DJSI Indices in India having achieved a score of 59 percentage points, against an industry average score of 39%. BPCL also benchmarked its performance on Carbon Disclosure Project (CDP) Platform of Sustainability and Climate Change representing Company’s transition towards environmental stewardship and maintaining its rating at “Management Level”, which is the best amongst the Indian Oil and Gas sector and at par with international peer group. These consistent performance assessments and benchmarking are part of BPCL’s strategy for continuous improvement and staying ahead of the curve.

   The other components of sustainable development strategy include leveraging clean energy and technology options, emission reduction, energy efficiency, water conservation, waste management and green cover for carbon offsetting. The organization continues to maintain its focus on the usage of renewable energy across its operations in line with India’s NDCs as per Paris agreement. BPCL’s renewable energy status is 46.44 MW, which also includes wind energy of 11.8 MW in FY 2021-22.

   The organisation has recognized the need to join hands and act against the consequences of climate change. BPCL entered into partnership with MoP&NG, MoEFCC, Industry Members and has undertaken a study on climate change for Oil and Gas sector through TERI. The study has given suggestions on short-term and long-term action to be undertaken by the industry members and provided a way forward to tackle the challenges. BPCL had taken actions on many of the suggestions like water balance study in refineries etc. Flood modelling study at Kochi refinery is under progress which is expected to get completed by September 2022. The recommendations of the same shall be implemented in both refineries after review.

Climate change is an issue that requires cooperation and coordinated solutions at all levels. To tackle this climate change and its negative impacts, Enterprise wide GHG emissions accounting is being carried out to measure GHG emissions intensity as a performance metric. BPCL has declared a target of Net Zero Emission by 2040 in line with India's commitment and actions are being taken accordingly. BPCL has formed a strategic business unit named "Renewable Energy" to increase the implementation of energy transition initiatives through alternative sources to face the challenges of climate change. Significant emphasis was given on increased use of Solar/Wind Power to replace traditional sources of fuel. The target is to ramp up from the current RE portfolio to reach a level of 1 GW by 2026 and 10 GW by 2040. A roadmap is under progress regarding emission reduction programs, use of green hydrogen and emission offset projects across business units to meet the Net Zero targets.

Mumbai refinery has nominated "Environment Champion" that promote an 'Ownership' approach among process team and ensures seamless implementation of new strategies/ ideas / improvements for efficient monitoring and control of environment parameters to sustain the environmental performance. Environmental audit as per OISD 212 has been carried out in all process units and audit recommendations were complied in a scheduled manner. BPCL MR achieved the distinction of being the first Indian refinery accredited with "SILVER" rating during GreenCo assessment.

The Retail SBU is engaged in the retailing of petrol, diesel, kerosene and their branded versions, besides various Non-Fuel Products, and value-added services. An Efficient Vapor Recovery System (VRS) for Retail Outlet (RO) has been installed to reduce volatile organic compounds (VOC). As per statutory requirements, installation of VRS Stage-IB and Stage-II both have been completed at 871 Ros as of March 2022. BPCL has also installed Vapor Recovery Units (VRU) in 8 locations namely, Bijwasan, Piyala, Panipat, Rewari, Mathura, Bharatpur, Jobner & Ennore which helped in recovering 34.1 KL of MS in FY 2021-22.

To reduce vapor emission while handling Benzene and Toluene, N2 blanketing facility with- fixed cum internal floating roof and double seal for storage of Benzene and Toluene product tanks along with bottom loading facility for aromatics was commissioned at MR. Hexane lorry loading bay was connected with vapor recovery system for reducing emissions during loading operations.

The latest report on Sustainability was published in the year 2020-21 following GRI Standards, other global frameworks and mapped with United Nations 17 Sustainable Development Goals that highlights Environmental, Social and Governance (ESG) performance of the Company. The Sustainable Development Report of BPCL is assured by an independent third-party as per Accounting Ability (AA) 1000 Assurance Standard (AS) 2008 and International Standards of Assurance Engagement (ISAE) 3000 and can be accessed at the following link: https://www.bharatpetroleum.com/sustainability/ sustainability-reports.aspx.

3. Does the company identify and assess potential environmental risks? Y/N

Yes. BPCL has implemented a comprehensive Health, Safety, and Environment Policy that emphasizes the use of appropriate technology to reduce the environmental impact of our operations. BPCL refineries have been certified for ISO 9001, ISO 14001, and ISO 45001 i.e., Quality, Environment, Occupational Health & Safety. As part of these ISO certifications, Risks & Opportunities are identified with mitigation strategy and a detailed Hazard Identification and Risk Assessment (HIRA), and aspect impact (AI) has been prepared and documented for all functions.

BPCL conducts Environmental Impact Assessments (EIA) / Rapid Risk Assessments (RRA) / Quality Risk Assessments (QRA) at every grass-roots project or when installing a new facility to understand the impact created by the commissioning/operation of the facility and to prepare a suitable environmental management plan.

Pipelines are positioning "Oil Spill Dispersant & Applicator" at nodal locations for use in case of oil leakage in water bodies. CO_2 fire extinguishers were replaced with Clean Agent fire extinguishers in all control room for environment protection. A dedicated crew to operate the Emergency Rescue Vehicle (ERV), is kept in ready condition all the time to suck the oil in case of leakage along the pipeline route to avoid any damage to environment.

An Incident Reporting and Information System (IRIS) is in place to capture details of all near misses and incidents which are also thoroughly investigated, and appropriate steps are taken to address the root causes. Furthermore, BPCL refineries have implemented a Process Safety Management System to avoid the possibility of a significant Loss of Primary Containment (LOPC).

4. Does the company have any project related to Clean Development Mechanism? If yes, whether any environmental compliance report filled?

Presently, BPCL does not have any project under the Clean Development Mechanism.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc.

Yes, BPCL has undertaken several projects pertaining to clean technology, energy efficiency and renewable energy. The details are given below:

Energy efficiency and Emission Management

Energy efficiency is one of the mainstays of industrial performance. BPCL has implemented ISO 50001 based Energy Management System for continuous improvements through its energy conservation programmes across business units. In FY 2021-22 the capacity of renewable energy at BPCL has increased from 45.12 MW to 46.44 MW, and Energy Efficient Lighting (EEL) capacity has increased from 53.24 MW to 59.66 MW. All the Retail operating locations have transitioned to 100 % EEL besides MR, Pipelines and approximately 50 % other marketing locations. These initiatives have resulted in annual reduction of GHG emissions by approximately 271 TMTCO2e.

Additionally, other sustainable initiatives such as PMUY, Transportation of product through Pipelines and use of Biofuel in MS and HSD has helped in reduction of emissions by approximately 5461 TMTCO2e, totaling to 5732 TMTCO2e for the year 2021-22.

MR and KR both have commissioned facilities to produce BS-VI grade HSD through Diesel Hydro treating Unit (DHT) which has brought down sulphur in diesel to less than 10 ppm. BPCL intends to execute Kerosene Hydro-treatment Unit (KHT), which will produce low sulphur BS VI grade ATF. The product stream out of KHT will also be blended in BS VI grade HSD, thereby reducing the vehicular emissions.

MR has produced BS-VI grade MS through Gasoline Treatment Unit (GTU) whereas KR used Motor Spirit Block Project (MSBP) to maximize MS by upgrading Naphtha to meet the sulphur requirement of less than 10 ppm. The MSBP consists of three major units namely Naphtha Hydro Treater (NHT) of 1.5 MMTPA capacity, Catalytic Reforming Unit (CCR) of 0.8 MMTPA capacity and Light Naphtha Isomerization (Penex) Unit of 0.7 MMTPA capacity and associated facilities.

The total reduction of sulphur released into the environment by BPCL using BS VI fuel is to an extent of 1025 MT in FY 2021-22.

In BPCL refineries, Methane Rich gas, i.e., Re-gasified Liquefied Natural Gas (RLNG) and Fuel Gas is used as fuel in the process heaters, steam generators, feedstock for Hydrogen Generation Unit (HGU) and Gas Turbines for power generation. To reduce the release of Methane into atmosphere following actions have been taken:

- Leak Detection and Repair (LDAR) is being carried out on various lines to avoid leaks
- Unconverted methane rich gas is recycled back in HGU and used as primary fuel in reformer furnace.
- Excess oxygen concentration in the stacks is continuously monitored for complete combustion of methane in process heaters and gas turbines.

BPCL MR has an "Energy Analytics Dashboard" for on-line monitoring of Refinery process Performance along with MBN / unit wise energy model analytics for prediction / planning purpose, including monitoring of "significant Energy uses".

Mumbai Refinery unit implemented total 27 Encon schemes having the potential savings of 18,407 MTOE / year and reduced emission by 57,980 MTCO2e / Year. The following are major energy efficiency (saving) initiatives implemented during FY 2021-22:

Sr. No.	Description of Schemes	Capital Investment (₹ crore)	Energy Savings		Savings in (₹ crore)
			Fuel MT/Year	Power MWH/Year	
1.	**Installation of insulation jackets on valves/ flanges/ strainers / moisture separators, steam distribution manifolds & flow meters (RPIP):** Job completed in CCU, FCC, HCU, LOBS, NHGU & CDU-4.	0.7	752		2.48
2.	Optimization of Steam to Lube Oil base Stock (LOBS) Feed Preparation Unit (FPU) ejector system.	-	238		0.79
3.	**Lowering in MAB air in regenerator and utilization of Vacuum Pressure Swing Adsorption (VPSA) O2:** Realized steam saving of 100 TPD with power consumption of 200 kW.	-	2,136	-1,598	7.05
4.	20P10 A/B put on load for pumping wild gasoline to Gas concentration Unit (GCU). With both pump online reflux can be put off and reflux need is catered by the wild gasoline pump.	-	-	240	0.12
5.	MACs removal by using plant air from B/H (savings in MAC fuel and maint. cost of Mobile Air Compressor (MAC).	-	5		0.02
6.	**Using G10B for delivering Light Diesel Oil to Trombay Despatch Unit (TDU):** 1. G10B (Power= 7.5kW) is used for LDO delivery instead of G9B(Power=110kW). 2. G9B; Power consumption: 15840kW per month; Electricity charge: ₹ 1,26,720 per month. G10B; Power consumption: 1080kW per month; Electricity charge: ₹ 8640 per month.	-	-	400	0.20
7.	Methanol fractionator column 111-C-03 feed inlet line lagging/cladding done.	-	24	967	0.08
8.	**New APC strategies for steam reduction in Catalytic Cracking unit (CCU):** Expected steam savings of 10 TPD.	Nil	243	174.2	0.80
9.	**Increment in steam temperature to VDU3 ejector leading to steam saving:** Steam temperature increased from 194 deg C to 206 deg C. Realized steam saving of 15 TPD	-	357		1.18
10.	**Preheat exchanger cleaning in CDU4 leading to fuel saving:** 6 nos of fouled preheat exchangers in CDU4 were cleaned using chemical treatment.	0.18	467	79.9	1.54
11.	Two additional splitter off gas burners installed in Continuous Catalytic Reformer (CCR) furnace.	-	500		1.65
12.	**Preheat exchanger cleaning in CDU3 leading to fuel saving:** 1 no of fouled preheat exchanger in CDU3 was cleaned mechanically.	-	133	2,050.7	0.44
13.	**Application of Ceramic Coating in DHDS heater:** This will lead to reduction in radiation losses and thereby estimated fuel saving of around 0.54 TPD	0.09	180	-1,494.5	0.59

Sr. No.	Description of Schemes	Capital Investment (₹ crore)	Energy Savings		Savings in (₹ crore)
			Fuel MT/Year	Power MWH/Year	
14.	**Replacement of conventional cooling tower fan blades in ARU/DHDS with new energy efficient EFRP:** Expected saving of around 41.94 kW	0.181	-	967	0.49
15.	**Corro-coating of cooling water pumps in DHDS CW pump P-11 B:** Expected power saving of around 10 kW.	0.0677	-	174	0.09
16.	**Replacement of DHDS heater APH as it was leaking for fuel saving:** Expected fuel saving of around 0.4 TPD.	1.19	133	159.8	0.44
17.	**Replacement of DHDS RGC motor in shutdown:** Expected power saving of around 10 kW.	1	-	80	0.04
18.	FCC cracked gasoline routed directly to PH-5 bypassing Gasoline Treatment Unit (GTU), for saving of Research Octane Number RON loss and Energy in GTU.	-	2,000		6.60
19.	**RFU revamp:** Revamp of existing Reformer Feed Unit (RFU) unit by converting splitter 2 column into Divided Wall Column (DWC)	36	8,690		28.68
20.	Air required for CCU Merox - 1/2 Caustic Regeneration taken from B/H via plant air header and compressors 004K101A/B stopped.	-	-	92	0.05
21.	HCU Diesel Pump around steam generator 132-E-223 Passing RV overhauling /replacement with new RV.	-	714	239.8	2.36
22.	CW turbine P502 was kept on idling at 1200 RPM as recommended by the rotary due to frequent bearing failure in the past. Turbine was consuming 45 TPD steam. It was stopped to conserve the steam, taking care of its reliability issues.	-	107		0.35
23.	**Replacement of AC-12 in Boiler House:** Expected power saving of around 256.6 kW.	1.58		2,051	1.04
24.	**Electric heat tracing in Bitumen Blowing Unit (BBU) process line for steam saving:** 55 T/D of MP steam will be saved. Additional power consumption will be 374 KW.	4.03	390	-1,495	1.29
25.	**Stopping of Boiler-1 on hot banking during non-monsoon seasons for fuel saving:** Expected fuel saving of 1 TPD which is required for hot banking.	-	333		1.10
26.	**Condensate recovery system in Boiler House, CPP & Pipe Rack-12:** Total condensate recovery potential of 127 T/D along with LP steam recovery of 2.8 T/D.	2.37	365		1.21
27.	**Corro-coating of Cooling Water pumps for 2 Main Oil Catcher pumps (Pumps P1 & P5):** Expected power saving of around 20 kW each.	0.1		160	0.08
	Total	**47.5**	**17,767**	**3,247.9**	**60.7**

Kochi refinery implemented 14 nos. of Energy Conservation Schemes, having the potential savings of 42,129 MTOEs/Year & reduced emission by 1,29,909 MTCO2e/Year. The following are major energy efficiency (saving) initiatives implemented during FY 2021-22:

Sr. No.	Description of Schemes	Capital Investment (₹ crore)	Energy Savings		Savings in (₹ crore)
			Fuel MT/ Year	Power MWH/Year	
1.	**Opportunity shutdown of KHDS unit:** Stopping KHDS unit utilizing capacity of DHDT and ATF Merox to meet demand.	NIL	2,630	2,400	11
2.	**Enhancing flare gas recovery by debottlenecking FGRC loop:** There are two flare gas compressors used for recovering flare gas to Fuel Gas system. When both the compressors are on line the suction line was found limiting. So the suction loop was modified to overcome this limitation	NIL	6,000		22
3.	**Offsite Steam trap management:** Steam trap maintenance is awarded to M/s Uniklinker Ltd, whose contract involves the assurance of 95% availability of steam traps with a penalty clause. The health of trap is verified by third party, M/s Forbes Marshall Pvt Ltd. who carries out trap surveys to check the healthiness of traps	1.7	5,700		21
4.	**Intermediate tank rationalization:** Heavy oil intermediate tanks were taken out of service by maximizing direct feeding to secondary processing units. This enabled the isolation of steam to heating coils of heavy oil tanks	NIL	3,900		14.3
5.	**Stopping SCAPH operation in CDU3 crude furnace** Sulphur content of FG being low, can accommodate lower stack temperature than fuel oil. Stack temperatures are brought down using glass APH and steam to air pre heaters are closed to take this advantage.	NIL	3,424		13
6.	Flare purge reduction in CEMP flare by replacing with nitrogen in phased manner.	NIL	2,600		10
7.	CDU-1 PF system shutdown for by maximization of gaseous fuel firing.	NIL	900		3.3
8.	CDU2 crude heaters APH cleaning and general burner overhauling and refractory rectification to minimize heat loss	0.50	400		2
9.	**Back purge facility for Packinox in CCR :** Packinox feed nozzle plugging was frequent. Higher upstream pressure was essential to overcome this shortcoming. The back purge facility removes the plugging and reduces the steam usage	0.02	330		1
10.	CBD slop internal processing in DCU instead of reprocessing in CDU.	0.02	175		0.6
11.	**Loader valves adjustment in NHT-Recycle gas Compressor.** The unit was originally designed for cracked naphtha. Since heart cut naphtha from GSU is not routed to the unit the recycle load could reduce to 50%	0.02	160		0.6
12.	**FGH production and stopping of NHT ISOM:** Food Grade Hexane was produced from NHT ISOM. On commissioning MSBP and simulating and modifying the column conditions FGH is being produced as the side cut from MSBP	0.1	9,768	1,232	40
13.	Feed Preheat improvement in CDU-3 and FCCU by operational improvements.	NIL	2,075		7.6
14.	Power Saving by converting to 19000 nos. of conventional light fittings by Energy efficient LED lamps.	8.9		17,040	9.6
	Total	**11.26**	**38,062**	**20,672**	**156**

Digital Initiatives

Improvement in process technologies & automation to improve quality while maximizing efficiency, following digital initiatives have been implemented across BPCL units during the year:

- Fiber Optics based Pipeline Intrusion Detection Systems (PIDS) for Mumbai Kota pipeline section has been successfully awarded and on commissioning entire MMBPL 1,389 KM would be covered with PIDS. This would help in preventing tapping by miscreants & damage to pipelines by third party activities. On completion of PIDS in Mumbai Kota section total 2,227 KM of Pipeline out of 2,596 KM would be covered.
- Robotic cleaning of confined places, IIoT (Industrial Internet of Things) based Wireless Asset Monitoring System, Cloud based HSSE portal, Manpower monitoring system, Camera feed and drones used in turnaround safety surveillance.
- MR developed Model for predicting Coke content in CCR Unit Spent Catalyst using Advanced Machine learning (ML) techniques and parametric regression. This enabled to get the coke content result without the need of sample analysis in laboratory.
- Contractor Work Management System implemented at Kochi Refinery to facilitate Contractor Safety trainings and entry clearance within 1 day from 10 days.
- Integrated Electronic Work Permit System (e-WPS) with Integrated Risk Information System (IRIS) for monitoring all Ultra Critical Activities.
- Pipeline Entity implemented interlock Bypass Online Authorization System to enhance process safety with mapping of Geographical Information System (GIS) to enable comprehensive data management of entire pipelines on a single platform with concurrent access from anywhere at any-time.
- The technology of Vehicle Tracking System (VTS) / Electromechanical (EM) Digital locks was integrated with IRIS at central command and control centre, taking cognisance of Industrial Transport Discipline Guidelines (ITDG) for recording, monitoring, and corrective actions against en-route violations, which had an impact on reduction of In-transit accidents collectively (Retail and LPG SBUs) by 25.57% during the year.
- In Bina Panki Pipeline Project, 100 percent of ROU Land and Crop compensation was disbursed through NEFT mode. 100 percent of Pipeline laying records are digitalized thereby facilitating traceability of records on a click.

Tree Plantation

BPCL holds mass tree plantations in all operating locations to beat air pollution and increase carbon sequestration. The Company has planted about 90,000 trees in FY 2021-22 making a total of approximately 4.76 lakh trees as of March 2022. These tree planting initiatives have contributed to an increase in CO2 sink by 12,000 MTCO2e.

Around 5 lakh seed bombs were planted through Seed Bombing technique in Maharashtra region which includes Retail locations, LPG plants, MMBPL Pipeline (ROU) and other areas by engaging services of Environment Institute M/s SIES, various NGOs, NCC cadets and Govt. bodies.

BPCL MR in collaboration with Central Railway had planted 1,000 tree saplings of native species using MIYAWAKI method at Lokmanya Tilak Terminus (LTT) Kurla on World Environment Day, June 5, 2021. Similarly, Kochi Refinery in its initiatives to improve greenery has planted 8,340 Saplings during the year 2021-22.

Water Conservation

BPCL is continuously working towards increasing the Rainwater Harvesting (RWH) capacity to reduce the dependency on other sources of water. The total catchment area under rainwater harvesting has increased from 842800 Sqm to 907938 Sqm during the year 2021-22.

BPCL has implemented recommendations of Water Balance Study (WBS) in marketing locations especially in LPG and Retail Business Units for conservation and optimization of fresh water. Recycling of wastewater is achieved through Effluent Treatment Plants (ETP) in the refineries and treated water is used for various non-potable purposes.

The energy efficiency and sustainability efforts have been recognized across various platforms and BPCL business units have been conferred with several awards during the FY 2021-22.

- FIPI award for Sustainably Growing Corporate of the Year

- GT- SABERA Award on Responsible Business of the year
- Energy and Environment Foundation Award - Platinum Category on sustainability
- CII National Award for Environmental Best Practices 2021.
- “Excellence in Sustainable EHS” from World Sustainability Congress
- ICC award for water Stewardship
- 'Water Sustainability Award' 2021-22, organised by TERI, in association with the International Water Association (IWA) and United Nations Development Programme
- Excellence in "Business Performance in Cargo/Ship handling at Cochin Port" for 2021-22.
- Skoch Award for Innovative Digital Transformation in PSUs to foster digital change throughout marketing division through Project Anubhav which provided a unified experience across different touchpoints.
- ‘Global CSR Excellence and Leadership Award’ by World CSR Congress in Mumbai for best practices in ‘Concern of Health’ category.
- Mumbai Refinery was adjudged Winner and awarded ‘Making Quality Happen Trophy’ in the Manufacturing Category by IMC Ramkrishna Bajaj National Quality Award (RBNQA) under MQH Best Practices Competition.
- Received a Medal & Certificate for Construction Health, Safety & Environment in 13th Vishwakarma Achievement Awards 2022 for KHT Project.
- “Achievement Award for Best Construction Project” & “Achievement Award for Corona Warriors” for the BS VI Motor Spirit Block Project.
- Kerala Management Association (KMA) Annual CSR Awards 2020 for initiatives in three categories namely Education, Health & Hygiene and Child & Elderly Care undertaken in Kerala.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

The emission/waste generated during operation are regularly monitored to ensure that they are well within the respective permissible limits of the Central Pollution Control Board/ State Pollution Control Board. The emission and waste data are tracked across BPCL’s business unit as per applicability and is reported in Sustainable Development Report. Moreover, an online emission monitoring system is available at BPCL refineries, with the help of which, real time emission data is made available to Pollution Control Board. Apart from online monitoring, manual monitoring of ambient air quality as per National Ambient Air Quality Standards (NAAQS) is being carried out at the refineries.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e., not resolved to satisfaction) as on end of Financial Year.

The pending show cause/ legal notices received from CPCB/SPCB for FY 2021-22 are mentioned below:

1. Matter related to spillage of oil into Marine water during Fuel oil cargo discharge by MT Corals Stars at Kamarajar Port Ltd., ETTPL (Ennore.): Notice dated 22.11.2018 was issued by Tamil Nadu Pollution Control Board for “Assessment of damage caused to marine environment- Assessment Liability imposed under Rule 23-1 of the Hazardous & Other Wastes (Management & Transboundary Movement) Rules, 2016- Directions issued under Sec 5 of the Environment (Protection) Act, 1986.”
2. VP Krishnamoorthy vs BPCL, IOCL, HPCL, TNPCB and others: The application has been filed due to health and safety hazards posed by the leakage in the pipelines laid and being used by respondents 3 to 6 (IOCL, HPCL AND BPCL) to transport petroleum products. Tribunal directed CPCB and TNPCB to expedite the health assessment study and coordinate with ICMR to file status report. Besides, BPCL was directed to file status report regarding remediation activities.
3. Shri Sant Dasganu Maharaj Shetkari Sangh, representing 24 families who are

residing and based at Akolner village, filed application before National Green Tribunal alleging that ground water pollution caused by leakage of petroleum storage tank installed at village Akolner, District – Ahmednagar by oil companies. Presently, Supreme Court directed Maharashtra Pollution Control Board to conduct an inspection to find out status of Petroleum Product contamination at the Akolner Village and to submit its report.

4. NGT Chennai by its order directed OMCs to install VRS mechanism at all their ROs in cities having more than 10 lakh population and sales more than 300 KL/per month, for new ROs having 100KL/per month to 300 KL/per month, and for depots within time frame as fixed by CPCB. CPCB/SPCB were also directed to issue notice under Environment (Protection) Act, 1986, Water (Prevention and Control of Pollution) Act, 1974, and Air (Prevention and Control of Pollution) Act,1981 to obtain consent to establish and operate for new ROs, ROs under construction within 3 months and for all existing ROs within 6 months. The order has been challenged by OMC in Supreme Court. The court has stayed the NGT order presently.

5. Pursuant to order dated August 13, 2020 passed by the Hon'ble NGT in the execution petition titled Mr. Charudatt Koli & others vs Sealord Containers Pvt Ltd., MPCB directed BPCL to deposit a sum of ₹ 67.5 crore in a ring-fenced account. Being aggrieved by the said order dated 13.8.2020, all the Respondents including BPCL had challenged the said order before the Supreme Court. The Court had stayed the order dated 13.8.2020 of the NGT till further notice.

6. a) NG Soman vs BPCL and others. Application has been filed before National Green Tribunal (NGT) Chennai to direct BPCL and M/s Prodair not to pollute the environment by emitting solid liquid and gaseous wastes.

   b) Vipin Nath AV & Sinu C Jacob vs BPCL and others. Application has been filed before NGT, Chennai to direct BPCL to develop and maintain proper green belt and buffer zone around the boundary of Propylene Derivative Petrochemical Project (PDPP) unit under the Integrated Refinery Expansion Project (IREP) of BPCL.

   c) Application filed by Kuzhikkad Residents Association against BPCL, Secretary, MoEF&CC, CPCB, PESO, Director of Factories & Boilers, State of Kerala, KSPCB, VPGP etc., to develop and maintain proper green belt and buffer zone around the boundary of PDPP. BCPL has appealed against the above complaints and matter is pending in the court.

7. D.Sakthivel vs District Collector Erode & Ors. Petitioner has filed before NGT at Chennai challenging the operation of RO at Sathy Erode Main Road village periyasemur district Eorde, that establishment of RO is violation of criteria prescribed by CPCB that RO is within prohibited distance of 50m from a primary school and water body and within 300 m from road junction in violation of IRC guidelines. The matter is pending with District Administration.

8. D.Vijayaragavan vs BPCL & ORs. Application has been filed by Mr. Vijayaragavan before NGT Chennai for permanent injunction against BPCL from opening and operating the NRO at West Tambaram on the grounds of violation of the siting criteria prescribed by CPCB and the mandatory IRC norms. The matter is pending with District Administration.

PRINCIPLE 7: RESPONSIBLE PUBLIC POLICY ADVOCACY

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

Yes, BPCL is a member of several industrial and trade associations. Some of the major ones are listed below:

- Confederation of Indian Industry (CII)
- Federation of Indian Chambers of Commerce and Industry (FICCI)
- Bombay Chamber of Commerce & Industry
- ASSOCHAM

- Indian Merchant Chambers
- World Energy Council-Indian Member Committee
- World LP Gas Association
- Petroleum Federation of India
- Bio Diesel Association of India
- The Advertising Standards Council of India
- National Accreditation Board for Testing and Calibration Laboratories
- Oil Industry Safety Directorate (OISD)
- Petroleum and Explosives Safety Organisation (PESO)
- Petroleum & Natural Gas Regulatory Board.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No, if yes specify the broad areas.

BPCL has been a member of the associations and has expressed its industry viewpoint by participating in relevant forums. BPCL also participates in consultative committees that develop policies as requested by the government or regulatory agencies. Senior BPCL officers have served on several working committees, including Oil India Safety Directorate (OISD), Petroleum and Natural Gas Regulatory Board (PNGRB), Centre for High Technology (CHT), etc. and have contributed to their agendas.

PRINCIPLE 8: INCLUSIVE GROWTH

1. Does the company have specified programs/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

BPCL has developed and implemented a philosophy of social responsibility in our vision and value system. As a leading public sector entity, our commitment to “energising the grassroots” recognises its responsibilities towards the society's marginalised and underprivileged people. Multiple initiatives have been crafted, deployed, and supported to improve the lives of the less fortunate.

The CSR projects of BPCL aim to benefit the community from low socioeconomic strata who have been identified as vulnerable, in and around business units such as refineries, depots, installations, and LPG bottling plants. As per the BPCL CSR policy, core focus areas are Education, Water Conservation, Skill Development, Health & Hygiene and Community Development. Additionally, the organization has been actively involved in Covid-19 relief work since the beginning of the pandemic. All the projects of BPCL under the focus areas are rooted in the belief of inclusive growth and equitable development of the most marginalised communities.

2. Are the programs/projects undertaken through in-house team/own foundation/ external NGO/ government structures/any other organization?

BPCL collaborates with various NGOs registered as society/trust/section 8 company, foundations, government departments, and other professional agencies for execution of the on-field projects. These alliances are formed to achieve the maximum on-ground impact by engaging a credible and experienced team that has required expertise, resources, and knowledge on community engagements. In addition, BPCL collaborated with other industry members on programmes to develop communities in Aspirational districts and the commissioning of Skill Development Institutes etc.

3. Have you done any impact assessment of your initiative?

Yes, BPCL carries out periodic impact assessment of its CSR projects as per the project monitoring & evaluation framework. The assessment is conducted both by internal mechanisms and through third-party for ensuring greater transparency and impact of these programs.

4. What is your company’s direct contribution to community development projects-amount in INR and the details of the projects undertaken?

BPCL’s contribution to community development projects for FY 2021-22 was ₹ 137.78 crore. The details of various CSR Projects undertaken are provided in Principle 4 under section ‘Stakeholder Engagement’ as well as under the section on CSR activities which is a part of the Annual Report.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

Community involvement and participation is key to successful implementation of any CSR program. At BPCL, due importance is given to the involvement of local communities at each step which starts right from planning, implementation, and evaluation of the CSR projects. From the planning stage to the end, assessment efforts are being made to form community-based organisations such as farmer committees, village water committees, alumni committees, and school management committees. Several capacity-building sessions, training programmes, and meetings, among other things, are held for these working groups and other project stakeholders. When there is a scope, community also contributes a small amount financially or through "Shramdaan" in projects such as specific skill development and water conservation programmes. This fosters community ownership and ensures project sustainability after BPCL's exit. BPCL also uses transformed communities as resource groups to empower other villages/ communities.

PRINCIPLE 9: CUSTOMER VALUE

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year?**

During the FY 2021-22, a total of 12,77,974 Customer interactions had taken place through various channels. Out of which, 4,52,206 Customer Complaints were received and 4,49,706 were resolved, which is 99.44% with an average closure time of one day. Balance complaints were addressed subsequently and closed satisfactorily.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)**

Yes, BPCL displays product information prominently on the product label wherever feasible. The information provided on the product labels are as per National/ International Standards as applicable e.g., BIS, API, DIN. etc. A new feature has also been added on label i.e., QR Code to trace and track the product movement.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as of end of financial year? If so, provide details thereof, in about 50 words or so.**

The Details are given below:

Category	No. of Cases filed in the last 5 years	No. of Cases pending as on end of financial year 2021-22
Unfair trade practices	NIL	NIL
Irresponsible advertising	NIL	NIL
Anti-competitive behaviour	4	7

In FY 2021-22, no new cases were filed on grounds of unfair trade practices or anti-competitive behaviour. Details of pending cases regarding Anti-competitive behaviour are as follows:

- Case year 2019: Bajaj Hindustan Sugar Ltd filed a complaint before National Company Law Appellate Tribunal (NCLAT) alleging the contravention of provision by bidders while inviting quotations from alcohol manufacturing for supply of ethanol through joint tenders. After several investigations, it concluded that the Appellant was guilty of violating the provision of the Act. Hence this Appeal.
- Case year 2018: India Glycols Ltd. vs India Sugar Mills Associates & Ors. alleging that ISMA, on behalf of member companies (including BPCL) have lobbied with Govt. of India for increasing the price of Ethanol from various suppliers – Sub Judice

- Case year 2018: India Glycols Ltd. vs India Sugar Mills Associates & Ors. alleging that ISMA, on behalf of member companies (including BPCL) have breached the principle of competitive neutrality as procurement of ethanol by PSU OMC has been undertaken at fixed notified process instead of market driven price. – Sub Judice
- Case year 2016: Appeal filed against order dated 11.02.2014 passed by CCI in suo-motu case no. 95/2013. Federation is alleging unfair terms in Dealership Agreements for (a) Not allowing to use petroleum products of other OMCs and, (b) Reserving Dealer land just for selling oil and impose condition to give land to OMC when dealership is terminated – Sub Judice.
- Case year 2013: A petition filed to start enquiry against OMCs by observing that OMCs are behaving like a cartel by fixing petrol prices. BPCL challenged the said order in Delhi High Court vide WP 7303/2013 and Delhi High Court vide order dated 22.11.2013 ordered stay in the said proceedings - Sub Judice
- Case year 2010: A complaint was filed by M/s RIL before the Competition Commission alleging cartelization, collusive bidding, and abuse of dominant position by the PSU OMCs - Sub Judice
- Case year 2010: RIL had filed a complaint before the Petroleum & Natural Gas Regulatory Board (PNGRB) against PSU OMCs and upstream companies alleging bid rigging/collusive bidding. Main issue arose from the tender floated by NACIL for supply of ATF in which the OMCs were alleged of indulging in bid rigging/collusive bidding – Sub Judice.

4. Did your company carry out any consumer survey/consumer satisfaction trends?

BPCL-CCS has not undertaken any structured survey during the year 2021-22. As part of business-as-usual operations, BPCL's business units collate customer feedback through various channels on a regular basis. BPCL has consistently strived to set new benchmarks in customer service standards, thereby meeting customer expectations by consistently providing convenience, services, and resolving any grievances through a well-defined mechanism.

Customer Engagement Platform (CEP) is a unified platform that enables Business Units and Entities to have a single view of the customer across the business. The CEP's first product is a unified mobile application for our clients termed "Hello BPCL." It serves as a one-stop solution for all BPCL customers' sales and service needs, from one-click ordering of LPG to B2B sales, payments, customer service, loyalty, and rewards.

BPCL has shown undeterred customer focus by channelizing the field force to deliver a positive customer experience. Sales Buddy – a customer relationship management platform powered by Salesforce has been deployed for internal employees. This platform intends to transcend customer centricity across the entire customer journey. It allows BPCL field force to develop customer connections, manage an ever-growing customer base, and nurture prospects / leads through an organized / guided process, thereby establishing long-term, highly profitable customer relationships.

BPCL has also set up multiple customer service automated platforms to enhance and optimize its customer interactions. An Integrated Messaging Platform was launched to power omni-channel conversations with customers across all Business Units. Accordingly, BPCL launched its first conversational Artificial Intelligence (AI) chatbot, “Urja”. It enabled the customers to chat in 13 different languages and is available on WhatsApp and BPCL Website.

BPCL has developed IRIS, the Digital Nerve Centre, with the goal of improving operational performance and efficiency, enhancing security and safety, and delivering brand promises utilizing cutting-edge technology. IRIS can accept over 3 million inputs per second from Local Automated Systems, cameras, and Internet of Things (IoT) devices installed at key locations such as Retail Outlets, Fuel Terminals, LPG Plants, Consumer Pumps, and Railway Installations, as well as the associated Tank Trucks for product delivery.

ANNEXURE-E

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF BHARAT PETROLEUM CORPORATION LIMITED FOR THE YEAR ENDED MARCH 31, 2022	The preparation of financial statements of Bharat Petroleum Corporation Limited for the year ended March 31, 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **May 25, 2022**. I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Bharat Petroleum Corporation Limited for the year ended March 31, 2022 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on the behalf of the
Comptroller & Auditor General of India

Sd/-
C.M.Sane
Director General of Commercial Audit, Mumbai

Place: Mumbai
Date: 26th July, 2022

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129 (4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF BHARAT PETROLEUM CORPORATION LIMITED FOR THE YEAR ENDED MARCH 31, 2022

The preparation of consolidated financial statements of Bharat Petroleum Corporation Limited for the year ended March 31, 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139 (5) read with section 129 (4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **May 25, 2022**.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) read with section 129(4) of the Act of the consolidated financial statements of Bharat Petroleum Corporation Limited for the year ended March 31, 2022. We conducted a supplementary audit of the financial statements of (Annexure-I) but did not conduct supplementary audit of the financial statements of (Annexure-II) for the year ended on that date. Further, section 139(5) and 143(6)(b) of the Act are not applicable to (Annexure-III) being private entities incorporated in foreign countries under the respective laws, for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on the behalf of the
Comptroller & Auditor General of India
Sd/-
C.M.Sane
Director General of Commercial Audit, Mumbai

Place: Mumbai
Date: 26th July, 2022

Annexure-I	Annexure-II		Annexure-III
Audit Conducted	Audit not Conducted		Audit not applicable
	Accounts received and NRC issued / being issued	Accounts not received	
(A) Subsidiaries:	**(A) Subsidiaries:**		**(A) Subsidiaries:**
Bharat PetroResources Limited	Nil	Nil	Nil
Bharat Gas Resources Limited			
Bharat Oman Refineries Limited			
(B) Joint Ventures:	**(B) Joint Ventures:**		**(B) Joint Ventures:**
Murnbai Aviation Fuel Farm Facility Pvt. Ltd.	Haridwar Natural Gas Private Limited		Matrix Bharat Pte. Ltd.
Kochi Salem Pipeline Private Limited	Ratnagiri Refinery & Petrochemical Ltd.		Bharat Stars Services Pvt. Ltd.
Maharashtra Natural Gas Limited	Central UP Gas Limited		
Sabarmati Gas Limited	BPCL-KIAL Fuel Farm Facility Private Limited		
IHB Pvt. Ltd.	Goa Natural Gas Private Limited		
	Delhi Aviation Fuel Farm Facility Private Limited		
(C) Associates:	**(C) Associates:**		**(C) Associates:**
GSPL India Gasnet Ltd.	Nil	Nil	Petronet LNG Limited
GSPL India Transco Ltd.			Fino PayTech Ltd.
Indraprastha Gas Limited			Kannur International Airport Limited

Annexure F - Details of pending C&AG Audit paras

Sr. No.	Audit Report Para No.	Particulars	Management response
1	Report No. 24 of 2009-10, Para No. 11.4.1	Irregular payment of stagnation relief	The one-time stagnation relief of ₹ 4.58 crore for the period Jan. 2002 to Dec. 2006 was allowed with the approval of Board of Directors in the background of an exceptional & peculiar industrial relations scenario and it is neither considered for any consequential benefits nor for the purpose of 2007 pay revision.
2	Report No. 21 of 2015, Para No. 8.1	Irregular payment towards encashment of Half Pay Leave / Earned Leave / Sick Leave as well as Employers share of EPF Contribution on Leave encashment	With respect to encashment of Half Pay Leave/Earned Leave/Sick Leave at the time of superannuation/separation, an amount of ₹ 17.64 crore over and above the ceiling of 300 days was paid by BPCL. DPE has empowered CPSEs to frame their leave rules vide its OM dated 03.08.2017 w.e.f 01.01.2017. BPCL is, thus, in compliance of DPE guidelines w.e.f. 01.01.2017 and onwards. Further, w.r.t recovery for the past period, DoPT O.M. dated 02.03.2016 stated that recoveries from separated employees are impermissible in law in view of Supreme Court judgement. Employers share of EPF Contribution on Leave encashment is not applicable to BPCL.
3	Report No. 15 of 2016, Para No. 1.1	Extension of credit facility to a defaulter company without security led to non- recovery of ₹ 23.50 crore	BPCL had entered into Fuel supply agreement (FSA) with Kasargod Power Corporation Private Limited (KPCPL) which, inter alia, contained clauses on Liquidated damages for minimum offtake quantity and interest on delayed payment. On payment defaults by KPCPL and disallowance of concessional sales tax, BPCL filed arbitration petition to demand the outstanding amounts. While arbitration panel awarded claim towards fuel related payments, interest on delayed payment and tax liabilities in favour of BPCL, it denied amount payable towards shortfalls in minimum offtake quantity as per FSA. Aggrieved by the arbitration order, BPCL as well as KPCPL filed appeal in Commercial Court, Ernakulam, Kerala. The appeals are still pending for disposal.
4	Report No. 9 of 2017, Para No. 18.2	Undue benefit extended to the executives in the form of shift allowance amounting to ₹ 22.17 crore	Oil & Gas Central Public Sector Enterprises fall under "Public Utility Service" under the Industrial Disputes Act, 1947. Further, Oil refining operations/Petrochemical industries are identified as a hazardous process under the Factories Act, 1948. The expenses on shift duty are thus in the nature of operational expenses being paid for inconvenience caused due to odd hours of work which affects the body's "circadian clock". 3rd PRC recommendation had also viewed that compensation/reimbursement towards such work related/administrative expenditure should not be treated as perks/ allowances of individual executives/non-unionized supervisors and should be considered outside the purview of recommended ceiling on perks and allowances.
5	Report No. 11 of 2018, Para 9.2	Irregular payment in contravention of DPE guidelines	Mementos worth ₹ 20,000/- were distributed by BPCL to its employees for celebration of various landmark milestones achieved. The amount has since been recovered from all the staff and the same has been communicated to MOP&NG vide letter dated 25.10.2021 for onward submission to C&AG.

Sr. No.	Audit Report Para No.	Particulars	Management response
6	Report No. 13 of 2019, Para 6.1	Irregular expenditure on employee under long service award scheme in contravention of Ministry's guidelines.	Long Service Award (LSA) was introduced based on DPE guidelines of 14.02.1983 in terms of which there is no objection in honouring the employees on completion of meritorious service milestones. Though, there was a prohibition on CPSEs for giving away commemorative awards in cash or kind on company specific milestones, DPE drew a clear distinction between awarding the long service rendered by the employee and milestones achieved by the Company. Hence, there is no contravention of any DPE guidelines.
7	Report No. 18 of 2020, Para 9.4	Implementation of de-regulation of pricing of petroleum products • Lack of automation of ROs/ sustained connectivity, • Change of prices by dealers, • Lower inspection of ROs by OMCs	As of May 1, 2022, 18,388 retail outlets (ROs) are automated with robust and wireless automation systems. These automated ROs are equipped with VSAT/Broadband/SIM. Further, Wireless FCC which has a GSM SIM card for back-up connectivity is available at automated ROs. Automation of remaining and new ROs is a continuous process which is being carried out in timely manner. BPCL has implemented Interlocks system in ROs preventing further sales if retail selling price is not automatically changed. This Interlock has been implemented at 16,835 ROs (as on May 1, 2022). Necessary internal guidelines have been issued on carrying out requisite no. of inspections and retail outlet inspection report has been suitably modified to capture price change logs.

Annexure G

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3)of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of Contract/ Arrangement/ Transactions	Duration of the Contract/ Arrangement/ Transactions	Salient Terms of the Contracts/ Arrangements/ Transactions	Transaction Values in FY 2021-22 (₹ crore)	Date of Board Approval	Amount Paid as Advances (₹ crore)
1. Details of contracts or arrangements or transactions not at arm's length basis								
1	Petronet LNG Limited	Associate	Partial Waiver of Use or Pay (UoP) Penalty	2021-22	Waiver of penaly levied for low usage of regas facility	84.62	22.03.2022	-
2	Petronet LNG Limited	Associate	Partial Waiver of Regas Charges at Kochi LNG Terminal	2021-22	Retrospective downward revision of regasification charges	79.96	22.03.2022	-
2. Details of material contracts or arrangement or transactions at arm's length basis*								
Sr. No.	**Name of the Related Party**	**Nature of Relationship**	**Nature of Contract/ Arrangement/ Transactions**	**Duration of the Contract/ Arrangement/ Transactions**	**Salient Terms of the Contracts/ Arrangements/ Transactions**	**Transaction Values in FY 2021-22 (₹ crore)**	**Date of Board Approval**	**Amount Paid as Advances (₹ crore)**
NIL								

***Note:** The threshold for determining the material transaction has been considered in line with rule no. 15 (3) of Companies (Meetings of Boards and its powers) Rules, 2014.
All Transactions are in ordinary course of business and at arm's length.

For and on behalf of the Board of Directors

Sd/-
Arun Kumar Singh
Chairman & Managing Director

Place : Mumbai
Date : 26th May, 2022

ANNEXURE H

Disclosure as required under Regulation 34, Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(₹ in crore)

Particulars		Balance as on		Maximum amount outstanding during the period	
		31.03.2022	31.03.2021	2021-22	2020-21
(a)	Loans and advances in the nature of Loans:				
	(i) To Subsidiary Company				
	a) Bharat PetroResources Limited	**2,190.00**	2,090.00	**2,190.00**	3,140.00
	b) Bharat Oman Refineries Limited *	**1,254.10**	1,254.10	**1,254.10**	1,254.10
	(ii) To Joint Ventures- Haridwar Natural Gas Limited	**15.00**	15.00	**15.00**	15.00
	(iii) To Firms/Companies in which directors are interested	**-**	-	**-**	-
(b)	Investment by the loanee in the shares of BPCL and its subsidiary company	**-**	-	**-**	-

* Corporation had acquired 88,86,13,336 shares of Joint Venture Company Bharat Oman Refineries Limited (36.62% of the equity share capital) on June 30, 2021 from Joint Venture Partner OQ S.A.O.C. (formerly known as Oman Oil Company S.A.O.C.) ("OQ") for a consideration of ₹ 2,399.26 crore. Bharat Oman Refineries Limited has become a wholly owned subsidiary of the Corporation w.e.f. June 30, 2021.

Annexure I

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2022

[Issued in pursuance to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Bharat Petroleum Corporation Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by Bharat Petroleum Corporation Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company, has during the audit period covering the financial year ended on March 31, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Bharat Petroleum Corporation Limited for the financial year ended on March 31, 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowing;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT'):

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

I report that during the year under review, there was no action/event in pursuance of :

(a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(b) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2021;

(c) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; and

(d) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client.

(vi) Based on the certificate given by the Company Secretary of the Company, it appears that the following Acts / Guidelines are specifically applicable to the Company:

(a) Oil fields (Regulation and Development) Act, 1948;

(b) The Petroleum Act, 1934;

(c) Mines and Minerals (Regulation and Development) Act, 1957;

(d) Petroleum and Minerals Pipelines (Acquisition of Right of User Inland) Act, 1962;

(e) Oil Mines Regulations, 1984;

(f) Petroleum & Natural Gas Rules, 1959;

(g) Petroleum Rules, 2002;

(h) The Oil Industry (Development) Act, 1974;

(i) The Energy Conversation Act, 2001;

(j) Petroleum & Natural Gas Regulatory Board Act, 2006;

(k) Petroleum & Mineral Pipelines (Acquisition of Rights of User in Land) Act, 1962

I have also examined compliance with the applicable clauses of the following:-

(i) Secretarial Standards with regard to the Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by 'The Institute of Company Secretaries of India';

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Listing Agreement entered into by the Company with the Stock Exchanges; and

(iii) Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 as issued by the Department of Public Enterprises, Government of India ('DPE Guidelines').

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, except :

1) The Company did not have

   i. Optimum combination of executive and non-executive directors as required under Regulation 17(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period 01/04/2021 till 11/11/2021.

   ii. Requisite number of Independent Directors on the Board as required under Section 149(4) of the Act and Regulation 17(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period 01/04/2021 till 11/11/2021.

   iii. Minimum 6 directors as required for top 1000 listed companies during the period 01/08/2021 till 06/09/2021 and during the period 23/09/2021 till 12/10/2021.

   iv. A woman Independent Director as required under Section 149 of the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period 01/04/2021 to 11/11/2021.

   v. Proper composition of the Audit Committee as required under Section 177(2) of the Act and Regulation 18(1)(a), (b) and (d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Nomination and Remuneration Committee as required under Section 178(1) of the Act and Regulation 19(1)(a) of SEBI during the period 01/04/2021 to 11/11/2021.

2) The Company has not held any meeting of Audit Committee as required under Regulation 18(2)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period from 01/04/2021 to 10/01/2022.

I further report that the compliance by the Company of applicable financial laws like direct and indirect tax laws has not been reviewed in this audit since the same has been subject to review by statutory financial audit and other designated professionals.

I further report that :

- The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors subject to observations made hereinabove.

- The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule most of the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exist for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes of the meeting duly recorded and signed by the chairman, decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that there are adequate systems and processes in the Company commensurate with the size and operation of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there was no event occurred having a major bearing on the Company's affairs in pursuance to the laws, rules, regulations, guidelines, standards, etc. referred to above except :

(1) Redemption of 5,500 Non-convertible Debentures of ₹10 lacs each (Series 1) for total amount of ₹ 550 crore and delisting thereof from the BSE Ltd. and National Stock Exchange of India Ltd.; and Redemption of 4.375% US Dollar International Bond 2022 for the total amount of ₹ 3,675.24 crore.

(2) The Company is in process of

a. amalgamation of its wholly owned subsidiary i.e. Bharat Oman Refineries Ltd. with the Company

b. amalgamation of its wholly owned subsidiary i.e. Bharat Gas Resources Ltd with the Company

Sd/-
U.C. SHUKLA
COMPANY SECRETARY
FCS: 2727/CP: 1654

Place: Mumbai
Date: July 22, 2022
UDIN: F002727D000672231
Peer Review Certificate No.- 1882/2022

ANNEXURE A

To,

The Members,

Bharat Petroleum Corporation Limited

My report of even date is to be read with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed, provide reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the management representation about the compliance of the laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. My examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

U.C. SHUKLA

COMPANY SECRETARY

FCS: 2727/CP: 1654

Place: Mumbai
Date: July 22, 2022

PERFORMANCE PROFILE

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
1. Refinery Thruput (TMT)										
Imported	**26,511**	22,746	27,447	26,139	23,795	20,421	18,028	17,661	16,761	17,155
Indigenous	**3,559**	3,658	4,464	4,867	4,746	4,970	6,087	5,694	6,590	6,050
TOTAL	**30,070**	26,404	31,911	31,006	28,541	25,391	24,115	23,355	23,351	23,205
2. Production Quantity (TMT)	**28,261**	25,123	30,240	29,340	26,946	24,206	22,965	22,149	22,052	21,843
Light Distillates %	**35.16**	35.05	30.99	28.85	29.50	30.05	28.90	27.93	29.19	28.52
Middle Distillates %	**54.85**	55.34	58.21	58.13	59.58	59.83	60.27	59.65	57.02	56.26
Heavy Ends %	**9.99**	9.61	10.80	13.02	10.93	10.12	10.83	12.42	13.78	15.22
3. Fuel and Loss as % of Refinery Throughput *	**5.7**	4.9	5.2	5.4	5.6	4.7	4.8	5.2	5.6	5.9
4. Market Sales (MMT)	**42.51**	38.74	43.10	43.07	41.21	37.68	36.53	34.45	34.00	33.30
5. Petrochemicals Production[&] (MT)	**92,337**	-	-	-	-	-	-	-	-	-
6. Lubricants Production (MT)	**4,14,373**	3,63,880	3,22,450	2,47,910	3,27,049	2,93,791	2,95,509	2,87,649	2,58,112	2,58,586
7. Market Participation %	**24.7**	24.4	24.5	24.5	23.8	22.8	22.9	23.3	23.5	23.1
8. Marketing Network										
Installations	**16**	16	15	14	13	13	13	13	12	12
Depots	**107**	106	108	109	110	115	118	114	116	115
Aviation Service Stations	**56**	57	58	56	50	43	40	35	34	36
Total Tankages (Million KL)	**4.02**	3.86	3.95	4.02	3.95	3.70	3.60	3.52	3.49	3.44
Retail Outlets	**20,063**	18,637	16,234	14,802	14,447	13,983	13,439	12,809	12,123	11,637
LPG Bottling Plants	**54**	53	52	52	51	51	50	50	50	50
LPG Distributors	**6,213**	6,165	6,110	5,907	5,084	4,684	4,494	4,044	3,355	2,949
LPG Customers (No. Million)	**89.39**	85.53	83.42	78.33	66.63	60.60	50.6	45.8	41.2	37.4
9. Manpower (Nos.)	**8,594**	9,251	11,249	11,971	12,019	12,484	12,623	12,687	13,214	13,213
10. Sales and Earnings (₹ Crores)										
i) Sales and Other Income (excluding subsidy)	**4,35,783**	3,06,192	3,30,372	3,39,693	2,79,447	2,43,464	2,18,072	2,47,552	2,53,492	2,29,796
ii) Gross Profit before Depreciation, Interest, Exceptional Item and Tax	**18,605**	21,475	9,721	14,948	14,772	13,430	12,801	10,515	9,555	7,787
iii) Depreciation	**4,754**	3,978	3,787	3,189	2,653	1,891	1,845	2,516	2,247	1,926
iv) Interest	**1,861**	1,328	2,182	1,319	833	496	565	583	1,359	1,825
v) Exceptional items (Income)/Expenses	**77**	(6,449)	1,081	-	-	-	-	-	-	-
vi) Profit before Tax	**11,913**	22,618	2,671	10,440	11,286	11,043	10,391	7,416	5,949	4,036
vii) Tax	**3,124**	3,576	(12)	3,308	3,310	3,004	3,335	2,331	1,888	1,393
viii) Profit after Tax	**8,789**	19,042	2,683	7,132	7,976	8,039	7,056	5,085	4,061	2,643
11. What the Company Owned (₹ Crores)										
i) Gross Property, Plant and Equipment (including Right of use, Capital Work-in-Progress and investment property)	**94,008**	87,960	79,290	62,858	53,594	46,761	37,700	49,475	41,229	36,095

PERFORMANCE PROFILE (CONTD.)

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
ii) Net Property, Plant and Equipment (including Right of use, Capital Work-in-Progress and investment property)	**72,825**	71,286	66,456	53,554	47,436	43,060	35,872	27,981	22,105	19,110
iii) Net Current Assets	**(7,646)**	5,064	3,604	4,866	878	151	(65)	(991)	9,584	14,690
iv) Non-Current Assets	**22,992**	18,253	18,950	15,436	15,693	14,672	11,283	11,463	10,671	9,482
Total Net Assets (ii + iii+ iv)	**88,171**	94,603	89,010	73,856	64,007	57,883	47,090	38,453	42,360	43,282
12. What the Company Owed (₹ Crores)										
i) Share Capital @	**2,129**	2,093	1,967	1,967	1,967	1,311	656	723	723	723
ii) Other Equity	**47,541**	52,452	31,248	34,771	32,164	28,357	26,667	21,744	18,736	15,911
iii) Total Equity (i +ii)	**49,670**	54,545	33,215	36,738	34,131	29,668	27,323	22,467	19,459	16,634
iv) Borrowings	**24,123**	26,315	41,875	29,099	23,351	23,159	15,857	13,098	20,322	23,839
v) Lease Liability	**8,594**	7,845	5,943	-	-	-	-	-	-	-
vi) Deferred Tax Liability (net)	**4,883**	4,472	5,967	6,169	4,956	3,502	2,622	1,708	1,361	1,656
vii) Non- Current Liabilites	**901**	1,426	2,010	1,850	1,569	1,554	1,288	1,180	1,218	1,153
Total Funds Employed (iii + iv + v +vi+vii)	**88,171**	94,603	89,010	73,856	64,007	57,883	47,090	38,453	42,360	43,282
13. Internal Generation (₹ Crores)	**(546)**	17,231	1,133	7,449	8,759	4,723	6,516	5,989	4,586	4,002
14. Value Added (₹ Crores)	**36,700**	47,465	25,703	30,888	28,318	25,903	24,885	20,569	20,855	17,638
15. Earnings in Foreign Exchange (₹ Crores)	**14,831**	6,616	15,168	13,220	10,371	10,152	7,138	12,364	19,122	18,456
16. Ratios										
i) Gross Profit before Depreciation, Interest, Exceptional items & Tax as % age of Sales and Other Income	**4.3**	7.0	2.9	4.4	5.3	5.5	5.9	4.1	3.5	3.1
ii) Profit after Tax as % age of average Total Equity	**16.9**	43.4	7.7	20.1	25.0	28.2	28.3	24.3	22.5	16.8
iii) Gross Profit before Depreciation, Interest, Exceptional items & Tax as % age of Average Capital Employed**	**24.4**	28.8	14.3	24.4	28.8	34.7	41.3	31.5	24.7	19.7
iv) Profit before Tax as % age of Average Capital Employed**	**15.6**	30.3	3.9	17.0	22.0	28.5	33.5	22.2	15.4	10.2
v) Profit After Tax as % age of Average Capital Employed **	**11.5**	25.5	3.9	11.6	15.6	20.7	22.8	15.2	10.5	6.7
vi) Debt Equity Ratio**	**0.49**	0.48	1.26	0.79	0.68	0.78	0.58	0.58	1.04	1.43
17. Basic Earning per Share (₹) #	**41.31**	96.44	13.64	36.26	40.55	40.87	35.88	23.44	18.72	12.18
18. Diluted Earning per Share (₹) #	**41.31**	96.12	13.64	36.26	40.55	40.87	35.88	23.44	18.72	12.18
19. Book Value per Share (₹) #	**233.25**	260.62	168.87	186.78	173.53	150.84	138.92	103.57	89.70	76.68
20. Dividend ^										
i) Percentage	**160**	790	165	190	210	325	310	225	170	110
ii) Amount (₹ Crores)	**3,471**	17,137	3,579	4,122	4,555	4,700	2,242	1,627	1,229	795

Note: The figures from 2015-16 onwards are as per Indian Accounting Standards

& Consists of Acrylic Acid, N Butanol, ISO Butanol, 2 Ethyl Hexanol, Butyl Acrylate and 2 Ethyl Hexyl Acrylate

* The Figures of Fuel & Loss reported do not include the external fuel used in Refineries

@ The share capital from 2015-16 onwards is after adjustment of shares held by "BPCL Trust for Investment in Shares" and "BPCL ESPS Trust".

Adjusted for bonus shares issued

^ Dividend includes proposed dividend

** Excluding Lease liabilities as per IND AS 116.

SOURCES AND APPLICATION OF FUND

₹ in Crores

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
SOURCES OF FUNDS										
OWN										
Profit after Tax	**8,789**	19,042	2,683	7,132	7,976	8,039	7,056	5,085	4,061	2,643
Foreign Exchange Gain credited to Foreign Currency Monetary Item Translation Difference Account (Net of amortisation)	**-**	-	29	-	-	286	-	-	184	-
Capital Grants received / (reversed) (Net of amortisation)	**-**	-	-	-	-	-	-	3	5	-
Adjustment on account of Transitional Provisions	**-**	-	-	(40)	(78)	-	-	-	-	-
Depreciation	**4,754**	3,978	3,787	3,189	2,653	1,888	1,838	2,524	2,247	1,926
Investment (net)	**-**	-	-	-	-	-	-	-	262	-
Deferred Tax Provision	**411**	(1,496)	(202)	1,213	1,454	880	588	347	(295)	255
Equity instruments through OCI	**309**	136	(313)	(64)	(15)	183	(182)	-	-	-
Income from "BPCL Trust for Investment in Shares" & "BPCL ESPS Trust"	**260**	323	496	364	297	526	260	-	-	-
Proceeds from issue of equity shares by "BPCL Trust for Investment in Shares"	**-**	5,512	-	-	-	-	-	-	-	-
Proceeds from allotment of equity Shares to employees on account of "BPCL ESPS SCHEME"	**462**	-	-	-	-	-	-	-	-	-
Employee Stock option Granted	**77**	941	-	-	-	-	-	-	-	-
Remeasurement of defined benefit plan	**(21)**	(68)	(185)	(138)	24	(51)	(93)	-	-	-
BORROWINGS										
Loans (net)	**-**	-	12,776	5,749	191	7,302	2,864	-	-	845
Lease Liability	**749**	1,902	5,943	-	-	-	-	-	-	-
Deposits for container	**803**	626	911	1,881	1,405	1,695	1,124	1,183	904	653
Decrease in current / non current items	**9,390**	-	-	-	-	-	-	9,533	3,109	-
Adjustment on account of Deletion/Re-classification, etc.	**187**	157	254	139	147	52	38	(28)	19	236
Total	**26,171**	31,053	26,179	19,426	14,056	20,800	13,493	18,647	10,496	6,558
APPLICATION OF FUNDS										
Capital Expenditure	**5,337**	6,532	9,810	9,633	7,123	9,128	9,946	8,494	5,553	3,544
Right of Use Asset	**1,144**	2,148	7,231	-	-	-	-	-	-	-
Addition in Net Block of assets due to PCCKL merger	**-**	-	-	-	54	-	-	-	-	-
Foreign Exchange loss debited to Foreign Currency Monetary Item Translation Difference Account (including amortisation)	**-**	-	-	96	140	-	106	157	-	-
Dividend (including interim dividend)	**14,751**	4,555	5,315	3,905	3,182	5,640	2,784	1,627	1,229	795
Tax on distributed profits	**-**	-	919	648	420	998	497	294	197	127
Repayment of Loans (net)	**2,192**	15,560	-	-	-	-	-	7,224	3,517	-
Investment (net)	**2,748**	1,138	149	770	1,025	1,790	12	851	-	1,192
Increase in current / non current items	**-**	1,119	2,755	4,374	2,113	3,244	148	-	-	900
Total	**26,171**	31,053	26,179	19,426	14,056	20,800	13,493	18,647	10,496	6,558

Note: The figures from 2015-16 onwards are as per Indian Accounting Standards.

Sales Volume (TMT)

	2021-22		2020-21		2019-20		2018-19		2017-18	
	Sales	Market Share (%)	Sales	Market Share (%)	Sales	Market Share (%)	Sales	Market Share (%)	Sales	Market Share (%)
Light Distillates :										
Naphtha	**865**	**29.1**	947	31.2	885	27.0	428	20.0	348	6.7
LPG (Bulk & Packed)	**7,644**	**26.5**	7,299	26.2	6,870	25.9	6,491	26.0	5,986	26.3
Motor Spirit	**8,139**	**29.2**	7,199	28.6	7,808	28.7	7,428	28.6	6,980	28.7
Special Boiling Point Spirit/Hexane	**54**	**50.0**	52	50.5	41	46.9	41	49.5	36	54.4
Benzene	**77**	**30.2**	69	28.2	68	28.8	94	34.9	62	28.6
Toluene	**26**	**100.0**	26	100.0	28	100.0	31	100.0	17	100.0
Polypropylene Feedstock/ Propylene	**260**	**75.9**	211	66.4	194	63.8	148	58.3	97	39.6
Regasified - LNG	**1,017**	**7.2**	934	7.8	782	6.5	1,292	10.8	1,312	9.5
Others	**607**	**28.2**	410	29.8	504	30.9	482	33.0	417	33.4
Sub Total	**18,689**		17,147		17,180		16,435		15,255	
Middle Distillates :										
Aviation Turbine Fuel	**1,049**	**22.3**	796	22.5	2,005	26.4	1,990	25.9	1,790	25.6
Superior Kerosene Oil	**280**	**15.8**	309	14.8	398	15.1	602	16.1	664	16.2
High Speed Diesel	**18,818**	**27.6**	17,481	27.2	19,864	26.9	20,421	27.0	20,094	27.0
Light Diesel Oil	**169**	**22.2**	143	20.1	139	23.0	128	22.1	112	21.5
Mineral Turpentine Oil	**162**	**48.5**	159	45.3	86	45.3	94	50.0	93	54.1
Sub Total	**20,478**		18,888		22,492		23,235		22,753	
Others :										
Furnace Oil	**620**	**13.1**	554	12.9	626	13.6	690	13.7	695	12.7
Low Sulphur Heavy Stock	**35**	**9.4**	15	4.5	11	3.2	6	1.9	20	20.3
Bitumen	**828**	**16.3**	819	15.3	741	14.8	903	15.9	790	16.2
Petcoke	**999**	**18.7**	647	14.6	1,321	23.4	1,193	20.7	1,046	20.2
Lubricants	**421**	**26.6**	373	24.9	306	22.8	238	17.8	320	23.1
Others	**353**	**14.9**	295	14.4	427	15.7	367	14.4	331	13.8
Sub Total	**3,256**		2,703		3,432		3,397		3,202	
Petrochemicals[&]	**84**		-		-		-		-	
Grand Total	**42,507**	**24.65**	38,738	24.35	43,104	24.52	43,067	24.50	41,210	23.75

[&] Consists of Acrylic Acid, N Butanol, ISO Butanol, 2 Ethyl Hexanol, Butyl Acrylate and 2 Ethyl Hexyl Acrylate

Note : Market Share is based on Sales Volumes of Public Sector Oil Companies as per despatches.

PRODUCTION (TMT)

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Light Distillates :					
Naphtha	**1,710**	2,039	1,854	1,291	1,468
LPG	**1,428**	1,321	1,529	1,488	1,403
Motor Spirit	**6,341**	5,055	5,646	5,364	4,850
Special Boiling Point Sprit/Hexane	**54**	50	42	41	37
Benzene	**78**	67	68	92	73
Toluene	**26**	25	29	32	17
Polypropylene Feedstock/ Propylene	**258**	210	198	147	99
Ind. Reformate	**45**	39	-	-	-
Others	**-**	-	6	9	2
Sub Total	**9,940**	8,806	9,372	8,464	7,949
Middle Distillates:					
Aviation Turbine Fuel	**683**	516	1,520	1,721	1,613
Superior Kerosene Oil	**166**	236	187	342	344
High Speed Diesel	**13,973**	12,507	15,403	14,529	13,597
Light Diesel Oil	**177**	174	135	212	106
Mineral Turpentine Oil	**158**	157	88	93	93
Lube Oil Base Stock	**342**	312	269	159	262
Others	**-**	-	-	-	38
Sub Total	**15,499**	13,902	17,602	17,056	16,053
Heavy Ends :					
Petcoke	**762**	548	921	983	687
Furnace Oil	**986**	868	1,195	1,393	1,099
Low Sulphur Heavy Stock	**28**	13	7	8	25
Sulphur	**235**	184	283	273	215
Bitumen	**808**	776	761	914	807
Others	**3**	26	99	249	111
Sub Total	**2,822**	2,415	3,266	3,820	2,944
Grand Total	**28,261**	25,123	30,240	29,340	26,946

(MT)

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Petrochemical Production*	**92,337**	-	-	-	-
Lubricants Production	**4,14,373**	3,63,880	3,22,450	2,47,910	3,27,049
Quantity of LPG Filled in Cylinders	**71,54,007**	69,14,321	65,18,908	60,99,995	56,73,579

* Consists of Acrylic Acid, N Butanol, ISO Butanol, 2 Ethyl Hexanol, Butyl Acrylate and 2 Ethyl Hexyl Acrylate

HOW VALUE IS GENERATED

₹ in Crores

Particulars	2021-22	2020-21
Value of Production (Refinery)	1,48,765	74,313
Less : Direct Materials Consumed	(1,33,924)	(68,564)
Added Value	14,841	5,749
Marketing Operations	19,447	27,958
Value added by Manufacturing & Trading Operations	34,288	33,707
Add : Other Income and prior period items	2,412	4,336
Add : Gain on sale of Investment in Subsidiary	-	9,422
Total Value Generated	36,700	47,465

HOW VALUE IS DISTRIBUTED

₹ in Crores

Particulars	2021-22		2020-21	
Operations				
Operating & Service Costs		14,766		12,091
Impairment of Investment		14		2,033
Employee Benefits				
Salaries, Wages & Bonus	2,427		2,537	
Employee Share Based Expense	77		941	
Other Benefits	888	3,392	1,940	5,418
Providers of Capital				
Interest on Borrowings	1,860		1,328	
Dividend after netting off Trust shares	14,491	16,351	4,232	5,560
Income Tax & Dividend Tax		2,723		5,132
Re-Investment in Business				
Depreciation	4,754		3,978	
Deferred Tax	402		(1,556)	
Retained Profit/(Loss) (including Debenture Redemption Reserves)	(5,702)	(546)	14,809	17,231
Total Value Distributed		36,700		47,465

STANDALONE
FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF BHARAT PETROLEUM CORPORATION LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

1. We have audited the accompanying Standalone Indian Accounting Standards ("Ind AS") Financial Statements of Bharat Petroleum Corporation Limited ("the Corporation"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and a summary of the Significant Accounting Policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS Financial Statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Corporation as at March 31, 2022, the profit and total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit of the Standalone Ind AS Financial Statements in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements Section of our report. We are independent of the Corporation in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Ind AS Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS Financial Statements.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

S.No.	Key Audit Matter	Auditors' Response
1.	**Valuation of Investment in E&P Subsidiary (Refer Note 7 and Note 56):** The Corporation has an investment of ₹ 7,401.37 Crores in 100% subsidiary Bharat PetroResources Ltd (BPRL). This subsidiary along with its stepdown subsidiaries, JVs & Associates holds participating interest in various oil / gas blocks for exploration & evaluation, development and production activities (E&P). The Corporation's realisation from these E&P investments is dependent on the continued successful operations / development of reserves resulting in expected earnings and revenue growth of the respective companies. During FY 2021-22, BPRL has relinquished or impaired certain oil and gas blocks on account of changes in circumstances and prospects of the blocks. The above factors have impacted the value in use of BPRL's assets and consequently the Corporation's impairment analysis in respect of its Investment in BPRL. Accordingly, we consider this as a Key Audit Matter.	The following procedures were carried out in this regard: • We evaluated the design, implementation and operating effectiveness of key controls in relation to the annual impairment testing activity carried out by the Corporation for its investments in Subsidiaries. • We reviewed the audited consolidated Ind AS Financial Statements of BPRL for FY 2021-22 and the independent auditor's report thereon to ascertain if there is any further diminution in the carrying value of the Corporation's investments therein. • We evaluated the impairment analysis carried out during the year by the Corporation, which included an independent comparison of externally / internally assessed value in use of BPRL's Net Assets with carrying cost of investment in BPRL in the Corporation's Books of Accounts.
2.	**Computation of Expected Credit Loss (ECL):** Trade receivables and loans granted under the Pradhan Mantri Ujwala Yojana (PMUY) scheme constitute a significant component of the total current assets of the Corporation. At each reporting date, the Corporation recognizes Lifetime ECL on Trade Receivables using a 'simplified approach' and 12 month ECL on loans are granted under the PMUY scheme wherein we relied on Management's estimates regarding probability of default rates linked to age-wise bucketing of the corresponding asset. Since, this is a technical matter based on probable outcome of default, we considered this as a Key Audit Matter.	Our audit approach consisted testing of the design, implementation and operating effectiveness of the internal controls and substantive testing as follows: • In respect of loans granted under PMUY, the Corporation along with other few industry peers have derived a common methodology for calculating ECL, based on the broad category of active and inactive consumers and last refill date with expected loan recovery period. We checked the working of the same and it is in line with the common methodology document shared with us. • We have evaluated the methodology for age-wise bucketing of trade receivables and key assumptions underlying the probability of default estimates on the same, to ascertain that the same were broadly in-line with the Corporation's historical default rates and have considered available information regarding the current economic scenario. • We selected a few sample outstanding receivable cases having different overdue periods and checked that the computation of ECL has been appropriately carried out in line with the Corporation's policy.

S.No.	Key Audit Matter	Auditors' Response
3.	**Evaluation of Contingent Liabilities:** Contingent liabilities disclosed are in respect of items which in each case are above the threshold limit. The Corporation has material uncertain positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Contingent liabilities are not recognized in the Standalone Ind AS Financial Statements but are disclosed unless the possibility of an outflow of economic resources is considered remote. In view of significant management estimate and judgement involved, we considered this as a Key Audit Matter.	The following audit procedures were carried out in this regard: • We examined sample items above the threshold limit for determination of contingent liabilities and obtained details of completed Excise, VAT / Sales Tax / Entry Tax assessments, demands as well as other disputed claims against the Corporation as on March 31, 2022. The Corporation has obtained opinion from tax consultants in various disputed matters. We have relied upon such opinions and litigation history where the Corporation has concluded that possibility of cash outflow is remote while preparing its Standalone Ind AS Financial Statements. • We have assessed the Management's underlying assumptions in estimating the possible outcome of such disputed claims / cases against the Corporation, based on records and judicial precedents made available.
4.	**Inventories:** Verification and valuation of Inventories and related write down, if any, is a significant area requiring Management's judgment of estimates and application of accounting policies that have significant effect on the amounts recognized in the Standalone Ind AS Financial Statements. Accordingly, we considered this as a Key Audit Matter.	Our audit approach involved the following combination of test of control design, implementations, operating effectiveness and substantive testing in respect of verification and valuation of inventories: • We evaluated the system of inventory monitoring and control. It was observed that inventory has been physically verified by the Management during the year at reasonable intervals. • Our audit teams have also physically verified on sample basis the Inventories at various locations and compliance with cut off procedures. However, since physical verification at certain locations was not possible for us, in such cases we have relied on the physical verification of inventory carried out by the Management. • In respect of inventory lying with third parties, we have ascertained that these have substantially been confirmed by them. We also examined the system of records maintenance for stocks lying at third party locations. • We have also tested the values considered in respect of Net Realisable Value, cost of products and verified these on sample basis with the inventory valuation and accounting entries posted in this regard.

S.No.	Key Audit Matter	Auditors' Response
5.	**Property, Plant and Equipment:** Estimates of useful lives and residual value of Property, Plant and Equipment is a significant area requiring Management judgment of estimates and application of accounting policies that have significant effect on the amounts recognized in the Standalone Ind AS Financial Statements. Accordingly, we considered this as a Key Audit Matter.	Our audit approach involved the following combination of test of control design, implementations and operating effectiveness and substantive testing in respect of verification and recording of Property, Plant and Equipment: • We examined whether the Corporation has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. • The physical verification of Property, Plant and Equipment (except LPG Cylinders and pressure regulators with customers) has been carried out by the Management in accordance with the phased program of verification of all assets and necessary accounting entries based on such physical verification have been appropriately posted which were verified by us. • Changes in the useful life and residual value of class of assets were adopted based on internal evaluation and was also comparable with other entities in the same industry. • We have tested the computation of depreciation on sample basis.
6.	**Information Technology** A significant part of the Company's financial reporting process is heavily reliant on IT systems with automated processes and controls over the capture, storage and extraction of information. A fundamental component of these processes and controls is ensuring appropriate user access and change management protocols exist and being adhered to. These protocols are important because they ensure that access and changes to IT systems and related data are made and authorized in an appropriate manner. As our audit sought to place a high level of reliance on IT systems and application controls related to financial reporting, high proportion of the overall audit effort was in Information Technology (IT) Systems and Controls. We focused our audit on those IT systems and controls that are significant to the Company's financial reporting process. Accordingly, we considered this as a Key Audit Matter.	**Our procedures included:** We focused our audit on those IT systems and controls that are relevant to preparation of financial statements. As audit procedures over IT Systems and controls require specific expertise, we involved our IT specialist. Our review of the IT Controls covers the following areas: • Physical and Logical Security; • Change Management; • Backup, Business Continuity and • IT Operations. Our assessment of the IT Controls is performed according to the following approach: • Understanding the IT environment; • Information gathering about the control framework surrounding the IT environment; • Evidence gathering with respect to Control testing; • Review of Implementation of controls testing; • Review of limited cases to identify whether there had been unauthorized or inappropriate access or changes made to critical IT systems and related data.

Information Other than the Standalone Ind AS Financial Statements and Auditors' Report Thereon

5. The Corporation's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Ind AS Financial Statements and our audit report thereon.

   Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we do not express any form of assurance thereon.

6. In connection with our audit of the Standalone Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

7. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance and review the steps taken by the management to communicate to those in receipt of the other information, if previously issued, to inform them of the revision.

   The other information is expected to be made available to us after the date of this auditors' report and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Board of Directors / Management's Responsibility for the Standalone Ind AS Financial Statements

8. The Corporation's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including the other comprehensive income, cash flows and changes in equity of the Corporation in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Corporation and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. In preparing the Standalone Ind AS Financial Statements, Management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

10. The Corporation's Board of Directors / Management is responsible for overseeing the Corporation's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Ind AS Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS Financial Statements.

12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
    - Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Corporation has adequate internal financial controls system in place and the operating effectiveness of such controls.
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
    - Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
    - Evaluate the overall presentation, structure and content of the Standalone Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

13. Materiality is the magnitude of misstatements in the Standalone Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Ind AS Financial Statements.

14. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

15. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

17. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, and on the basis of verification of the books and records of the Corporation, as we considered appropriate and according to the information and explanations given to us, we give in **"Annexure A",** a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

18. As required by Section 143(5) of the Act, we give in **"Annexure B",** a statement on the matters specified by the Comptroller and Auditor - General of India for the Corporation.

19. As required by Section 143(3) of the Act, based on our audit we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of accounts as required by law have been kept by the Corporation so far as it appears from our examination of those books.

    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of accounts.

    d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Act.

    e) In view of exemption given vide notification no. G.S.R. 463(E) dated June 5, 2015, issued by Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualification of directors, are not applicable to the Corporation.

    f) With respect to the adequacy of the internal financial controls over financial reporting of the Corporation and the operating effectiveness of such controls, refer to our separate Report in **"Annexure C".**

    g) Being a Government Company, pursuant to the notification number G.S.R. 463(E) dated June 5, 2015 issued by Ministry of Corporate Affairs, the provisions of Section 197 of the Act are not applicable to the Corporation.

    h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

        i. The Corporation has disclosed the impact, if any, of pending litigations on its financial position in its Standalone Ind AS Financial Statements. (Refer Note 63 of the Standalone Ind AS Financial Statements)

        ii. The Corporation has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Corporation.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Corporation to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Corporation ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Corporation from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Corporation shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The dividend declared or paid during the year by the Corporation are in compliance with Section 123 of the Act.

For Kalyaniwalla and Mistry LLP
Chartered Accountants
ICAI FRN: 104607W/W100166

Sd/-
Sai Venkata Ramana Damarla
Partner
Membership No. 107017
UDIN: 22107017AJOYYP5771

Place: Mumbai
Date: 25th May, 2022

For K. S. Aiyar & Co.
Chartered Accountants
ICAI FRN: 100186W

Sd/-
Rajesh S. Joshi
Partner
Membership No. 038526
UDIN: 22038526AJOZJL3489

Place: Mumbai
Date: 25th May, 2022

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 17 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Bharat Petroleum Corporation Limited ("the Corporation") on the Standalone Ind AS Financial Statements as of and for the year ended March 31, 2022]

To the best of our information and according to the explanations provided to us by the Management of the Corporation and the books of accounts and records examined by us in the normal course of audit we state that:

(i) (a) A. The Corporation is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;

B. The Corporation is maintaining proper records showing full particulars of Intangible assets.

(b) As per information and explanations given to us, physical verification of Property, Plant and Equipment (except LPG Cylinders and pressure regulators with customers) has been carried out by the Management during the year in accordance with the phased programme of verification of all assets over three years. As informed, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Corporation, the title deeds of all the immovable properties (other than properties where the Corporation is a lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the Standalone Ind AS Financial statements are held in the name of the Corporation, except in cases given in **Statement 1**.

(d) As per the information obtained and explanations given to us, the Corporation has not revalued its Property, Plant and Equipment (including Right-of-Use assets) or intangible assets or both during the year.

(e) As per the information obtained and explanations given to us, no proceedings have been initiated or are pending against the Corporation for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) The inventory (excluding stocks with third parties and goods-in-transit) has been physically verified by the Management during the year at reasonable intervals. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the coverage and procedure of such verification is appropriate considering the size and nature of the business of the Corporation. As per the information and explanations given to us, no material discrepancies of 10% or more in the aggregate for each class of inventory were noticed on the said physical verification carried out by the Management;

(b) The Corporation has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. As per the information obtained and explanations given to us and as disclosed / demonstrated by the records / reconciliations produced to us for our verification, the quarterly returns or statements filed by the Corporation with such banks and financial institutions are in agreement with the books of account of the Corporation.

(iii) (a) During the year if the Corporation has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, accordingly, we have to report as under:

₹ in Crores

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted / provided during the year				
- Subsidiary	1,046.36	-	100.00	-
- Joint Venture	-	-	-	-
- Associate	-	-	-	-
- Others	-	-	131.34	-
Balance outstanding as at balance sheet date				
- Subsidiary	752.00	-	3,444.10	-
- Joint Venture	-	-	15.00	-
- Associate	-	-	-	-
- Others	-	-	1,322.53	-

(b) As per the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Corporation's interest.

(c) In respect of loans and advances in the nature of loans, as per the terms of loans, the principal amount is not due during the year. The Corporation has been regular in the receipt of interest towards the same.

(d) There is no amount overdue for more than ninety days so the question of taking reasonable steps to recover principal and interest does not arise.

(e) No loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties. Therefore, the question of specifying the aggregate amount of such dues renewed or extended or settled by fresh loans and the percentage of the aggregate to the total loans or advances in the nature of loans granted during the year does not arise.

(f) The Corporation has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Therefore, the question of specifying the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of Section 2 of the Companies Act, 2013 does not arise.

(iv) In our opinion and according to the information obtained and explanations given to us, the Corporation has complied with the provisions of Section 185 and Section 186 of the Act, with respect to the loans, investments, guarantees and securities.

(v) In our opinion and according to the information obtained and explanations given to us, the Corporation has not accepted any deposits from public and it does not have any amounts which are deemed to be deposits within the provisions of Sections 73 to 76 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 and other relevant provisions of the Act.

(vi) Maintenance of cost records has been specified by the Central Government under Section 148(1) of the Act and the rules framed thereunder for the products manufactured by the Corporation. Such accounts and records as prescribed have been so made and maintained. We have not, however, made a detailed examination of the same with a view to determining whether they are accurate or complete.

(vii) (a) The Corporation is generally regular in depositing with appropriate authorities, undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duties of Customs, Duties of Excise, Value Added Tax, Cess and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duties of customs, Duties of Excise, Value Added Tax, Cess and any other statutory dues applicable to it, were outstanding, as on the last day of the financial year, for a period of more than six months from the date they became payable;

(b) According to the information and explanation given to us, the statutory dues referred to in (vii)(a) above, which have not been deposited on account of any dispute, are as per **Statement 2.**

(viii) No transactions have been surrendered or disclosed as income during the year in the tax assessment under Income Tax Act, 1961 (43 of 1961), which were not recorded in the books of accounts. Therefore, question of recording of the income during the year which was previously unrecorded in the books of accounts does not arise.

(ix) (a) According to the information and explanations given to us, the Corporation has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Therefore, the question of reporting on the period and amount of default does not arise.

(b) The Corporation is not a declared wilful defaulter by any bank or financial institution or other lender.

(c) According to the information obtained and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Corporation, funds raised on short term basis, prima facie, have not been utilised during the year for long term purposes. For the purpose of reporting under this clause, LPG Deposits received have not been considered as short term funds as the amounts to be repaid during next 12 months are expected to be insignificant.

(e) The Corporation has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Therefore, the question of reporting on details thereof with nature of such transactions and the amount does not arise.

(f) The Corporation has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Therefore, the question of reporting on details thereof and default, if any, in repayment of such loans raised does not arise.

(x) (a) The Corporation did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Therefore, the question of reporting of its application, delays or default and subsequent rectification, if any, does not arise.

(b) According to the information and explanations given to us and based on our examination of the books and records, the Corporation has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

Therefore, the question of complying with Section 42 and Section 62 of the Companies Act, 2013 and reporting on its utilisation does not arise.

(xi) (a) During the course of our examination of the books and records of the Corporation, carried out in accordance with the generally accepted auditing practices in India and according to the information obtained and explanations given to us, no instances of fraud by the Corporation or any fraud on the Corporation has been noticed or reported during the year.

(b) We, have not filed any report under Sub-Section 12 of Section 143 of the Companies Act, 2013 in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As per the information obtained and explanation given by the Corporation, a whistle blower complaint is received by the Corporation during the year and the complaint is under investigation as per the due process set out under the whistle blower policy of the Corporation.

(xii) In our opinion and according to the information obtained and explanations given to us, the Corporation is not a Nidhi Company. Accordingly, paragraph 3(xii)(a, b and c) of the Order are not applicable to the Corporation.

(xiii) According to the information obtained and explanations given to us and based on our examination of the records of the Corporation, all transactions entered into by the Corporation with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Ind AS Financial Statements, as required by the applicable Indian Accounting Standards.

(xiv) (a) The Corporation has an internal audit system commensurate with the size and nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Corporation during the year, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information obtained and explanations given to us and based on our examination of the records, the Corporation has not entered during the year into non-cash transactions with Directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Corporation is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) (a,b,c and d) of the Order are not applicable.

(xvii) The Corporation has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(xviii) There has not been any resignation of the statutory auditors during the year.

(xix) According to the information obtained and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that the Corporation is capable of meeting its liabilities existing as at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Corporation. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Corporation as and when they fall due.

(xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects, requiring a transfer of the unspent amount to a Fund specified in Schedule VII to the Act within a period of six months of the expiry of the financial year in compliance with second Proviso to Sub-Section (5) of Section 135 of the said Act.

(b) In respect of ongoing projects, the Corporation has transferred amount remaining unspent as at the year end to a special account within a period of thirty days from the end of the said financial year in compliance with the provisions of Sub-Section (6) of Section 135 of the said Act.

For Kalyaniwalla and Mistry LLP
Chartered Accountants
ICAI FRN: 104607W/W100166

Sd/-
Sai Venkata Ramana Damarla
Partner
Membership No. 107017
UDIN: 22107017AJOYYP5771

Place: Mumbai
Date: 25th May, 2022

For K. S. Aiyar & Co.
Chartered Accountants
ICAI FRN: 100186W

Sd/-
Rajesh S. Joshi
Partner
Membership No. 038526
UDIN: 22038526AJOZJL3489

Place: Mumbai
Date: 25th May, 2022

Statement 1 (Refer Clause i (c) of Annexure A)

Description of Property	Gross carrying value (₹ in Crores)	No of Cases	Held in name of	Whether Promoter, Director or their relative or employee	Period held indicate range, where appropriate	Reason for not being held in name of company*
Land	34.59	16	Rajaswa Vibag , Jiladhikari, Udhamsingh Nagar, APIIC, Railways, Karnataka Industrial Areas Development Board (KIADB), Indian Oil Corporation Limited (IOCL), Hindustan Petroleum Corporation Limited (HPCL), Government of Kerala, Government of Maharashtra, Deputy Salt Commissioner Bombay, Others	No	1928-2021	Registration pending with Authorities (in one of the case, Title Deed is in the name of Joint Owner)
Right-of-Use Assets	1.06	01	Industrial Infrastructure Development Corporation, Odisha	No	01-03-1998	Registration pending with Authorities
Building	0.67	01	Government of Kerala	No	06-05-2021	Registration pending with Authorities
Land	0.35	03	Others – Information not Available	Not Available	Not Available	Document of Title Deed not available for verification
Land	3.43	05	British India Corporation Limited, District Magistrate Mathura, Railways, APIIC, BPCL, Government of Gujarat, Private parties	No	1994-2004	Legal Dispute
Land	0.10	02	Railways, APIIC	No	1985-1994	Land Allotment Case

Statement 2 (Refer Clause vii (b) of Annexure A)

S.No.	Name of the Statute	Nature of dues	Forum where dispute is pending	Amount (₹ in Crores)	Period block to which it relates ^
1.	Central Excise Act, 1944	Duty, Interest and Penalty for cases relating to determination of assessable value, Cenvat credit etc.	Supreme Court	3,009.61	2000-2010
			High Court	31.65	1995-2010
			Appellate Tribunal*	2,612.08	1990-2022
			Appellate Authority**	58.66	1995-2022
			Total	**5,712.00**	
2.	Customs Act, 1962	Duty, Interest and Penalty for cases relating to determination of valuation etc.	Appellate Tribunal*	4.41	1995-2010
			Appellate Authority**	0.08	2015-2022
			Total	**4.49**	
3.	Income Tax Act, 1961	Tax, Interest and Penalty demands towards various income tax disputes	Appellate Authority**	323.58	2005-2022
			Adjudicating Authority***	1.65	2005-2022
			Total	**325.23**	
4.	Sales Tax / GST VAT Legislations	Tax, Interest and Penalty demands towards various Sales Tax / VAT / GST disputes	Supreme Court	2.92	1995-2005
			High Court	792.88	1980-2022
			Appellate Tribunal*	3,968.64	1985-2015
			Appellate Authority**	1,521.19	1985-2022
			Adjudicating Authority***	2.24	2010-2015
			Total	**6,287.87**	
5.	Finance Act, 1994 (Service Tax)	Duty, Interest and Penalty for cases relating to Service Tax disputes	Supreme Court	36.73	2005-2015
			Appellate Tribunal*	27.89	2005-2022
			Appellate Authority**	1.62	2015-2022
			Total	**66.24**	
6.	The Environment Protection Act, 1986	Compensation for environmental damage caused by VOX pollutants	Supreme Court	67.50	2020-2022

7.	The Mumbai Municipal Corporation Act, 1888	Property Tax	High Court	23.41	2010-2020
8.	Maharashtra Municipal Council / Nagarpanchayat Industrial Township Act	Manmad Export Fees Case	High Court	22.15	1995-2000
9.	National Green Tribunal Act, 2010	Compensation for Green Belt Development	Supreme Court	2.00	2017-2022
		Grand Total		**12,510.89**	

Remarks

Dues include Penalty & Interest, wherever applicable.

* Appellate Tribunal includes Sales Tax Tribunal, CESTAT and ITAT.

** Appellate Authority includes Commissioner Appeals, Assistant Commissioner Appeals, Deputy Commissioner Appeals, Joint Commissioner Appeals and Deputy Commissioner Commercial Taxes Appeals.

*** Adjudicating Authority includes Collector of Sales Tax, Sales Tax Officer and Deputy Commissioner Sales Tax, Joint / Deputy / Additional Commissioner of Commercial Taxes etc.

^ Period block shall indicate the period interval in which all the disputes under that authority have taken place.

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 18 under "Report on Other Legal and Regulatory Requirements" in the Independent Auditors' Report of even date to the Members of Bharat Petroleum Corporation Limited ("the Corporation") on the Standalone Ind AS Financial Statements as of and for the year ended 31st March 2022]

CAG Directions for the year 2021-22

1. **Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.**

   The Corporation has a system in place to process all the accounting transactions through its implemented IT system, SAP. As such, we have not come across any accounting transactions processed outside IT system which would have an impact on the integrity of the accounts or any financial implications.

2. **Whether there is any restructuring of an existing loan or cases of waiver / write off of debts / loans / interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.**

   Based on our examination of relevant records of the Corporation and the information and findings / explanations received from the Management, there were no cases of restructuring of an existing loan or cases of waiver / write off of debts / loans / interest by any of the lenders of the Corporation due to inability to repay the loan.

3. **Whether funds received / receivable for specific schemes from central / state agencies were properly accounted for / utilized as per its term and conditions? List the cases of deviation.**

   Based on our examination of relevant records of the Corporation and the information, explanations and findings received from the Management, funds received / receivable for specific schemes from central / state agencies were properly accounted for / utilised as per terms and conditions and applicable Ind AS.

For Kalyaniwalla and Mistry LLP
Chartered Accountants
ICAI FRN: 104607W/W100166

Sd/-
Sai Venkata Ramana Damarla
Partner
Membership No. 107017
UDIN: 22107017AJOYYP5771

Place: Mumbai
Date: 25th May, 2022

For K. S. Aiyar & Co.
Chartered Accountants
ICAI FRN: 100186W

Sd/-
Rajesh S. Joshi
Partner
Membership No. 038526
UDIN: 22038526AJOZJL3489

Place: Mumbai
Date: 25th May, 2022

ANNEXURE C TO INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 19(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Bharat Petroleum Corporation Limited on the Standalone Ind AS Financial Statements for the year ended March 31, 2022]

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Bharat Petroleum Corporation Limited ("the Corporation") as of March 31, 2022 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Corporation for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Corporation's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Corporation considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to Corporation's policies, safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Corporation's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Corporation's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Corporation has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Corporation considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For Kalyaniwalla and Mistry LLP
Chartered Accountants
ICAI FRN: 104607W/W100166

Sd/-
Sai Venkata Ramana Damarla
Partner
Membership No. 107017
UDIN: 22107017AJOYYP5771

Place: Mumbai
Date: 25th May, 2022

For K. S. Aiyar & Co.
Chartered Accountants
ICAI FRN: 100186W

Sd/-
Rajesh S. Joshi
Partner
Membership No. 038526
UDIN: 22038526AJOZJL3489

Place: Mumbai
Date: 25th May, 2022

STANDALONE BALANCE SHEET AS AT 31ST MARCH 2022

₹ in Crores

Particulars	Note No.	As at 31/03/2022	As at 31/03/2021
I ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	2	**68,751.37**	63,526.50
(b) Capital Work-In-Progress	3	**3,312.69**	6,986.54
(c) Investment Property	4	**0.03**	0.05
(d) Intangible Assets	5	**743.25**	409.70
(e) Intangible Assets Under Development	6	**17.27**	363.06
(f) Financial Assets			
(i) Investments in Subsidiaries, Joint Ventures and Associates	7	**15,036.41**	10,466.00
(ii) Other Investment	8	**758.14**	423.82
(iii) Loans	9	**4,555.86**	4,798.90
(iv) Other Financial Assets	10	**357.53**	140.48
(g) Income Tax Assets (Net)	11	**287.15**	1,158.07
(h) Other Non-Current Assets	12	**1,996.72**	1,266.23
Total Non-Current Assets		**95,816.42**	89,539.35
(2) Current Assets			
(a) Inventories	13	**36,307.06**	26,757.45
(b) Financial Assets			
(i) Investments	14	**4,442.27**	6,794.27
(ii) Trade Receivables	15	**9,738.32**	7,827.47
(iii) Cash and Cash Equivalents	16	**767.54**	6,517.35
(iv) Bank Balances other than Cash and Cash Equivalents	17	**66.95**	536.14
(v) Loans	18	**135.99**	132.47
(vi) Other Financial Assets	19	**618.76**	603.73
(c) Current Tax Assets (Net)	20	**894.66**	534.76
(d) Other Current Assets	21	**1,712.18**	1,329.52
		54,683.73	51,033.16
Assets Held-For-Sale	22	**12.41**	21.50
Total Current Assets		**54,696.14**	51,054.66
TOTAL ASSETS		**1,50,512.56**	1,40,594.01
II EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	23	**2,129.45**	2,092.91
(b) Other Equity	24	**47,540.33**	52,451.64
Total Equity		**49,669.78**	54,544.55
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	25	**15,481.97**	17,032.84
(ia) Lease Liabilities	25a	**8,035.30**	7,601.97
(ii) Other Financial Liabilities	26	**56.44**	58.00
(b) Provisions	27	**186.59**	819.11
(c) Deferred Tax Liabilities (Net)	28	**4,882.71**	4,471.55
(d) Other Non-Current Liabilities	29	**657.70**	549.95
Total Non-Current Liabilities		**29,300.71**	30,533.42
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	30	**8,641.12**	9,282.13
(ia) Lease Liabilities	30a	**558.68**	243.39
(ii) Trade Payables			
a. Total Outstanding Dues Of Micro Enterprises and Small Enterprises		**216.31**	147.62
b. Total Outstanding Dues Of Creditors Other Than Micro Enterprises and Small Enterprises	31	**30,618.37**	16,108.38
(iii) Other Financial Liabilities	32	**20,319.01**	19,496.82
(b) Other Current Liabilities	33	**6,891.10**	6,771.90
(c) Provisions	34	**2,881.53**	2,640.32
(d) Current Tax Liabilities (Net)	35	**1,415.95**	825.48
Total Current Liabilities		**71,542.07**	55,516.04
Total Liabilities		**1,00,842.78**	86,049.46
TOTAL EQUITY AND LIABILITIES		**1,50,512.56**	1,40,594.01
Significant Accounting Policies	1		
Notes forming part of Financial Statements	44-72		

For and on behalf of the Board of Directors

As per our attached report of even date
For and on behalf of

Sd/-
Arun Kumar Singh
Chairman and Managing Director
DIN: 06646894
Place: Delhi

Kalyaniwalla and Mistry LLP
Chartered Accountants
ICAI FR No. 104607W/W100166

K.S. Aiyar & Co
Chartered Accountants
ICAI FR No. 100186W

Sd/-
VRK Gupta
Director (Finance)
DIN: 08188547

Sd/-
V. Kala
Company Secretary

Sd/-
Sai Venkata Ramana Damarla
Partner
Membership No. 107017

Sd/-
Rajesh S. Joshi
Partner
Membership No. 038526

Place: Mumbai
Date: 25th May 2022

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022

₹ in Crores

	Particulars	Note No.	2021-22	2020-21
	Income			
I)	Revenue from operations	36	**4,33,406.48**	3,01,873.16
II)	Other income	37	**2,412.42**	4,336.27
III)	**Total Income (I + II)**		**4,35,818.90**	3,06,209.43
IV)	**Expenses**			
	Cost of materials consumed	38	**1,38,708.46**	71,153.56
	Purchases of Stock-in-Trade	39	**1,89,085.80**	1,27,800.87
	Changes in inventories of Finished goods, Stock-in-Trade and Work-in-progress	40	**(4,288.73)**	(3,633.57)
	Excise duty expense		**71,129.71**	69,319.86
	Employee benefits expense	41	**3,314.45**	4,477.17
	Finance cost	42	**1,860.48**	1,328.36
	Depreciation and amortization expense	2,4,5	**4,754.27**	3,978.05
	Other expenses	43	**19,263.96**	15,616.46
	Total Expenses (IV)		**4,23,828.40**	2,90,040.76
V)	**Profit before Exceptional Item & Tax (III - IV)**		**11,990.50**	16,168.67
VI)	Exceptional Items - Expenses / (Income)	69	**77.06**	(6,448.91)
VII)	**Profit before Tax (V - VI)**		**11,913.44**	22,617.58
VIII)	**Tax expense**	28		
	1) Current tax		**2,658.00**	5,134.78
	2) Deferred tax		**323.19**	(402.98)
	3) Short / (Excess) provision of earlier years		**143.52**	(1,155.89)
	Total Tax expense (VIII)		**3,124.71**	3,575.91
IX)	**Profit for the year (VII - VIII)**		**8,788.73**	19,041.67
X)	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of the Defined Benefit Plans		**(27.98)**	(16.12)
	(b) Equity instruments through Other Comprehensive Income-net change in fair value		**334.32**	135.96
	(ii) Income tax relating to items that will not be reclassified to profit or loss		**(18.57)**	(51.45)
	Other Comprehensive Income (X)		**287.77**	68.39
XI)	**Total Comprehensive Income for the year (IX+X)**		**9,076.50**	19,110.06
XII)	**Basic Earnings per Equity share (Face value ₹ 10 each)**	54	**41.31**	96.44
XIII)	**Diluted Earnings per Equity share (Face value ₹ 10 each)**	54	**41.31**	96.12

Significant Accounting Policies	1
Notes Forming part of Financial Statements	44-72

For and on behalf of the Board of Directors

As per our attached report of even date
For and on behalf of

Sd/-
Arun Kumar Singh
Chairman and Managing Director
DIN: 06646894
Place: Delhi

Kalyaniwalla and Mistry LLP
Chartered Accountants
ICAI FR No. 104607W/W100166

K.S. Aiyar & Co
Chartered Accountants
ICAI FR No. 100186W

Sd/-
VRK Gupta
Director (Finance)
DIN: 08188547

Sd/-
V. Kala
Company Secretary

Sd/-
Sai Venkata Ramana Damarla
Partner
Membership No. 107017

Sd/-
Rajesh S. Joshi
Partner
Membership No. 038526

Place: Mumbai
Date: 25th May 2022

STANDALONE STATEMENT OF CASH FLOWS

₹ in Crores

	For the year ended	31/03/2022	31/03/2021
A	**Net Cash Flow from Operating Activities**		
	Net Profit Before Tax (After Exceptional Items)	11,913.44	22,617.58
	Adjustments for :		
	Depreciation	4,754.27	3,978.05
	Finance Cost	1,860.48	1,328.36
	Foreign Exchange Fluctuations	3.46	(129.46)
	(Profit) / Loss on sale of Property, Plant and Equipment / Non-current assets held-for-sale	(3.41)	21.29
	(Profit) / Loss on Sale of Investment in Subsidiary	-	(9,422.41)
	(Profit) / Loss on Sale of Current Investments	(52.29)	(3.58)
	Interest Income	(1,253.59)	(1,211.30)
	Dividend Income	(318.51)	(2,068.23)
	Expenditure towards Corporate Social Responsibility	166.73	136.25
	Impairment of Investments in Subsidiary / Associate	14.08	2,032.79
	Share Options Outstanding Account	77.06	940.72
	Other Non-Cash items	815.50	1,174.06
	Operating Profit before Working Capital Changes	17,977.22	19,394.12
	(Invested in) / Generated from :		
	Inventories	(9,549.61)	(6,325.74)
	Trade Receivables	(2,051.57)	(2,604.05)
	Other Receivables	126.43	6,053.11
	Current Liabilities & Payables	15,315.19	6,376.32
	Cash generated from Operations	21,817.66	22,893.76
	Direct Taxes Paid	(1,630.63)	(2,719.10)
	Paid for Corporate Social Responsibility	(137.78)	(144.90)
	Net Cash from / (used in) Operating Activities	20,049.25	20,029.76
B	**Net Cash Flow from Investing Activities**		
	Purchase of Property, Plant and Equipments / Intangible Assets	(5,355.16)	(6,063.48)
	Sale of Property, Plant and Equipments	58.25	55.14
	Capital Advance	(795.10)	28.05
	Investments, Loans and Advances - Subsidiaries, Joint Ventures and Associates		
	Bharat Oman Refineries Limited (Equity and Share Warrants)	(2,471.91)	-
	GSPL India Gasnet Limited (Equity)	(33.00)	(71.50)
	Numaligarh Refinery Limited (Equity)	-	9,875.96
	Tax paid for sale of investments in Subsidiary	-	(1,932.00)
	Mumbai Aviation Fuel Farm Facility Private Limited (Equity)	(4.63)	-
	Kochi Salem Pipeline Private Limited (Equity)	(72.50)	(50.00)
	IHB Ltd. (Equity)	(100.00)	(388.25)
	Bharat PetroResources Limited (Equity)	(1,125.00)	(1,150.00)
	GSPL India Transco Ltd. (Equity)	(2.75)	(9.90)
	Goa Natural Gas Private Limited (Equity)	(3.62)	(8.88)
	Bharat PetroResources Limited (Loan - Net)	(100.00)	860.00

STANDALONE STATEMENT OF CASH FLOWS (CONTD.)

₹ in Crores

	For the year ended	31/03/2022	31/03/2021
	Haridwar Natural Gas Private Limited (Loan)	-	(15.00)
	Bharat Gas Resources Limited (Equity)	(750.00)	(600.00)
	Fino PayTech Ltd (Equity)	(21.08)	-
	Kochi Salem Pipeline Private Limited (Advance against Equity)	(195.00)	-
	Sale of Oil Bonds	792.57	-
	Purchase of Treasury Bills	(12,269.63)	(3,746.42)
	Sale of Treasury Bills	12,799.00	3,250.00
	Purchase of Investments - Mutual Funds	(6,076.70)	(4,581.77)
	Sale of Investments - Mutual Funds	7,118.29	3,574.45
	Interest Received	1,122.39	1,075.45
	Dividend Received	318.51	2,068.23
	Net Cash from / (used in) Investing Activities	(7,167.07)	2,170.08
C	**Net Cash Flow from Financing Activities**		
	Proceeds from Sale of Equity Shares held by "BPCL Trust for Investment in Shares"	-	5,519.53
	Proceeds from Allotment of Equity Shares to employees on account of "BPCL ESPS SCHEME" (Net of Expenses)	462.40	-
	Payment of Lease Rentals (Principal Component)	(272.81)	(124.24)
	Payment of Lease Rentals (Interest Component)	(626.89)	(534.55)
	Short Term Borrowings (Net)	(195.90)	(13,325.19)
	Long Term Borrowings	3,000.50	1,995.20
	Repayment of Long Term Borrowings	(5,548.82)	(3,661.13)
	Interest Paid	(1,032.78)	(1,230.59)
	Dividend Paid #	(14,482.78)	(4,261.30)
	Net Cash from / (used in) Financing Activities	(18,697.08)	(15,622.27)
D	**Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)**	(5,814.90)	6,577.57
	Cash and Cash equivalents as at	31/03/2021	31/03/2020
	Cash on hand	16.98	6.08
	Cheques and drafts on hand	6.68	6.10
	Cash at Bank	203.76	86.09
	Deposits with Banks with original maturity of less than three months	6,140.00	-
	Investment in Triparty Repo Settlement System	149.93	-
	Less : Bank Overdraft	(38.41)	(196.90)
		6,478.94	(98.63)
	Cash and Cash equivalents as at	31/03/2022	31/03/2021
	Cash on hand	23.45	16.98
	Cheques and drafts on hand	5.56	6.68
	Cash at Bank	373.53	203.76
	Deposits with Banks with original maturity of less than three months	365.00	6,140.00
	Investment in Triparty Repo Settlement System	-	149.93
	Less : Bank Overdraft	(103.50)	(38.41)
		664.04	6,478.94
	Net Increase / (Decrease) in Cash and Cash equivalents	(5,814.90)	6,577.57

Dividend paid for FY 2020-21 includes dividend of ₹ 510.03 Crores pertaining to Second Interim Dividend declared for FY 2020-21 on 16th March 2021, which has been earmarked in separate dividend account and paid on 9th April 2021.

STANDALONE STATEMENT OF CASH FLOWS (CONTD.)

Disclosure to changes in liabilities arising from Financing Activities

₹ in Crores

Particulars	Total liabilities from financing activities (excluding bank overdraft)
As at 31st March, 2020	41,678.50
Cash flows	(14,991.12)
Non-cash changes	
a) Foreign exchange movement	(440.78)
b) Recognition of deferred income and its amortisation	2.72
c) Fair value changes	27.24
As at 31st March, 2021	26,276.56

₹ in Crores

Particulars	Total liabilities from financing activities (excluding bank overdraft)
As at 31st March, 2021	**26,276.56**
Cash flows	**(2,744.22)**
Non-cash changes	
a) Foreign exchange movement	**465.61**
b) Recognition of deferred income and its amortisation	**2.94**
c) Fair value changes	**18.70**
As at 31st March, 2022	**24,019.59**

Explanatory notes to Statement of Cash Flows

1 The Statement of Cash Flows is prepared in accordance with the format prescribed by Securities and Exchange Board of India and as per Ind AS 7 as notified by Ministry of Corporate Affairs.

2 In Part-A of the Statement of Cash Flows, figures in brackets indicate deductions made from the Net Profit for deriving the net cash flow from operating activities. In Part-B and Part-C, figures in brackets indicate cash outflows.

3 The net profit / loss arising due to conversion of current assets / current liabilities, receivable / payable in foreign currency is furnished under the head "Foreign Exchange Fluctuations".

4 “Other Non-Cash items” includes provisions created (including provision for Capital Work-in-progress) / excess provisions written back, Mark to Market change in value of investments, Impairment loss on Non-current assets held-for-sale, amortisation of deferred expenditure and capital grant, bad debts and materials and miscellaneous adjustments not affecting Cash Flow, Bad debts and materials written off, write down of inventories, remeasurement of PMUY loans and other deposits and miscellaneous adjustments not affecting Cash Flow.

5 Figures of the previous year have been regrouped wherever necessary, to conform to current period presentation.

For and on behalf of the Board of Directors

Sd/-
Arun Kumar Singh
Chairman and Managing Director
DIN: 06646894
Place: Delhi

Sd/-
VRK Gupta
Director (Finance)
DIN: 08188547

Sd/-
V. Kala
Company Secretary

Place: Mumbai
Date: 25th May 2022

As per our attached report of even date
For and on behalf of

Kalyaniwalla and Mistry LLP
Chartered Accountants
ICAI FR No. 104607W/W100166

Sd/-
Sai Venkata Ramana Damarla
Partner
Membership No. 107017

K.S. Aiyar & Co
Chartered Accountants
ICAI FR No. 100186W

Sd/-
Rajesh S. Joshi
Partner
Membership No. 038526

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022

₹ in Crores

(a) Equity Share Capital	As at 31/03/2022		As at 31/03/2021	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting period	**2,16,92,52,744**	**2,169.25**	2,16,92,52,744	2,169.25
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	**2,16,92,52,744**	**2,169.25**	2,16,92,52,744	2,169.25
Add: Issue of Bonus Shares (Refer Note No. 23)	-	-	-	-
Balance at the end of the reporting period	**2,16,92,52,744**	**2,169.25**	2,16,92,52,744	2,169.25
Less: Adjustment for Shares held by "BPCL Trust for Investment in Shares" (Refer Note No. 45)	**(3,29,60,307)**	**(32.96)**	(3,29,60,307)	(32.96)
Less: Adjustment for Shares held by "BPCL ESPS Trust" (Refer Note No. 45)	**(68,36,948)**	**(6.84)**	(4,33,79,025)	(43.38)
Balance at the end of the reporting period after adjustment	**2,12,94,55,489**	**2,129.45**	2,09,29,13,412	2,092.91

₹ in Crores

(b) Other Equity	Reserves & Surplus						Equity Instruments through Other Compre-hensive Income [Note 24]	BPCL Trust for Investment in Shares [Note 24]	BPCL ESPS Trust [Note 24]	Total
	Capital Reserve [Note 24]	Debenture Redemption Reserve [Note 24]	Share Options Outstanding Account [Note 24]	General Reserve [Note 24]	Securities Premium [Note 24]	Retained Earnings [Note 24]*				
Balance as at 01st April 2020	**(20.76)**	**1,076.36**	**-**	**29,481.77**	**-**	**1,464.39**	**(297.52)**	**(456.74)**	**-**	**31,247.50**
Profit for the year	-	-	-	-	-	19,041.67	-	-	-	19,041.67
Other Comprehensive Income for the year	-	-	-	-	-	(67.57)	135.96	-	-	68.39
Dividends	-	-	-	-	-	(4,555.43)	-	-	-	(4,555.43)
Income from "BPCL Trust for Investment in Shares" (Refer Note No. 45)	-	-	-	-	-	270.87	-	-	-	270.87
Income of "BPCL ESPS Trust" (Net of Tax) (Refer Note No. 45)	-	-	-	-	-	52.16	-	-	-	52.16
Transfer to Debenture Redemption reserve	-	188.48	-	-	-	(188.48)	-	-	-	-
Employee Stock Option Granted (Refer Note No. 55)	-	-	940.72	-	-	-	-	-	-	940.72
Issue of Equity Shares out of shares held in "BPCL Trust for Investment in Shares" (Refer Note No. 45)	-	-	-	-	5,101.31	-	-	284.45	-	5,385.76
Transfer on account of Stock Options not excercised	-	-	(84.23)	84.23	-	-	-	-	-	-
Transfer of Shares to "BPCL ESPS trust" (Refer Note No. 45)	-	-	-	-	-	-	-	97.90	(97.90)	-
Balance as at 31st March 2021	**(20.76)**	**1,264.84**	**856.49**	**29,566.00**	**5,101.31**	**16,017.61**	**(161.56)**	**(74.39)**	**(97.90)**	**52,451.64**

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022 (CONTD.)

₹ in Crores

(b) Other Equity	Reserves & Surplus						Equity Instruments through Other Compre-hensive Income [Note 24]	BPCL Trust for Investment in Shares [Note 24]	BPCL ESPS Trust [Note 24]	Total
	Capital Reserve [Note 24]	Debenture Redemption Reserve [Note 24]	Share Options Outstanding Account [Note 24]	General Reserve [Note 24]	Securities Premium [Note 24]	Retained Earnings [Note 24]*				
Balance as at 1st April 2021	(20.76)	1,264.84	856.49	29,566.00	5,101.31	16,017.61	(161.56)	(74.39)	(97.90)	52,451.64
Profit for the year	-	-	-	-	-	8,788.73	-	-	-	8,788.73
Other Comprehensive Income for the year	-	-	-	-	-	(20.94)	308.71	-	-	287.77
Dividends	-	-	-	-	-	(14,750.92)	-	-	-	(14,750.92)
Income from "BPCL Trust for Investment in Shares" (Refer Note No. 45)	-	-	-	-	-	224.13	-	-	-	224.13
Income of "BPCL ESPS Trust" (Net of Tax) (Refer Note No. 45)	-	-	-	-	-	36.06	-	-	-	36.06
Transfer to Debenture Redemption Reserve	-	207.75	-	-	-	(207.75)	-	-	-	-
Employee Stock Option Granted (Refer Note No. 55)	-	-	77.06	-	-	-	-	-	-	77.06
Transfer to General Reserve from Retained Earnings	-	-	-	3,000.00	-	(3,000.00)	-	-	-	-
Transfer to General Reserve from Debenture Redemption Reserve	-	(137.50)	-	137.50	-	-	-	-	-	-
Share issued on exercise of Employee Stock Options	-	-	-	-	343.39	-	-	-	82.47	425.86
Transfer on account of exercise of Stock Options	-	-	(861.49)	-	861.49	-	-	-	-	-
Transfer on account of Stock Options not excercised	-	-	(72.06)	72.06	-	-	-	-	-	-
Balance as at 31st March 2022	(20.76)	1,335.09	-	32,775.56	6,306.19	7,086.92	147.15	(74.39)	(15.43)	47,540.33

*The balance includes accumulated Gain/(Loss) on account of remeasurements of Defined Benefit Plans (Net of tax) as on 31st March 2022 ₹ **(531.13) Crores** [Previous Year ₹ (510.19) Crores].

For and on behalf of the Board of Directors

Sd/-
Arun Kumar Singh
Chairman and Managing Director
DIN: 06646894
Place: Delhi

Sd/-
VRK Gupta
Director (Finance)
DIN: 08188547

Sd/-
V. Kala
Company Secretary

Place: Mumbai
Date: 25th May 2022

As per our attached report of even date
For and on behalf of

Kalyaniwalla and Mistry LLP
Chartered Accountants
ICAI FR No. 104607W/W100166

Sd/-
Sai Venkata Ramana Damarla
Partner
Membership No. 107017

K.S. Aiyar & Co
Chartered Accountants
ICAI FR No. 100186W

Sd/-
Rajesh S. Joshi
Partner
Membership No. 038526

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

CORPORATION OVERVIEW

Bharat Petroleum Corporation Limited referred to as "BPCL" or "the Corporation" was incorporated on 03rd November, 1952. BPCL is a Government of India Enterprise listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Corporation is engaged in the business of refining of crude oil and marketing of petroleum products. It has refineries at Mumbai and Kochi, LPG bottling plants and Lube blending plants at various locations. The Corporation's marketing infrastructure includes vast network of Installations, Depots, Retail Outlets, Aviation Fuelling Stations and LPG distributors.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis for preparation: The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder.

The Financial Statements have been prepared under historical cost convention basis, except for certain assets and liabilities measured at fair value.

The Corporation has adopted all the Ind AS and the adoption was carried out during Financial Year 2016-17 in accordance with Ind AS 101 First-time adoption of Indian Accounting Standards. The transition was carried out from Generally Accepted Accounting Principles in India (Indian GAAP) as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, which was the "Previous GAAP".

The Corporation's presentation and functional currency is Indian Rupees (₹). All figures appearing in the Financial Statements are rounded to the nearest Crores (₹ Crores) except where otherwise indicated.

Authorisation of Financial Statements: The Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on 25th May 2022.

1.1. Use of Judgement and Estimates

The preparation of the Corporation's Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Corporation continually evaluates these estimates and assumptions based on the most recently available information.

In particular, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Financial Statements are as below:

- Assessment of functional currency;
- Financial instruments;
- Estimates of useful lives and residual value of Property, Plant and Equipment and Intangible assets;
- Valuation of Inventories;
- Measurement of recoverable amounts of Cash-Generating Units;
- Measurement of Defined Benefit Obligations and actuarial assumptions;
- Provisions including loss allowances
- Evaluation of recoverability of Deferred Tax Assets; and
- Contingencies.

Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

1.2. Property, Plant and Equipment

1.2.1. Property, Plant and Equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

1.2.2. The initial cost of an asset comprises its purchase price or construction cost (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use).

1.2.3. Direct expenses incurred during construction period on capital projects are capitalized. Other expenses of the project group which are allocated to projects costing above a threshold limit are also capitalized. Expenditure incurred on enabling assets are capitalized.

1.2.4. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Corporation.

1.2.5. Expenditure on assets, other than plant and machinery, LPG cylinders and pressure regulators, not exceeding threshold limit are charged to revenue.

1.2.6. Spare parts which meet the definition of Property, Plant and Equipment are capitalized as Property, Plant and Equipment in case the unit value of the spare part is above the threshold limit. In other cases, the spare part is inventorized on procurement and charged to Statement of Profit and Loss on consumption.

1.2.7. An item of Property, Plant and Equipment and any significant part initially recognized separately as part of Property, Plant and Equipment is derecognized upon disposal; or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is derecognized.

1.2.8. The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial year end and changes, if any, are accounted in line with revisions to accounting estimates.

1.2.9. In respect of the capital goods common for both GST and non-GST products, the GST input tax credit is taken on the eligible portion based on GST and non-GST product ratio in the month of procurement and the ineligible portion is capitalized. Subsequently, this ratio is reviewed every month as per the GST provisions and the differential GST amount arising due to changes in the ratio is capitalized beyond the materiality threshold.

1.2.10. The Corporation has elected to use the exemption available under Ind AS 101 to continue the carrying value for all of its Property, Plant and Equipment as recognized in the Financial Statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (1st April 2015).

1.3. Depreciation

Depreciation on Property, Plant and Equipment are provided on the straight line basis, over the estimated useful lives of assets (after retaining the estimated residual value of upto 5%). These useful lives and residual value has been determined as prescribed in the Schedule II of the Act, except in following cases:

1.3.1. Plant & Machinery at Retail Outlets (other than Storage tanks and related equipments) are depreciated over a useful life of 15 years based on the technical assessment.

1.3.2. Computer equipments are depreciated over a period of 3 years and Mobile phones are depreciated over a period of 2 years based on internal assessment. Electronic and electrical equipments provided to management staff under furniture on hire scheme are depreciated over a period of 4 years as per internal assessment. Other furniture items provided to management staff are depreciated over a period of 6 years as per internal assessment.

1.3.3. Solar Panels are depreciated over a period of 25 years based on the technical assessment of useful life and applicable warranty conditions.

1.3.4. Moulds, used for the manufacturing of the packaging material for Lubricants, are depreciated over a period of 5 years based on technical assessment of useful life.

1.3.5. Items of Property, Plant and Equipment costing not more than the threshold limit are depreciated at 100 percent in the year of acquisition except LPG Cylinders and Pressure Regulators which are depreciated over a useful life of 15 years based on the technical assessment.

1.3.6. Components of the main asset that are significant in value and have different useful lives as compared to the main asset are depreciated over their estimated useful life. Useful life of such components has been assessed based on historical experience and internal technical assessment.

1.3.7. Depreciation on spare parts specific to an item of Property, Plant and Equipment is based on life of the related Property, Plant and Equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment.

1.3.8. Depreciation is charged on additions / deletions on pro-rata monthly basis including the month of addition / deletion.

1.3.9. The Residual value of LPG cylinders and Pressure Regulators have been estimated at 15% of the original cost based on the historical experience and internal technical assessment.

1.3.10. The residual value of catalyst having precious / noble metals is estimated at the cost of the precious / noble metal content in catalyst which is expected to be extracted at end of their useful life, plus 5% of original cost of catalyst excluding cost of precious / noble metals based on the experience and internal technical assessment.

1.3.11. In respect of immovable assets constructed on leasehold land, useful life as per Schedule II or lease period of land (including renewable/likely renewable period) whichever is lower is considered.

1.4. Intangible Assets

1.4.1. Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any. Expenditure on internally generated intangibles, excluding development costs, is not capitalized and is reflected in Statement of Profit and Loss in the period in which such expenditure is incurred. Development costs are capitalized if, and only if, technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Corporation has an intention and ability to complete and use or sell the asset and the costs can be measured reliably.

1.4.2. Assets where entire output generated is committed to be sold to entities providing public services for almost entire useful life of the asset are classified as intangible assets as per the requirements of applicable Ind AS and are amortized (after retaining the residual value, if applicable) over their useful life or the period of the agreement, whichever is lower.

1.4.3. In cases where, the Corporation has constructed assets on behalf of public infrastructure entities and the Corporation has only a preferential right to use, these assets are classified as intangible assets and are amortized (after retaining the residual value, if applicable) over their useful life or the period of the agreement, whichever is lower.

1.4.4. Intangible assets with indefinite useful lives, such as right of way which is perpetual and absolute in nature, are not amortized, but are tested for impairment annually. The useful lives are reviewed at each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If not, the change in useful life from indefinite to finite is made on a prospective basis. The impairment losses on intangible assets with indefinite life is recognized in the Statement of Profit and Loss.

1.4.5. Expenditure incurred for creating / acquiring other intangible assets above threshold limit from which future economic benefits will flow over a period of time, is amortized over the estimated useful life of the asset or five years, whichever is lower, on a straight line basis, from the time the intangible asset starts providing the economic benefit. In other cases, the expenditure is reflected in the Statement of Profit and Loss in the year in which the expenditure is incurred. The amortization period and the amortization method for an intangible asset with a finite life are reviewed at each year end. The amortization expense on intangible asset with finite useful lives and impairment losses in case there is an indication that the intangible asset may be impaired, is recognized in the Statement of Profit and Loss.

1.4.6. The Corporation has elected to use the exemption available under Ind AS 101 to continue the carrying value for all of its intangible assets as recognized in the Financial Statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (1st April 2015).

1.5. Investment Property

1.5.1. Investment property is property (land or a building or part of a building or both) held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes. Investment properties are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

1.5.2. Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the Investment Property is recognized in Statement of Profit and Loss.

1.5.3. On transition to Ind AS i.e. 1st April 2015, the Corporation has re-classified certain items from Property, Plant and Equipment to investment property. For the same, Corporation has elected to use the exemption available under Ind AS 101 to continue the carrying value for such assets as recognized in the Financial Statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (1st April 2015).

1.6. Borrowing costs

1.6.1. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.6.2. Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

1.6.3. Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

1.7. Non-current assets/Disposal Group held for sale

1.7.1. Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.

1.7.2. Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs of disposal (upto 5% of the acquisition value)

1.7.3. The disposal group classified as held for sale, are measured at the lower of carrying amount and fair value less costs of disposal.

1.7.4. Property, Plant and Equipment and intangible assets classified as held for sale are not depreciated or amortized.

1.8. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset to lessee for a period of time in exchange for consideration.

Corporation shall reassess whether a contract is, or contains, a lease if the terms and conditions of the contract are changed.

1.8.1. As a Lessee

At the commencement date, Corporation recognizes a right-of-use asset at cost and a lease liability at present value of the lease payments that are not paid at commencement date. To assess whether a contract conveys the right to control the use of an identified asset, the Corporation assesses whether:

- the contract involves the use of an identified asset;
- the Corporation has right to obtain substantially all of the economic benefits from use of the asset through the period of the lease and;
- the Corporation has the right to direct the use of the asset.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability (at present value) adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives (at present value) except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Corporation recognizes the lease payments as an operating expense. Lease of items such as IT Assets (tablets, personal computers, mobiles, POS machines etc.), small items of office furniture etc. are treated as low value.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the Corporation's incremental borrowing rate computed on periodic basis based on lease term. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Corporation changes its assessment, whether it will exercise an extension or a termination option.

Right-of-use assets are depreciated over the lease term on systematic basis and Interest on lease liability is charged to Statement of Profit and Loss as Finance cost.

The Corporation has elected not to apply Ind AS 116 "Leases" to Intangible assets.

1.8.2. As a Lessor

A lessor shall classify each of its leases as either an operating lease or a finance lease.

1.8.2.1. Finance leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

Corporation shall recognize assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease.

1.8.2.2. Operating leases

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

Corporation shall recognize lease payments from operating leases as income on systematic basis in the pattern in which benefit from the use of the underlying asset is diminished.

1.9. Impairment of Non-financial Assets

1.9.1. Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Corporation estimates the asset's recoverable amount. The recoverable amount is the higher of the asset's or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

1.9.2. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.10. Inventories

1.10.1. Inventories are stated at cost or net realizable value, whichever is lower. Cost of inventories comprises of expenditure incurred in the normal course of business in bringing inventories to their present location including appropriate overheads apportioned on a reasonable and consistent basis and are determined on the following basis:

- Crude oil, traded goods and finished products other than lubricants are determined on First in First out basis
- Other raw materials, packages, lubricants and stores and spares are determined on weighted average basis.
- The cost of Stock-in-Process is determined at raw material cost plus cost of conversion.

1.10.2. Customs duty on Raw materials/Finished goods lying in bonded warehouse are provided for at the applicable rates except where liability to pay duty is transferred to consignee.

1.10.3. Excise duty on finished stocks lying at manufacturing locations is provided for at the assessable value applicable at each of the locations based on end use.

1.10.4. The net realizable value of finished goods and stock in trade are based on the inter-company transfer prices and final selling prices (applicable at the location of stock) for sale to oil marketing companies and retail consumers respectively. For the purpose of stock valuation, the proportion of sales to oil marketing companies and retail consumers are determined on all India basis and considered for stock valuation at all locations.

1.10.5. Raw Materials held for use in the production of finished goods are not written down below cost except in cases where raw material prices have declined and it is estimated that the cost of the finished goods will exceed their net realizable value.

1.10.6. Obsolete, slow moving, surplus and defective stocks are identified at the time of physical verification of stocks and where necessary, provision is made for such stocks.

1.11. Revenue Recognition

1.11.1. Sale of goods

Revenue from the sale of goods is recognized when the performance obligation is satisfied by transferring the related goods to the customer. The performance obligation is considered to be satisfied when the customer obtains control of the goods.

Revenue from the sale of goods includes excise duty and is measured at the fair value of the consideration received or receivable (after including fair value allocations related to arrangements involving more than one performance obligation), net of returns, taxes or duties collected on behalf of the Government and applicable trade discounts or rebates.

Revenue is allocated between loyalty programmes and other components of the sale. The amount allocated to the loyalty programme is deferred, and is recognized as revenue when the Corporation has fulfilled its obligation to supply the products under the terms of the programme.

Any upfront fees earned by the Corporation with no identifiable performance obligation are recognized as revenue on a systematic basis over the period of the Contract.

Where the Corporation acts as an agent on behalf of a third party, the associated income is recognized on a net basis.

Claims in respect of subsidy on LPG and SKO, from Government of India are booked on in-principle acceptance thereof on the basis of available instructions / clarifications, subject to final adjustments as stipulated.

1.11.2. Construction contracts

Revenue from Construction contracts arise from the service concession arrangements entered into by the Corporation and certain arrangements involving construction of specific assets as part of arrangements involving more than one performance obligation.

Contract revenue includes the amount agreed in the contract to the extent that it is probable that they will result in revenue and can be measured reliably.

Based on an assessment of the terms of such contracts, the contract revenue is recognized in the Statement of Profit and Loss based on the percentage of completion method.

The stage of completion is assessed with reference to the proportion of actual cost incurred as compared to the total estimated cost of the related contract.

Contract expenses are recognized as incurred unless they create an asset relating to future contract activity. An expected loss on a contract is recognized immediately in the Statement of Profit and Loss.

1.11.3. Interest income is recognized using Effective Interest Rate (EIR) method.

1.11.4. Dividend is recognized when right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably.

1.11.5. Income from sale of scrap is accounted for on realization.

1.11.6. Claims other than subsidy claims on LPG and SKO, from Government of India are booked when there is a reasonable certainty of recovery.

1.12. Classification of Income / Expenses

1.12.1. Income / expenditure (net) in aggregate pertaining to prior year(s) above the threshold limit are corrected retrospectively in the first set of Financial Statements approved for issue after their discovery by restating the comparative amounts and / or restating the opening Balance Sheet for the earliest prior period presented.

1.12.2. Prepaid expenses upto threshold limit in each case, are charged to revenue as and when incurred.

1.12.3. Deposits placed with Government agencies / local authorities which are perpetual in nature are charged to revenue in the year of payment.

1.13. Employee Benefits

1.13.1. Short-term employee benefits

Short-term employee benefits are recognized as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

1.13.2. Post-employment benefits

Defined Contribution Plans:

Obligations for contributions to defined contribution plans such as pension are recognized as an expense in the Statement of Profit and Loss as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a set-off in future payments is available.

Defined Benefit Plans:

The Corporation’s net obligation in respect of defined benefit plans such as gratuity, other post-employment benefits etc., is calculated separately for each plan by estimating the amount of future benefit that the employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed at each reporting period end by a qualified actuary using the Projected Unit Credit method. When the calculation results in a potential asset for the Corporation, the recognized asset is limited to the present value of the economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

The current service cost of the defined benefit plan, recognized in the Statement of Profit and Loss as part of employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Statement of Profit and Loss. The net interest is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This net interest is included in employee benefit expense in the Statement of Profit and Loss.

Re-measurements which comprise of actuarial gains and losses, the return on plan assets (excluding amounts included in the net interest on the net defined benefit liability (asset)) and the effect of the asset ceiling (if any, excluding amounts included in the net interest on the net defined benefit liability (asset)), are recognized in Other Comprehensive Income.

1.13.3. Other long-term employee benefits

Liability towards other long term employee benefits - leave encashment and long service awards etc., are determined on actuarial valuation by qualified actuary by using Projected Unit Credit method.

The current service cost of other long terms employee benefits, recognized in the Statement of Profit and Loss as part of employee benefit expense, reflects the increase in the obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Statement of Profit and Loss. The interest cost is calculated by applying the discount rate to the balance of the obligation. This cost is included in employee benefit expense in the Statement of Profit and Loss. Re-measurements are recognized in the Statement of Profit and Loss.

1.13.4. Termination benefits

Expenditure on account of Voluntary Retirement Scheme are charged to Statement of Profit and Loss as and when incurred.

1.13.5. Employee Share Based Payments

The Corporation recognizes Equity-settled share-based payments to employees in Statement of Profit and Loss based on estimated fair value of the options on the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Corporation's estimate of equity instruments that will eventually vest, with a corresponding increase in Other Equity. At the end of each reporting period, the Corporation revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

1.14. Foreign Currency Transactions

1.14.1. Monetary items:

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items (except for long-term foreign currency monetary items outstanding as of 31st March 2016) are recognized in Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs.

The Corporation has elected to continue the policy adopted under Previous GAAP for accounting the foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items outstanding as of 31st March 2016 i.e. foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the asset and in other cases, if any, accumulated in "Foreign Currency Monetary Item Translation Difference Account" and amortized over the balance period of the liability.

1.14.2. Non – Monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.15. Investment in Subsidiaries, Joint Ventures and Associates

Investments in equity shares of Subsidiaries, Joint Ventures and Associates are recorded at cost and reviewed for impairment at each reporting date.

1.16. Government Grants

1.16.1. Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

1.16.2. When the grant relates to an expense item, it is recognized in Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

1.16.3. Government grants relating to Property, Plant and Equipment are presented as deferred income and are credited to the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset.

1.17. Provisions, Contingent Liabilities and Capital Commitments

1.17.1. Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

1.17.2. The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.

1.17.3. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

1.17.4. Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Corporation, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

1.17.5. Contingent liabilities are not recognized in the Financial Statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

1.17.6. Contingent liabilities and Capital Commitments disclosed are in respect of items which in each case are above the threshold limit.

1.18. Fair Value measurement

1.18.1. The Corporation measures certain financial instruments at fair value at each reporting date.

1.18.2. Certain accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.

1.18.3. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Corporation has access at that date. The fair value of a liability also reflects its non-performance risk.

1.18.4. The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Corporation determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognized in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

1.18.5. While measuring the fair value of an asset or liability, the Corporation uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

- **Level 1 :** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2 :** inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- **Level 3 :** inputs for the assets or liability that are not based on observable market data (unobservable inputs)

1.18.6. When quoted price in active market for an instrument is available, the Corporation measures the fair value of the instrument using that price. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

1.18.7. If there is no quoted price in an active market, then the Corporation uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

1.18.8. The Corporation regularly reviews significant unobservable inputs and valuation adjustments. If the third party information, such as broker quotes or pricing services, is used to measure fair values, then the Corporation assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

1.19. Financial Assets

1.19.1. Initial recognition and measurement

Trade Receivables and debt securities issued are initially recognized when they are originated. All other financial assets are initially recognized when the Corporation becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

1.19.2. Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Corporation classifies financial assets as subsequently measured at amortized cost, fair value through Other Comprehensive Income or fair value through profit and loss.

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

The asset is held within a business model whose objective is

- To hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss.

If there is revision in estimates of receipts/contractual cash flows, gross carrying amount of the financial assets are recalculated at period end as the present value of the estimated future contractual cash flows that are discounted at the financial asset’s original effective interest rate due to revision in estimates of receipts. Adjustment, if any, is recognised as income or expense in Statement of Profit and Loss.

Debt instruments at Fair value through Other Comprehensive Income (FVOCI)

A 'debt instrument' is measured at the fair value through Other Comprehensive Income if both the following conditions are met:

The asset is held within a business model whose objective is achieved by both

- collecting contractual cash flows and selling financial assets and
- contractual terms of the asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Interest income under Effective Interest method, foreign exchange gains and losses and impairment losses are recognized in the Statement of Profit and Loss. Other net gains and losses are recognized in Other Comprehensive Income.

Debt instruments at Fair value through Profit or Loss (FVTPL)

Fair Value through Profit or Loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization at amortized cost or as FVOCI, is classified as FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognized in the Statement of Profit and Loss separately.

Equity investments

All equity investments within the scope of Ind AS 109 are measured at fair value. Such equity instruments which are held for trading are classified as FVTPL. For all other such equity instruments, the Corporation decides to classify the same either as FVOCI or FVTPL. The Corporation makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in Other Comprehensive Income (OCI). Dividends on such equity instruments are recognized in the Statement of Profit and Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

1.19.3. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Corporation's Balance Sheet) when:

The rights to receive cash flows from the asset have expired, or

The Corporation has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- The Corporation has transferred substantially all the risks and rewards of the asset, or
- The Corporation has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognized in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognized and accumulated in OCI are not reclassified to profit or loss on de-recognition.

1.19.4. Impairment of financial assets

In accordance with Ind AS 109, the Corporation applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortized cost and debt instruments measured at FVOCI.

Loss allowances on receivables from customers are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. In respect of other financial assets such as loan to LPG Consumers, debt securities and bank balances, the loss allowance is measured at 12 month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date.

1.20. Financial Liabilities

1.20.1. Initial recognition and measurement

Financial liabilities are initially recognized when the Corporation becomes a party to the contractual provisions of the instrument.

Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

1.20.2. Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

A financial liability is classified as at Fair Value through Profit or Loss (FVTPL) if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognized in Statement of Profit and Loss.

Financial Liabilities at amortized cost

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortized cost using the Effective Interest Rate (“EIR”) method.

Amortized cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The amortization done using the EIR method is included as finance costs in the Statement of Profit and Loss.

1.20.3. De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

1.21. Financial guarantees

Financial guarantee contracts issued by the Corporation are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of the debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the fair value initially recognized less cumulative amortization.

1.22. Derivative financial instruments

The Corporation uses derivative financial instruments to manage the commodity price risk and exposure on account of fluctuation in interest rate and foreign exchange rates. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value with the changes being recognized in the Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The fair valuation gains or losses on foreign currency derivatives measured at FVTPL are grouped along with Gain or loss on foreign currency transactions and translations and presented under “Other Income” or “Other expenses”, as the case may be, since these derivatives constitute hedges from an economic perspective and may not qualify for hedge accounting under Ind AS 109.

1.23. Embedded derivatives

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the classification requirements contained in Ind AS 109 are applied to the entire hybrid contract. Derivatives embedded in all other host contracts, including financial liabilities are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit and loss. These embedded derivatives are measured at fair value with changes in fair value recognized in Statement of Profit and Loss, unless designated as effective hedging instruments. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows.

1.24. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

1.25. Taxes on Income

1.25.1. Current Tax

Income-tax Assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

Current Tax items are recognized in correlation to the underlying transaction either in the Statement of Profit and Loss, Other Comprehensive income or directly in equity.

1.25.2. Deferred tax

Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred Tax items are recognized in correlation to the underlying transaction either in the Statement of Profit and Loss, Other Comprehensive Income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.26. Earnings per share

1.26.1. Basic earnings per share are calculated by dividing the profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

1.26.2. For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

1.27. Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Corporation’s normal operating cycle (considered as 12 months) and other criteria set out in Schedule III of the Act.

1.28. Cash and Cash equivalents

Cash and cash equivalents in the Balance Sheet include cash at bank, cash, cheque, draft on hand and demand deposits with an original maturity of less than three months, which are subject to an insignificant risk of changes in value.

For the purpose of Statement of Cash Flows, Cash and cash equivalents include cash at bank, cash, cheques and drafts on hand, net of outstanding bank overdrafts as they are considered an integral part of the Corporation's cash management. The Corporation considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.29. Cash Flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

1.30. The Corporation has adopted materiality threshold limits in the preparation and presentation of Financial Statements as given below:

Threshold Item	Accounting Policy Reference	Unit	Threshold Limit Value
Allocation of other expenses to projects costing in each case	1.2.3	₹ Crores	5
Expenditure on certain items of Property, Plant and Equipment charged to revenue in each case	1.2.5	₹	1,000
Capitalization of spare parts meeting the definition of Property, Plant and Equipment in each case	1.2.6	₹ Lakhs	10
GST on common capital goods per item per month	1.2.9	₹ Lakhs	5
Depreciation at 100 percent in the year of acquisition except LPG Cylinders and Pressure Regulators	1.3.5	₹	5,000
Expenditure incurred for creating / acquiring other intangible assets in each case	1.4.5	₹ Lakhs	50
Income / expenditure (net) in aggregate pertaining to prior year(s)	1.12.1	₹ Crores	150
Prepaid expenses in each case	1.12.2	₹ Lakhs	5
Disclosure of Contingent liabilities and Capital Commitments in each case	1.17.6	₹ Lakhs	5

NOTE 2 PROPERTY, PLANT AND EQUIPMENT

₹ in Crores

Particulars	Gross Block					Depreciation				Net Carrying Amount	
	As at 01/04/2021	Additions	Other Adjustments	Reclassifications / Deductions On Account Of Retirement / Disposal	As at 31/03/2022	Up to 31/03/2021	For the Year	Reclassifications / Deductions On Account Of Retirement / Disposal	Up to 31/03/2022	As at 31/03/2022	As at 31/03/2021
Freehold Land*	2,121.19	29.72	-	27.30	**2,123.61**	-	-	-	**-**	**2,123.61**	2,121.19
Buildings including Roads*	9,692.16	1,062.46	-	1.86	**10,752.76**	2,185.07	503.53	4.71	**2,683.89**	**8,068.87**	7,507.09
Plant and Equipments*	30,010.76	3,201.19	229.70	170.49	**33,271.16**	7,338.93	1,851.89	111.48	**9,079.34**	**24,191.82**	22,671.83
Furniture and Fixtures*	1,021.31	203.22	-	13.22	**1,211.31**	398.86	106.44	9.73	**495.57**	**715.74**	622.45
Vehicles*	78.26	5.96	-	3.57	**80.65**	36.28	8.69	1.67	**43.30**	**37.35**	41.98
Office Equipments*	1,340.42	244.93	-	20.40	**1,564.95**	749.82	198.10	18.03	**929.89**	**635.06**	590.60
Railway Sidings*	308.30	19.11	-	1.19	**326.22**	84.75	20.33	0.20	**104.88**	**221.34**	223.55
Tanks and Pipelines*	13,344.19	2,334.03	-	20.87	**15,657.35**	1,918.92	575.01	4.39	**2,489.54**	**13,167.81**	11,425.27
Dispensing Pumps	3,376.25	443.40	-	35.74	**3,783.91**	978.10	206.16	28.83	**1,155.43**	**2,628.48**	2,398.15
LPG Cylinders and Allied Equipments	9,377.54	1,111.73	-	0.65	**10,488.62**	2,021.46	554.07	0.26	**2,575.27**	**7,913.35**	7,356.08
Right-of-Use Assets* (Refer Note No. 49)	9,359.31	1,143.88	-	137.75	**10,365.44**	791.00	598.17	71.67	**1,317.50**	**9,047.94**	8,568.31
Total	**80,029.69**	**9,799.63**	**229.70**	**433.04**	**89,625.98**	**16,503.19**	**4,622.39**	**250.97**	**20,874.61**	**68,751.37**	**63,526.50**
Previous Year	69,391.30	11,120.26	(187.44)	294.43	**80,029.69**	12,703.32	3,958.08	158.21	**16,503.19**	**63,526.50**	-

* These include assets which are given on Operating Leases, the details thereof are included in Note No. 49.

NOTE 3 CAPITAL WORK-IN-PROGRESS (CWIP)

₹ in Crores

Particulars			As at 31/03/2022	As at 31/03/2021
Capital work-in-progress				
Property, plant and equipment under erection / construction			**2,704.74**	5,971.31
Capital stores including those lying with contractors			**445.46**	537.03
Capital goods-in-transit			**22.48**	0.33
Allocation of Construction period expenses	**2021-22**	**2020-21**		
Opening balance	**477.87**	530.89		
Add: Expenditure during the year				
Establishment charges including Employee Benefit expenses	**92.99**	157.74		
Borrowing costs	**23.09**	252.98		
Others	**15.37**	5.28		
	609.32	946.89		
Less: Allocated to assets capitalized / charged off during the year	**(469.31)**	(469.02)		
Closing balance pending allocation			**140.01**	477.87
Total			**3,312.69**	6,986.54

Note: The above details are net of Provision for CWIP ₹ **356.80 Crores** (Previous year ₹ 14.99 Crores)

NOTE 4 INVESTMENT PROPERTY

₹ in Crores

Particulars	Gross Block				Depreciation				Net Carrying Amount	
	As at 01/04/2021	Additions	Reclassifications / Deductions On Account Of Retirement / Disposal	As at 31/03/2022	Up to 31/03/2021	For the year	Reclassifications / Deductions On Account Of Retirement / Disposal	Up to 31/03/2022	As at 31/03/2022	As at 31/03/2021
Buildings	0.17	-	-	0.17	0.12	0.02	-	0.14	0.03	0.05
TOTAL	**0.17**	**-**	**-**	**0.17**	**0.12**	**0.02**	**-**	**0.14**	**0.03**	**0.05**
Previous Year	0.33	-	0.16	0.17	0.12	0.02	0.02	0.12	0.05	-

The Corporation's Investment Property consists of office buildings rented out to third parties.

Information Regarding Income and Expenditure of Investment Property

₹ in Crores

Particulars	2021-22	2020-21
Rental Income earned from Investment Property	1.18	0.97
Less - Depreciation	(0.02)	(0.02)
Profit arising from Investment Property before other direct operating expenses	**1.16**	0.95

The other direct operating expenses on the Investment Property are not separately identifiable and the same are not likely to be material.

As at 31st March 2022 and 31st March 2021, the fair value of the property is ₹ **0.65 Crores** and ₹ 1.02 Crores respectively. These fair values of the Investment Property are categorised as Level 2 in the fair valuation hierarchy and has been determined by external, independent property valuers, having recognised and relevant professional qualifications and recent experience in the location and category of the property being valued. Further, fair value of Investment Property as at 31st March 2022 has been carried out by a valuer who is a registered valuer as per Companies Act, 2013.

NOTE 5 INTANGIBLE ASSETS

₹ in Crores

Particulars	Useful Life (No. of Years)	Gross Block					Amortization				Net Carrying Amount	
		As at 01/04/2021	Additions	Other Adjustments	Reclassifi-cations/ Deletions	As at 31/03/2022	Up to 31/03/2021	For the year	Reclassifi-cations/ Deletions	Up to/ 31/03/2022	As at 31/03/2022	As at 31/03/2021
Right of Way	Indefinite	105.62	38.43	-	-	**144.05**	-	-	-	**-**	**144.05**	105.62
Right of Way	Upto 99	36.98	2.30	-	-	**39.28**	12.10	2.69	-	**14.79**	**24.49**	24.88
Right to Use	Upto 30	26.06	0.04	-	-	**26.10**	5.30	2.35	-	**7.65**	**18.45**	20.76
Service Concession Arrangements (Refer Note No. 48)	20	63.18	-	-	-	**63.18**	19.83	3.70	-	**23.53**	**39.65**	43.35
Software/Licenses	Upto 5	80.47	68.83	-	0.03	**149.27**	50.94	14.66	0.03	**65.57**	**83.70**	29.53
Process Licenses	Upto 5	268.69	361.22	-	-	**629.91**	83.13	113.87	-	**197.00**	**432.91**	185.56
Total		**581.00**	**470.82**	**-**	**0.03**	**1,051.79**	**171.30**	**137.27**	**0.03**	**308.54**	**743.25**	**409.70**
Previous Year		393.81	187.19	-	-	**581.00**	130.88	40.42	-	**171.30**	**409.70**	-

NOTE 6 INTANGIBLE ASSETS UNDER DEVELOPMENT (IAUD)

₹ in Crores

Particulars	Gross Amount			
	As at 01/04/2021	Additions	Capitalizations as Intangible Asset/ Deletions	As at 31/03/2022
Process Licenses	326.80	-	321.34	**5.46**
Software / License	13.74	8.29	13.74	**8.29**
Right of Way	22.52	18.77	37.77	**3.52**
Total	**363.06**	**27.06**	**372.85**	**17.27**
Previous Year	402.08	36.26	75.28	**363.06**

There are no internally generated Intangible Assets.

Note: The above details are net of Provision for IAUD ₹ **53.66 Crores** (Previous year: NIL)

ADDITIONAL INFORMATION IN RESPECT OF NOTE NOS. 2 TO 6:

a) Freehold land includes ₹ **2.20 Crores** (Previous year ₹ 2.20 Crores), which is under dispute and not in the Corporation's possession, is in the process of being surrendered to the Competent Authority and has been provided for in books of accounts.

b) Buildings include Ownership Flats having gross block of ₹ **44.79 Crores** (Previous year ₹ 43.94 Crores) in proposed / existing co-operative societies and others.

c) The Corporation has elected to continue the policy adopted under Previous GAAP for accounting the foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items outstanding as of 31st March 2016 i.e. foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the asset. Accordingly, "Other adjustments" include capitalization of foreign exchange differences (net) of ₹ **229.70 Crores** (Previous year ₹ 187.44 Crores De-capitalization).

d) Additions include capitalization of borrowing costs of ₹ **264.83 Crores** (Previous year ₹ 300.06 Crores).

e) Freehold Land, Plant and Equipment, Tanks and Pipelines, Railway Sidings, Buildings etc. jointly owned in varying extent with other Oil Companies / Railways / Port Trust: Gross Block ₹ **925.59 Crores** (Previous year ₹ 909.65 Crores), Cumulative Depreciation ₹ **126.59 Crores** (Previous year ₹ 87.29 Crores), Net Block ₹ **799.00 Crores** (Previous year ₹ 822.36 Crores).

f) Certain assets forming part of Property, Plant and Equipment have been constructed by the Corporation at Railway consumer depots, having net carrying amount of ₹ **30.39 Crores** (Previous year ₹ 24.78 Crores), out of which few Railway consumer depots are being used by other oil companies based on award of tender by Railways, net carrying amount of such assets is ₹ **5.85 Crores** (Previous year ₹ 1.82 Crores).

g) Charge was created over the Property, Plant & Equipment of the Corporation, mainly Plant and Machinery at Mumbai Refinery and Kochi Refinery in regard to the borrowings. These charges have been satisfied during the year. (Refer Note No. 25)

h) Compensation received from third parties in respect of items of Property, Plant and Equipment / Capital work in progress that were impaired, lost or given up during the year ₹ **3.49 Crores** (Previous year ₹ 35.35 Crores).

i) Gross Block Reclassifications / Deductions on account of Retirement / Disposal includes:

   i) On account of retirement / disposal during the year ₹ **364.75 Crores** (Previous year ₹ 217.29 Crores)

   ii) Assets classified as held for sale ₹ **36.15 Crores** (Previous year ₹ 58.98 Crores)

   iii) Decapitalization of ₹ **33.86 Crores** (Previous year ₹ 52.13 Crores)

   iv) Deduction on account of reclassifications during the year ₹ **1.69 Crores** (Previous year ₹ 33.81 Crores)

j) Depreciation and amortization for the year is ₹ **4,759.68 Crores** (Previous year ₹ 3,998.52 Crores) from which, after reducing -

   i) Depreciation on decapitalization of ₹ **4.62 Crores** (Previous year ₹ 19.08 Crores)

   ii) Depreciation on reclassification of assets of ₹ **0.79 Crores** (Previous year ₹ 1.39 Crores) and Net Depreciation and amortization for the year charged to Profit and Loss statement is ₹ **4,754.27 Crores** (Previous year ₹ 3,978.05 Crores)

k) Deduction from accumulated depreciation on account of retirement / disposal / reclassifications during the year is ₹ **251.00 Crores** (Previous year ₹ 158.23 Crores)

l) The Corporation has assessed the useful life of Right of Way as indefinite where the same is perpetual in nature.

ADDITIONAL INFORMATION IN RESPECT OF NOTE NOS. 2 TO 6: (CONTD.)

m) Ageing of CWIP is as follows:

As at 31st March 2022

₹ in Crores

CWIP	Amount in CWIP for a period of				TOTAL
	Less than 1 year	1 - 2 years	2 - 3 Years	More than 3 years	
Projects in progress	1,850.08	626.61	501.20	309.20	3,287.09
Projects temporarily suspended	0.53	12.34	4.63	8.10	25.60
Total	1,850.61	638.95	505.83	317.30	3,312.69

As at 31st March 2021

₹ in Crores

CWIP	Amount in CWIP for a period of				TOTAL
	Less than 1 year	1 - 2 years	2 - 3 Years	More than 3 years	
Projects in progress	2,582.51	3,241.88	886.13	243.41	6,953.93
Projects temporarily suspended	14.47	7.21	2.80	8.13	32.61
Total	**2,596.98**	**3,249.09**	**888.93**	**251.54**	**6,986.54**

n) Ageing of IAUD is as follows:

As at 31st March 2022

₹ in Crores

IAUD	Amount in IAUD for a period of				TOTAL
	Less than 1 year	1 - 2 years	2 - 3 Years	More than 3 years	
Projects in progress	11.57	0.09	0.15	5.46	17.27
Total	11.57	0.09	0.15	5.46	17.27

As at 31st March 2021

₹ in Crores

IAUD	Amount in IAUD for a period of				TOTAL
	Less than 1 year	1 - 2 years	2 - 3 Years	More than 3 years	
Projects in progress	88.14	40.77	1.03	233.12	363.06
Total	**88.14**	**40.77**	**1.03**	**233.12**	**363.06**

ADDITIONAL INFORMATION IN RESPECT OF NOTE NOS. 2 TO 6: (CONTD.)

o) For CWIP, whose completion is overdue or has exceeded its cost compared to its original plan, completion schedule is as follows:

CWIP as at 31st March 2022 ₹ in Crores

Particulars	Project Name	To be completed in			
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Projects in progress	Installation of New Kerosene Hydrotreater (KHT)	367.99	-	-	-
Projects in progress	Krishnapatnam Coastal Terminal	277.30	-	-	-
Projects in progress	Enhancing Production of Lube Base Stock (LOBS)	231.73	-	-	-
Projects in progress	POL Depot at Bokaro	129.00	-	-	-
Projects in progress	Others	471.52	33.92	0.69	1.00
Projects temporarily suspended	Others	1.11	3.50	-	0.06

CWIP as at 31st March 2021 ₹ in Crores

Particulars	Project Name	To be completed in			
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Projects in progress	MSV Storage at LPG Plants	30.35	99.89	-	-
Projects in progress	Krishnapatnam Coastal Terminal	-	99.79	-	-
Projects in progress	Others	714.10	105.84	40.85	22.74
Projects temporarily suspended	Others	2.36	1.89	0.05	0.15

p) For IAUD, whose completion is overdue or has exceeded its cost compared to its original plan, completion schedule is as follows:

IAUD as at 31st March 2022 ₹ in Crores

Particulars	Project Name	To be completed in			
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Projects-in-progress	Others	0.04	0.11	-	-

IAUD as at 31st March 2021 ₹ in Crores

Particulars	Project Name	To be completed in			
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Projects-in-progress	Others	0.60	-	-	-

q) Details of Immovable properties not held in the name of the Corporation

As at 31st March 2022

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ Crores)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Corporation
PPE	Land	0.21	Rajaswa Vibag, Jiladhikari, Udhamsingh Nagar	No	30 June 2006	Registration pending
PPE	Land	0.66	British India Corporation Limited	No	19 March 2004	Legal Case
PPE	Land	0.00 *	District Magistrate Mathura	No	31 March 2002	Legal Case
PPE	Right-of-use assets	1.06	Industrial Infrastructure Development Corporation, Odisha	No	01 March 1998	Registration Pending
PPE	Land	0.72	Andhra Pradesh Industrial Infrastructure Corporation (APIIC)	No	01 December 1997	Registration Pending
PPE	Land	0.03	Railways	No	01 October 1994	Land Allotment Case
PPE	Land	0.01	Railways	No	01 April 1984	Registration Pending
PPE	Land	0.02	Railways	No	01 December 1994	Legal Case
PPE	Land	0.55	Andhra Pradesh Industrial Infrastructure Corporation (APIIC)	No	01 September 1998	Legal Case
PPE	Land	0.00 #	Others	No	01 April 1928	Registration Pending
PPE	Land	3.43	Karnataka Industrial Areas Development Board (KIADB)	No	01 March 1997	Registration Pending
PPE	Land	0.08	Andhra Pradesh Industrial Infrastructure Corporation (APIIC)	No	01 April 1985	Land Allotment Case
PPE	Land	0.75	Karnataka Industrial Areas Development Board (KIADB)	No	01 December 1990	Registration Pending
PPE	Land	0.41	Karnataka Industrial Areas Development Board (KIADB)	No	01 March 1992	Registration Pending
PPE	Land	0.01	Indian Oil Corporation Limited (IOCL)	No	01 October 1994	Registration Pending
PPE	Land	0.00 @	Others	No	01 April 1928	Registration Pending
PPE	Land	0.22	Others	No	01 December 1996	Registration pending
PPE	Land	0.00 !	Others	No	01 January 1995	Registration pending
PPE	Land	0.12	Others	No	30 September 2001	Registration pending
PPE	Land	0.00 &	Others	No	01 April 1928	Registration pending
PPE	Land	6.14	Hindustan Petroleum Corporation Limited (HPCL)	No	15 November 2019	Registration pending (Jointly owned)
PPE	Buildings	0.67	Government of Kerala	No	06 May 2021	Registration Pending
PPE	Land	22.39	Government of Kerala	No	06 May 2021	Registration Pending
PPE	Land	0.06	Government of Kerala	No	01 April 1971	Registration pending
PPE	Land	0.05	Government of Maharashtra	No	01 March 1998	Registration Pending
PPE	Land	0.33	Deputy Salt Commissioner, Bombay	No	01 March 1998	Registration Pending
PPE	Land	2.20	BPCL, Govt of Gujarat, Private parties	No	23 December 1994	Legal Case
PPE	Land	0.08	Karnataka Industrial Areas Development Board (KIADB)	No	01 March 1998	Registration pending

* ₹ 49,050 ; # ₹ 344 ; @ ₹ 2,289; & ₹ 50; ! ₹ 7600

q) Details of Immovable properties not held in the name of Corporation

As at 31st March 2021

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ Crores)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Corporation
PPE	Land	0.21	Rajaswa Vibag , Jiladhikari, Udhamsingh Nagar	No	30 June 2006	Registration pending
PPE	Land	0.66	British India Corporation Limited	No	19 March 2004	Legal Cases
PPE	Land	0.00 *	District Magistrate Mathura	No	31 March 2002	Legal Cases
PPE	Land	2.98	Ministry of defence, Kolkata	No	31 March 2017	Land allotment case
PPE	Right-of-use assets	1.06	Industrial Infrastructure Development Corporation, Odisha	No	01 March 1998	Registration pending
PPE	Land	0.72	Andhra Pradesh Industrial Infrastructure Corporation (APIIC)	No	01 December 1997	Registration pending
PPE	Land	0.03	Railways	No	01 October 1994	Registration pending
PPE	Land	0.01	Railways	No	01 April 1984	Registration pending
PPE	Land	0.02	Railways	No	01 December 1994	Legal Cases
PPE	Land	0.55	Andhra Pradesh Industrial Infrastructure Corporation (APIIC)	No	01 September 1998	Registration pending
PPE	Land	0.00 #	Others	No	04 January 1928	Registration pending
PPE	Land	3.43	Karnataka Industrial Areas Development Board (KIADB)	No	01 March 1997	Registration pending
PPE	Land	0.08	Andhra Pradesh Industrial Infrastructure Corporation (APIIC)	No	04 January 1985	Registration pending
PPE	Land	0.75	Karnataka Industrial Areas Development Board (KIADB)	No	01 December 1990	Registration pending
PPE	Land	0.41	Karnataka Industrial Areas Development Board (KIADB)	No	01 March 1992	Registration pending
PPE	Land	0.01	Indian Oil Corporation Limited (IOCL)	No	01 October 1994	Registration pending
PPE	Land	0.00 @	Others	No	04 January 1928	Registration pending
PPE	Land	0.22	Others	No	01 December 1996	Registration pending
PPE	Land	0.00 !	Others	No	01 January 1995	Registration pending
PPE	Land	0.12	Others	No	30 September 2001	Registration pending
PPE	Land	6.14	Hindustan Petroleum Corporation Limited (HPCL)	No	15 November 2019	Registration pending (Jointly owned)
PPE	Land	0.08	Karnataka Industrial Areas Development Board (KIADB)	No	01 March 1998	Registration pending
PPE	Land	0.00 &	Others	No	01 April 1928	Registration pending
PPE	Land	0.06	Government of Kerala	No	01 April 1971	Registration pending
PPE	Land	0.05	Government of Maharashtra	No	01 March 1998	Registration pending
PPE	Land	0.33	Deputy Salt Commissioner, Bombay	No	01 March 1998	Registration pending
PPE	Land	2.20	BPCL, Govt of Gujarat, Private parties	No	23 December 1994	Legal Cases

* ₹ 49,050 ; # ₹ 344 ; @ ₹ 2,289; & ₹ 50; ! ₹ 7600

NOTE 7 INVESTMENT IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

Particulars	No. of units		₹ in Crores	
	As at 31/03/2022	As at 31/03/2021	As at 31/03/2022	As at 31/03/2021
Investment in Subsidiaries				
Unquoted				
Equity shares of [₹ 10 each (Fully Paid up)]				
Bharat PetroResources Limited (BPRL)*	7,27,50,00,000	6,15,00,00,000	7,401.37	6,276.37
Bharat Gas Resources Limited	1,65,86,20,000	90,86,20,000	1,658.62	908.62
Bharat Oman Refineries Limited (BORL)**	2,42,68,29,450	1,53,82,16,114	3,937.87	1,538.61
Share warrants of BORL**				
- of ₹ 10 each (Fully Paid up)	51,37,86,664	48,68,86,664	559.54	486.89
- of ₹ 15 each (Fully Paid up)	29,91,94,364	29,91,94,364	448.79	448.79
0% Compulsorily Convertible Debenture				
of ₹ 10 each (Fully Paid up) of BORL**	1,00,00,00,000	1,00,00,00,000	1,000.00	1,000.00
Investment in Joint Ventures				
Unquoted				
Equity Shares of [₹ 10 each (Fully Paid up)]				
Delhi Aviation Fuel Facility Private Limited	6,06,80,000	6,06,80,000	60.68	60.68
Maharashtra Natural Gas Limited	2,24,99,600	2,24,99,600	22.50	22.50
Sabarmati Gas Limited	99,87,400	99,87,400	122.40	122.40
Central UP Gas Limited	1,49,99,600	1,49,99,600	15.00	15.00
Bharat Stars Services Private Limited	1,00,00,000	1,00,00,000	10.00	10.00
Bharat Renewable Energy Limited	33,60,000	33,60,000	3.36	3.36
Mumbai Aviation Fuel Farm Facility Private Limited	5,29,18,750	4,82,88,750	52.92	48.29
Kochi Salem Pipeline Private Limited	27,50,00,000	20,25,00,000	275.00	202.50
BPCL-KIAL Fuel Farm Facility Private Limited	66,60,000	66,60,000	6.66	6.66
Haridwar Natural Gas Private Limited	2,22,00,000	2,22,00,000	22.20	22.20
Goa Natural Gas Private Limited	3,00,00,000	2,63,80,000	30.00	26.38
Ratnagiri Refinery and Petrochemical Limited	5,00,00,000	5,00,00,000	50.00	50.00
IHB Limited	51,45,00,000	41,45,00,000	514.50	414.50
Equity Shares of [USD 1 each (Fully Paid up)]				
Matrix Bharat Pte. Ltd.	2,50,000	2,50,000	1.05	1.05
Investment in Associates				
Quoted				
Equity Shares				
Petronet LNG Limited [₹ 10 each (Fully Paid up)]	18,75,00,000	18,75,00,000	98.75	98.75
Indraprastha Gas Limited [₹ 2 each (Fully Paid up)]	15,75,00,400	15,75,00,400	31.50	31.50

NOTE 7 INVESTMENT IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTD.)

Particulars	No. of units		₹ in Crores	
	As at 31/03/2022	As at 31/03/2021	As at 31/03/2022	As at 31/03/2021
Unquoted				
Equity Shares of [₹ 10 each (Fully Paid up)]				
GSPL India Gasnet Limited	**20,81,22,128**	17,51,22,128	**208.12**	175.12
GSPL India Transco Limited	**6,67,70,000**	6,40,20,000	**66.77**	64.02
Petronet CI Limited	**15,84,000**	15,84,000	**1.58**	1.58
Fino PayTech Limited	**2,92,71,759**	2,84,35,423	**272.08**	251.00
Equity Shares of [₹ 0.10 each (Fully Paid up)]				
Petronet India Limited	**1,60,00,000**	1,60,00,000	**0.16**	0.16
Equity Shares of [₹ 100 each (Fully Paid up)]				
Kannur International Airport Limited	**2,16,80,000**	2,16,80,000	**216.80**	216.80
Impairment in the value of investments				
Bharat PetroResources Limited (Refer Note No. 56)			**(2,032.79)**	(2,032.79)
GSPL India Transco Limited (Refer Note No. 56)			**(14.08)**	-
Bharat Renewable Energy Limited			**(3.36)**	(3.36)
Petronet CI Limited			**(1.58)**	(1.58)
Total			**15,036.41**	10,466.00
Aggregate amount of Unquoted Securities			**14,906.16**	10,335.75
Aggregate amount of Quoted Securities			**130.25**	130.25
Market value of Quoted Securities			**9,501.76**	12,262.00
Aggregate amount of Impairment in the value of investments			**2,051.81**	2,037.73

*Includes Equity component of ₹ **126.37 Crores** (Previous year ₹ 126.37 Crores) recognised on Fair Valuation of concessional rate loan given to Subsidiary (BPRL).

** Corporation had acquired 88,86,13,336 shares of Joint Venture Company Bharat Oman Refineries Limited (36.62% of the equity share capital) on 30th June 2021 from Joint Venture Partner OQ S.A.O.C. (formerly known as Oman Oil Company S.A.O.C.) ("OQ") for a consideration of ₹ 2,399.26 Crores. Bharat Oman Refineries Limited has become a wholly owned subsidiary of the Corporation w.e.f. 30th June 2021. Further, the Corporation has acquired the remaining share warrants of Bharat Oman Refineries Limited held by Government of Madhya Pradesh for a consideration of ₹ 72.65 Crores.

NOTE 8 OTHER INVESTMENTS

Particulars	No. of units		₹ in Crores	
	As at 31/03/2022	As at 31/03/2021	As at 31/03/2022	As at 31/03/2021
Investment in Equity Instruments Designated at Fair Value through Other Comprehensive Income				
Equity Shares of [₹ 10 each (Fully Paid up)]				
Quoted				
Oil India Limited*	**2,67,50,550**	2,67,50,550	**637.33**	328.10
Unquoted				
Cochin International Airport Limited*	**1,31,25,000**	1,31,25,000	**120.80**	95.71
Investment in Debentures at Amortised cost				
Unquoted				
5% Debentures (Fully Paid up) of East India Clinic Limited	**1**	1	**0.01**	0.01
Investment in Equity Instruments Designated at Fair Value through Profit or Loss				
Unquoted				
Equity Shares of Kochi Refineries Employees Consumer Co-operative Society Limited (Fully Paid up) # Value ₹ 5,000/-	**500**	500	**#**	#
Ordinary Shares (Fully Paid up) of Sindhu Resettlement Corporation Limited ## Value ₹ 19,000/-	**6**	6	**##**	##
Total			**758.14**	423.82
Aggregate amount of Unquoted Securities			**120.81**	95.72
Aggregate amount of Quoted Securities			**637.33**	328.10
Market value of Quoted Securities			**637.33**	328.10
Aggregate amount of Impairment in the value of investments			**-**	-

* The Corporation has designated these investments at Fair Value through Other Comprehensive Income because these investments represent the investments that the Corporation intends to hold for long-term purposes. No such investments were disposed off during the year and accordingly, there have been no transfers of the cumulative gains or losses on these investments.

NOTE 9 NON CURRENT LOANS

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Loans to Subsidiaries		
Bharat PetroResources Limited	**2,190.00**	2,090.00
Bharat Oman Refineries Limited (Refer Note No. 68)	**1,254.10**	1,254.10
Loans to Joint Venture		
Haridwar Natural Gas Private Limited	**11.25**	15.00
Loans to Employees (including accrued interest) (secured)	**415.59**	406.29
Loans to Others :		
Considered Good*	**714.82**	1,067.00
Significant increase in credit risk*	**48.13**	35.37
Credit Impaired*	**4.69**	14.09
Less: Loss Allowance	**(82.72)**	(82.95)
Total	**4,555.86**	4,798.90

*Includes ₹ **585.42 Crores** (Previous Year : ₹ 988.31 Crores) pertaining to Loans given to Consumers under Pradhan Mantri Ujjwala Yojana scheme.

NOTE 10 OTHER FINANCIAL ASSETS

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Security Deposits		
Considered Good	149.38	128.67
Considered Doubtful	1.67	1.92
Less : Allowance For Doubtful	(1.67)	(1.92)
Claims		
Considered Good	9.27	7.94
Considered Doubtful	19.22	19.14
Less : Allowance For Doubtful	(19.22)	(19.14)
Bank Deposits with more than twelve months maturity		
Considered Good*	3.88	3.87
Considered Doubtful	0.02	0.02
Less: Allowance For Doubtful	(0.02)	(0.02)
Advances against Equity to Joint Ventures #		
Kochi Salem Pipeline Private Limited	195.00	-
Bharat Renewable Energy Limited	0.54	0.54
Less : Allowance For Doubtful	(0.54)	(0.54)
Total	357.53	140.48

* Includes Deposits of ₹ **3.88 Crores** (Previous Year ₹ 3.87 Crores) that have been pledged / deposited with Local Authorities.

Advance against Equity Shares (pending allotment).

NOTE 11 INCOME TAX ASSETS (NET)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Advance Payment of Income Tax (Net of provision)	287.15	1,158.07
Total	287.15	1,158.07

NOTE 12 OTHER NON-CURRENT ASSETS

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Capital Advances		
Considered Good	**920.29**	125.13
Considered Doubtful	**0.06**	0.06
Less : Allowance For Doubtful	**(0.06)**	(0.06)
Advance to Associate		
Petronet LNG Limited	**88.30**	106.65
Advance to Employee Benefit Trusts (Refer Note No. 50)	**101.67**	135.50
Prepaid Expenses	**302.27**	337.67
Claims and Deposits		
Considered Good	**584.19**	561.28
Considered Doubtful	**215.58**	217.29
Less : Allowance For Doubtful	**(215.58)**	(217.29)
Total	**1,996.72**	1,266.23

NOTE 13 INVENTORIES

(Refer Note No. 1.10)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Raw Materials	**10,767.74**	5,664.78
[Including In transit ₹ **6,119.06 Crores** (Previous Year ₹ 2,470.69 Crores)]		
Work-In-Progress	**2,847.32**	1,573.68
Finished Goods	**12,682.48**	11,624.90
Stock -In-Trade	**8,889.52**	6,932.01
[Including In Transit ₹ **1,449.89 Crores** (Previous Year ₹ 1,124.16 Crores)]		
Stores and Spares	**1,094.15**	935.53
[Including In Transit ₹ **5.19 Crores** (Previous Year ₹ 9.28 Crores)]		
Packaging Material	**25.85**	26.55
Total	**36,307.06**	26,757.45

The Write Down of Inventories to Net Realisable Value during the year amounted to ₹ **1,247.04 Crores** (Previous Year : ₹ 87.51 Crores). The Reversal of Write Down during the year amounted to ₹**2.69 Crores** (Previous Year : ₹19.23 Crores) due to Increase in Net Realisable Value of the Inventories. The Write Down or Reversal of Write Down have been included under 'Cost of Materials Consumed' or 'Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress' in the Statement of Profit and Loss.

Inventories Pledged as Collateral - Refer Note No. 30

NOTE 14 INVESTMENTS

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Investments at Fair Value through Profit or Loss		
Quoted		
Investments in Government Securities of Face Value ₹ 100 each (fully paid up)		
6.90% Oil Marketing Companies GOI Special Bonds 2026#	**911.16**	1,721.82
7.95% Oil Marketing Companies GOI Special Bonds 2025	**11.42**	11.59
6.35% Oil Marketing Companies GOI Special Bonds 2024	**2,167.89**	2,174.59
8.20% Oil Marketing Companies GOI Special Bonds 2024	**956.23**	973.60
7.59% Government Stock 2026#	**395.57**	401.11
	4,442.27	5,282.71
Investments in Mutual Funds		
Mutual Funds	**-**	1,011.87
Investments at Amortised Cost		
Quoted		
Investments in Treasury Bills		
Treasury Bills#	**-**	499.69
Total	**4,442.27**	6,794.27

These Securities of Face Value ₹ **1,245.00 Crores** (Previous year ₹ 870.00 Crores) have been kept as Collateral Security with Clearing Corporation of India Limited for limits in Triparty Repo Settlement System. [Refer Note no. 30]

Aggregate amount of Quoted Securities	**4,442.27**	6,794.27
Market value of Quoted Securities	**4,442.27**	6,794.24
Aggregate amount of Impairment in the Value of Investments	-	-

NOTE 15 TRADE RECEIVABLES

(Unsecured unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Considered good *	**9,934.63**	8,114.33
Less: Loss Allowance	**(196.31)**	(286.86)
Total	**9,738.32**	7,827.47

* Includes Debts secured by Bank guarantee / Letter of Credit / Deposit ₹ **2,433.47 Crores** (Previous Year ₹ 735.90 Crores).

Trade receivables pledged as collateral (Refer Note No. 30)

Ageing of Trade Receivables as at 31/03/2022:

₹ in Crores

Particulars			Outstanding for following periods from the due date					
	Unbilled	Not due	Less than 6 months	6 months -1 year	1-2 Years	2-3 Years	More than 3 years	Total
Undisputed Trade Receivables - Considered good	**34.42**	**7,044.55**	**2,662.68**	**32.75**	**23.25**	**19.24**	**50.49**	**9,867.38**
Disputed Trade Receivables - Considered good	**18.84**	**0.43**	**0.01**	**0.01**	**1.85**	**4.67**	**41.44**	**67.25**
Total	**53.26**	**7,044.98**	**2,662.69**	**32.76**	**25.10**	**23.91**	**91.93**	**9,934.63**

Ageing of Trade Receivables as at 31/03/2021:

₹ in Crores

Particulars			Outstanding for following periods from the due date					
	Unbilled	Not due	Less than 6 months	6 months -1 year	1-2 Years	2-3 Years	More than 3 years	Total
Undisputed Trade Receivables - Considered good	32.27	4,599.92	2,714.45	306.90	331.39	12.30	27.27	8,024.50
Disputed Trade Receivables - Considered good	18.84	1.48	0.84	1.69	9.02	7.80	50.16	89.83
Total	**51.11**	**4,601.40**	**2,715.29**	**308.59**	**340.41**	**20.10**	**77.43**	**8,114.33**

NOTE 16 CASH AND CASH EQUIVALENTS

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Balances with Banks:		
On Current Account	**373.53**	203.76
Deposits with Banks with original maturity of less than three months	**365.00**	6,140.00
Cheques and drafts on hand	**5.56**	6.68
Cash on hand	**23.45**	16.98
Investment in Triparty Repo Settlement System (TREPS)	**-**	149.93
Total	**767.54**	6,517.35

NOTE 17 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Deposits with Banks with original maturity of 3 - 12 months #	**26.89**	0.56
Earmarked Balances		
Unspent CSR funds	**6.56**	-
Unclaimed/Unpaid Dividend *@	**33.50**	535.58
Total	**66.95**	536.14

Includes Deposit of ₹ **26.89 Crores** (Previous Year ₹ 0.56 Crores) that has been pledged/deposited with Local Authorities/Court.

*Includes Unpaid Dividend of **NIL** (Previous Year ₹ 510.03 Crores pertaining to Second Interim Dividend declared for FY 2020-21 on 16th March 2021)

@ Includes Unclaimed Dividend of ₹ **33.50 Crores** (Previous Year ₹ 25.55 Crores)

NOTE 18 CURRENT LOANS

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Loans to Joint Venture		
Haridwar Natural Gas Private Limited	**3.75**	-
Loans to employees (including accrued interest) (Secured)	**60.07**	56.43
Loans to Others		
Considered Good*	**75.35**	78.44
Significant Increase In Credit Risk*	**3.62**	1.90
Credit Impaired*	**0.26**	0.68
Less: Loss Allowance	**(7.06)**	(4.98)
Total	**135.99**	132.47

* Includes ₹ **57.13 Crores** (Previous Year ₹ 67.48 Crores) pertaining to Loans given to consumers under Pradhan Mantri Ujjwala Yojana scheme.

NOTE 19 OTHER FINANCIAL ASSETS

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Security Deposits	13.31	5.43
Interest Accrued on Bank Deposits		
Considered Good	0.20	2.84
Considered Doubtful	0.02	0.02
Less: Allowance For Doubtful	(0.02)	(0.02)
Interest Accrued on Loans to Related Parties	25.38	26.10
Derivative Asset	12.23	5.30
Receivable From Central Government/State Government		
Considered Good	211.92	10.15
Considered Doubtful	57.94	57.76
Less: Allowance For Doubtful	(57.94)	(57.76)
Dues From Related Parties		
Dues From Subsidiaries	26.46	9.10
Dues From Joint Ventures and Associates	20.25	21.58
Advances and Recoverables		
Considered Good	309.01	523.23
Considered Doubtful	248.61	255.98
Less : Allowance For Doubtful	(248.61)	(255.98)
Total	618.76	603.73

NOTE 20 CURRENT TAX ASSETS (NET)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Advance Income Tax (Net of provision for taxation)	894.66	534.76
Total	894.66	534.76

NOTE 21 OTHER CURRENT ASSETS

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Advances Other than Capital Advances		
Other Advances Including Prepaid Expenses		
Considered Good	**375.52**	313.36
Considered Doubtful	**24.94**	20.02
Less: Allowance For Doubtful	**(24.94)**	(20.02)
Advance to Associate		
Petronet LNG Limited	**18.30**	18.30
Claims	**16.14**	15.82
Project Surplus Material	**245.75**	102.14
Recoverables on account of GST, Customs, Excise, etc.	**1,056.47**	879.90
Total	**1,712.18**	**1,329.52**

NOTE 22 ASSETS HELD-FOR-SALE

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Assets Held-for-Sale	**12.41**	21.50
Total	**12.41**	21.50

Non-Current Assets Held-for-Sale consist of items such as Plant and equipment, Dispensing pumps, etc. which have been identified for disposal due to replacement / obsolescence of Assets which happens in the normal course of business. These Assets are expected to be disposed off within the next twelve months. On account of re-classification of these Assets, an Impairment loss of ₹ **16.22 Crores** during the year (Previous Year: ₹ 32.41 Crores) has been recognised in the Statement of Profit and Loss.

NOTE 23 EQUITY SHARE CAPITAL

₹ in Crores

	Particulars	As at 31/03/2022	As at 31/03/2021
i	**Authorised**		
	2,63,50,00,000 Equity Shares (Previous Year 2,63,50,00,000 Equity Shares)	**2,635.00**	2,635.00
ii	**Issued, Subscribed and Paid-up**		
	2,16,92,52,744 (Previous Year 2,16,92,52,744) Equity Shares Fully Paid-Up	**2,169.25**	2,169.25
	Less - "BPCL Trust For Investment in Shares" [No. of Equity Shares **3,29,60,307** (Previous Year 3,29,60,307)]. (Refer Note No. 45)	**(32.96)**	(32.96)
	Less - "BPCL ESPS Trust" [No. Of Equity Shares **68,36,948** (Previous Year 4,33,79,025)].(Refer Note No. 45)	**(6.84)**	(43.38)
	Total	**2,129.45**	2,092.91

iii The Corporation has only one class of Shares namely Equity Shares having par value of ₹ 10 per share. Each Holder of Equity Shares is entitled to one vote per Equity Share. In the event of liquidation of the Corporation, the Holders of Equity Shares will be entitled to receive the remaining assets of the Corporation in proportion to the number of Equity Shares held.

The Corporation declares and pays dividend in Indian Rupees. The final dividend, if any, proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting.

iv During the Financial year 2017-18, the Corporation has issued Bonus Shares in the ratio of 1:2 by capitalisation of General Reserves. The total number of shares issued is 72,30,84,248 having face value of ₹ 10 each.

v Reconciliation of No. of Equity Shares

Particulars	As at 31/03/2022	As at 31/03/2021
A. Opening Balance	**2,16,92,52,744**	2,16,92,52,744
B. Shares Issued		
- Bonus Shares	**-**	-
C. Shares Bought Back	**-**	-
D. Balance at the end of the reporting period	**2,16,92,52,744**	2,16,92,52,744

vi Details of Shareholders holding more than 5% shares

Particulars	As at 31/03/2022		As at 31/03/2021	
Name of Shareholder	**% Holding**	**No. of shares**	**% Holding**	**No. of shares**
The President of India	**52.98**	**1,14,91,83,592**	52.98	1,14,91,83,592
Life Insurance Corporation of India	**7.47**	**16,19,08,591**	5.66	12,27,25,718

vii Shareholding of Promoters

Particulars	As at 31/03/2022			As at 31/03/2021		
Promoter Name	**No. of Shares**	**% of total shares**	**% Change during the year**	**No. of Shares**	**% of total shares**	**% Change during the year**
The President of India	**1,14,91,83,592**	**52.98**	**-**	1,14,91,83,592	52.98	-
Total	**1,14,91,83,592**	**52.98**		1,14,91,83,592	52.98	

NOTE 24 OTHER EQUITY

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Capital Reserve	(20.76)	(20.76)
Debenture Redemption Reserve	1,335.09	1,264.84
Share Options Outstanding Account (Refer Note No. 55)	-	856.49
General Reserve	32,775.56	29,566.00
Equity Instruments through Other Comprehensive Income	147.15	(161.56)
Securities Premium (Refer Note No.45)	6,306.19	5,101.31
Retained Earnings	7,086.92	16,017.61
BPCL Trust for Investment in Shares (Refer Note No.45)	(74.39)	(74.39)
BPCL ESPS Trust (Refer Note No.45)	(15.43)	(97.90)
Total	47,540.33	52,451.64

Particulars	As at 31/03/2022	As at 31/03/2021
Capital Reserve :		
Opening balance	(20.76)	(20.76)
Additions /(Deletions) during the year	-	-
Closing balance	(20.76)	(20.76)
Debenture Redemption Reserve :		
Opening balance	1,264.84	1,076.36
Add : Transfer from Retained Earnings	207.75	188.48
Less: Transfer to General Reserve	(137.50)	-
Closing balance	1,335.09	1,264.84
Share Options Outstanding Account : (Refer Note No. 55)		
Opening balance	856.49	-
Additions during the year	77.06	940.72
Less : Transfer to Securities Premium	(861.49)	-
Less : Transfer to General Reserve	(72.06)	(84.23)
Closing balance	-	856.49
General Reserve :		
Opening balance	29,566.00	29,481.77
Add : Transfer from Debenture Redemption Reserve	137.50	-
Add : Transfer from Retained earnings	3,000.00	-
Add : Transfer from Share Options Outstanding Account	72.06	84.23
Closing balance	32,775.56	29,566.00
Equity Instruments through Other Comprehensive Income :		
Opening balance	(161.56)	(297.52)
Additions / (Deletions) during the year	308.71	135.96
Closing balance	147.15	(161.56)
Securities Premium : (Refer Note No. 45)		
Opening balance	5,101.31	-
Add : Sale of Equity Shares held by "BPCL Trust for Investment in Shares"	-	5,101.31
Add : Transfer from Share Options Outstanding Account	861.49	-
Add : Allotment of equity Shares to employees on account of "BPCL ESPS Scheme"	343.39	-
Closing Balance	6,306.19	5,101.31

NOTE 24 OTHER EQUITY (CONTD.)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
BPCL Trust for Investment in Shares : (Refer Note No. 45)		
Opening balance	**(74.39)**	(456.74)
Add : Transfer of Shares to "BPCL ESPS Trust"	**-**	97.90
Add : Sale of Equity Shares	**-**	284.45
Closing balance	**(74.39)**	(74.39)
BPCL ESPS Trust : (Refer Note No. 45)		
Opening balance	**(97.90)**	-
Add : Allotment of equity shares to employees on account of "BPCL ESPS Scheme"	**82.47**	-
Less : Transfer of Shares from "BPCL Trust for Investment in Shares"	**-**	(97.90)
Closing balance	**(15.43)**	(97.90)
Retained Earnings :		
Opening balance	**16,017.61**	1,464.39
Add : Profit / (Loss) for the year as per Statement of Profit and Loss	**8,788.73**	19,041.67
Less : Remeasurements of Defined Benefit plans (net of tax)	**(20.94)**	(67.57)
Less : Transfer to Debenture Redemption Reserve	**(207.75)**	(188.48)
Less : Transfer to General Reserve	**(3,000.00)**	-
Less : Interim Dividends for the year: ₹ **10 per share** (Previous year : ₹ 21 per share)	**(2,169.25)**	(4,555.43)
Less : Final Dividend for FY 2020-21: ₹ **58 per share** (Previous year: ₹ NIL per share for FY 2019-20)	**(12,581.67)**	-
Add : Income from "BPCL Trust for Investment in Shares" (Refer Note No. 45)	**224.13**	270.87
Add : Income of "BPCL ESPS Trust " (Net of Tax) (Refer Note No. 45)	**36.06**	52.16
Closing balance*	**7,086.92**	16,017.61
Total	**47,540.33**	52,451.64

* The balance includes accumulated Gain / (Loss) on account of remeasurements of Defined Benefit plans (Net of Tax) as on 31st March 2022 ₹ **(531.13) Crores** [Previous Year ₹ (510.19) Crores].

Nature and purpose of reserves

Capital reserve

It represents Capital Reserve appearing in the Financial Statements of erstwhile Kochi Refineries Limited (KRL) transferred on amalgamation and difference between the Investment made in Petronet CCK Limited (PCCKL) and the Share Capital received during the acquisition when the first time control was obtained.

Debenture Redemption Reserve

Debenture Redemption Reserve represents reserve created out of the profits of the Corporation available for distribution to Shareholders which is utilised for redemption of Debentures / Bonds.

Share Options Outsanding Account

The Share Options Outstanding account is used to record the fair value of Equity-settled Share-based Payment transactions with Employees. The amounts recorded in Share Options Outstanding Account are transferred to Securities Premium upon excersice of Share options. In case of Share options not excersiced by Employees the corresponding amounts are transferred to General Reserve.

General Reserve

General Reserve represents appropriation of Retained Earnings and are available for distribution to Shareholders.

Securities Premium

The amount received in excess of the par value adjusted with additional cost of Equity Shares, if any, has been classified as Securities Premium. The same can be utilised for issuance of Bonus Shares, charging off Equity related expenses etc.

Retained Earnings

Retained Earnings (excluding accumulated balance of remeasurements of Defined Benefit Plans (Net of Tax)) represents surplus / accumulated earnings of the Corporation and are available for distribution to Shareholders.

₹ in Crores

Proposed Dividends on Equity Shares not recognised	2021-22	2020-21
Final Dividend for the year [₹ **6 per share** (Previous year : ₹ 58 per share)]	**1,301.55**	12,581.67
Total	**1,301.55**	12,581.67

NOTE 25 BORROWINGS

₹ in Crores

Particulars	As at 31/03/2022 Current#	As at 31/03/2022 Non-Current	As at 31/03/2021 Current#	As at 31/03/2021 Non-Current
Secured				
From Others				
Debentures				
7.35% Secured Non-Convertible Debentures 2022*	-	-	549.96	-
Term Loan				
Loan from Oil Industry Development Board**	-	-	793.70	-
Unsecured				
From Banks				
Foreign Currency Loans - Syndicated	-	5,671.72	-	5,491.21
Term Loan	0.03	3,000.47	33.35	433.30
From Others				
Debentures				
7.69% Unsecured Non-Convertible Debentures 2023	749.94	-	-	749.87
8.02% Unsecured Non-Convertible Debentures 2024	-	999.87	-	999.81
6.11% Unsecured Non-Convertible Debentures 2025	-	1,995.03	-	1,994.98
Bonds				
4% US Dollar International Bonds 2025	-	3,777.46	-	3,658.85
4.625% US Dollar International Bonds 2022	3,789.15	-	-	3,670.34
4.375% US Dollar International Bond 2022	-	-	3,672.31	-
Term Loan				
Interest Free Loan from Govt. of Kerala	-	37.42	-	34.48
Total	4,539.12	15,481.97	5,049.32	17,032.84

Classified under Current Borrowings (Refer Note No. 30)

Terms of Repayment Schedule of Long-term borrowings (Gross Amount) as at 31/03/2022:

Non- Current	Coupon Rate of Interest	₹ in Crores	Maturity
Interest Free Loan from Govt. of Kerala	-	100.00	30-Mar-34
6.11% Unsecured Non-Convertible Debentures 2025	6.11%	1,995.20	06-Jul-25
4% US Dollar International Bonds 2025	4.00%	3,790.36	08-May-25
Term Loan: Canara Bank	Repo Based	3,000.00	29-Dec-24
8.02% Unsecured Non-Convertible Debentures 2024	8.02%	1,000.00	11-Mar-24
Foreign Currency Loans - Syndicated ECB USD 450 Million	Libor Based	3,411.32	11-Jan-24
Foreign Currency Loans - Syndicated ECB USD 300 Million	Libor Based	2,274.21	05-Dec-23
Term Loan: HDFC Bank	T-Bill Based	0.47	Payable quarterly starting from 30-Jun-2023 upto 31-Mar-2027
Current	**Coupon Rate of Interest**	**₹ in Crores**	**Maturity**
Term Loan: HDFC Bank	T-Bill Based	0.03	31-Mar-23
7.69% Unsecured Non-Convertible Debentures 2023	7.69%	750.00	16-Jan-23
4.625% US Dollar International Bonds 2022	4.625%	3,790.36	25-Oct-22

* The Corporation had allotted 7.35% Non-Convertible Debentures of face value of ₹ 550 Crores on 10th March 2017 redeemed on 10th March 2022. These were secured by first legal mortgage by way of a Registered Debenture Trust Deed over the fixed assets of the Company, mainly Plant and Machinery at Mumbai Refinery. These charges were satisfied during the year.

** These were secured by first legal mortgage over the Plant and Machinery of the Corporation, mainly Plant and Machinery at Mumbai Refinery and Kochi Refinery. These charges were satisfied during the year.

The borrowings from banks and financial institutions have been used for the purposes for which such loans were taken.

NOTE 25a LEASE LIABILITIES

₹ in Crores

Particulars	As at 31/03/2022		As at 31/03/2021	
	Current#	Non-Current	Current#	Non-Current
Lease Liabilities	558.68	8,035.30	243.39	7,601.97
Total	**558.68**	**8,035.30**	243.39	7,601.97

Classified under Current Lease Liabilities (Refer Note No. 30a)

NOTE 26 OTHER FINANCIAL LIABILITIES

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Security / Earnest Money Deposits	11.10	7.10
Retiral Dues	45.34	50.90
Total	**56.44**	58.00

NOTE 27 PROVISIONS

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Provision for employee benefits (Refer Note No. 50)	186.59	819.11
Total	**186.59**	819.11

NOTE 28 TAX EXPENSE AND DEFERRED TAX LIABILITIES (NET)

(a) Amounts recognised in profit and loss

₹ in Crores

	2021-22	2020-21
Current tax expense (A)		
Current year	2,658.00	5,134.78
Short / (Excess) provision of earlier years	64.85	(2.41)
Deferred tax expense (B)		
Origination and reversal of temporary differences	323.19	(402.98)
Short / (Excess) provision of earlier years#	78.67	(1,153.48)
Tax expense recognised in the statement of profit and loss (A+B)	3,124.71	3,575.91
Total Short / (Excess) Provision of Earlier Years	143.52	(1,155.89)

(b) Amounts recognised in Other Comprehensive Income

₹ in Crores

	2021-22			2020-21		
	Before tax	Tax (expense)/ benefit ^	Net of tax	Before tax	Tax (expense)/ benefit ^	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	(27.98)	7.04	(20.94)	(16.12)	(51.45)	(67.57)
Equity instruments through Other Comprehensive Income - net change in fair value	334.32	(25.61)	308.71	135.96	-	135.96
TOTAL	306.34	(18.57)	287.77	119.84	(51.45)	68.39

^ Deferred Tax (expense) / benefit

(c) Amounts recognised directly in equity

₹ in Crores

	2021-22			2020-21		
	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense)/ benefit	Net of tax
Dividend Income of "BPCL ESPS Trust" (Refer Note 45)						
Current Tax	68.18	(19.70)	48.48	69.41	(29.67)	39.74
Deferred Tax	(21.69)	9.27	(12.42)	21.69	(9.27)	12.42
TOTAL	46.49	(10.43)	36.06	91.10	(38.94)	52.16

NOTE 28 TAX EXPENSE AND DEFERRED TAX LIABILITIES (NET) (CONTD.)

(d) Reconciliation of effective tax rate

Particulars	2021-22 %	2021-22 ₹ in Crores	2020-21 %	2020-21 ₹ in Crores
Profit before tax		11,913.44		22,617.58
Tax using the Company's domestic tax rate	25.168%	2,998.37	25.168%	5,692.40
Tax effect of:				
Expenses not deductible for tax purposes	0.500%	59.63	0.272%	61.51
Income for which Deduction / Exemption available	-0.673%	(80.16)	-2.302%	(520.53)
Income taxable under Special Tax Rates	-	-	-2.123%	(480.25)
Adjustments recognised in current year in relation to the current tax of prior years	1.205%	143.52	-5.111%	(1,155.89)
Others	0.028%	3.35	-0.094%	(21.33)
Income Tax Expense	26.228%	3,124.71	15.810%	3,575.91

(e) Movement in deferred tax balances

₹ in Crores

	Net balance as at 01/04/2021	Recognised in profit and loss	Recognised in OCI	Recognised in Short/ (Excess)	Recognised directly in equity	As at 31/03/2022 Net Balance	As at 31/03/2022 Deferred tax asset	As at 31/03/2022 Deferred tax liability
Deferred tax Asset / (Liabilities)								
Property, plant and equipment	(6,280.04)	(353.12)	-	0.05	-	(6,633.11)	-	(6,633.11)
Intangible assets	(15.81)	(11.42)	-	-	-	(27.23)	-	(27.23)
Derivatives	3.45	64.51	-	-	-	67.96	67.96	-
Investments	464.93	19.35	(25.61)	-	-	458.67	458.67	-
Trade and other receivables	72.20	(22.79)	-	-	-	49.41	49.41	-
Loans and borrowings	207.74	68.77	-	-	-	276.51	276.51	-
Employee benefits	583.47	(63.25)	7.04	(78.72)	-	448.54	448.54	-
Deferred income	32.79	(2.56)	-	-	-	30.23	30.23	-
Provisions	144.91	(0.02)	-	-	-	144.89	144.89	-
Other Current liabilities	174.73	3.09	-	-	-	177.82	177.82	-
BPCL ESPS Trust	(9.27)	-	-	-	9.27	-	-	-
Other items	149.35	(25.75)	-	-	-	123.60	123.60	-
Tax Assets / (Liabilities)	(4,471.55)	(323.19)	(18.57)	(78.67)	9.27	(4,882.71)	1,777.63	(6,660.34)

NOTE 28 TAX EXPENSE AND DEFERRED TAX LIABILITIES (NET) (CONTD.)

(f) Movement in deferred tax balances

₹ in Crores

	Net balance as at 01/04/2020	Recognised in profit and loss	Recognised in OCI	Recognised in Short/ (Excess)#	Recognised directly in equity	As at 31/03/2021 Net Balance	Deferred tax asset	Deferred tax liability
Deferred tax Asset / (Liabilities)								
Property, plant and equipment	(8,268.42)	(324.81)	-	2,313.19	-	(6,280.04)	-	(6,280.04)
Intangible assets	(15.08)	(4.95)	-	4.22	-	(15.81)	-	(15.81)
Derivatives	2.53	1.63	-	(0.71)	-	3.45	3.45	-
Investments	(38.63)	492.75	-	10.81	-	464.93	464.93	-
Trade and other receivables	67.41	23.65	-	(18.86)	-	72.20	72.20	-
Loans and borrowings	24.60	190.02	-	(6.88)	-	207.74	207.74	-
Employee benefits	582.77	159.68	(51.45)	(107.53)	-	583.47	583.47	-
Deferred income	49.78	(3.06)	-	(13.93)	-	32.79	32.79	-
Provisions	139.51	44.43	-	(39.03)	-	144.91	144.91	-
Other Current liabilities	333.37	(65.38)	-	(93.26)	-	174.73	174.73	-
MAT Credit Entitlement#	723.10	-	-	(723.10)	-	-	-	-
Unabsorbed Depreciation*	388.74	(223.02)	-	(165.72)	-	-	-	-
Brought forward Capital Loss**#	-	(6.32)	-	6.32	-	-	-	-
BPCL ESPS Trust	-	-	-	-	(9.27)	(9.27)	-	(9.27)
Other items	43.03	118.36	-	(12.04)	-	149.35	149.35	-
Tax assets / (Liabilities)#	(5,967.29)	402.98	(51.45)	1,153.48	(9.27)	(4,471.55)	1,833.57	(6,305.12)

The Corporation offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

#During the previous year, the Management had adopted new tax regime under Section 115BAA of Income Tax Act, 1961. The new tax rate applicable for the Corporation including surcharge and cess is 25.168% as compared to 34.944% applicable during earlier years under old tax regime. Necessary impact was given for tax expense of prior years amounting to ₹ 1,870.26 Crores. Further, MAT credit entitlement of ₹ 723.10 Crores as at 31st March 2020 was not carried forward FY 2020-21 onwards as per the provisions of Section 115BAA of Income Tax Act, 1961.

* During FY 2020-21, Corporation had utilised unabsorbed depreciation on which Deferred Tax Asset of ₹ 388.74 Crores was recognised in previous year. The net utilisation of ₹ 223.02 Crores was available as per current tax rate of 25.168%. Balance amount was transferred to short/ excess based on the provisions of new tax regime.

** Corporation had utilised Carry Forward Capital Loss under Income Tax Act, 1961 during FY 2020-21 on which deferred tax impact of ₹ 6.32 Crores has been recognised in short / (excess).

NOTE 29 OTHER NON-CURRENT LIABILITIES

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Deferred Income and Others *	657.70	549.95
Total	657.70	549.95

* Deferred Income includes unamortised portion of Government Grants amounting to ₹ **115.75 Crores** (Previous year ₹ 123.92 Crores), comprising mainly of works contract tax reimbursement, interest free loan received from Government of Kerala as part of the fiscal incentives sanctioned for IREP and grants received for technology development.

NOTE 30 CURRENT BORROWINGS

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Loans Repayable on Demand		
Secured		
From Banks *		
Working Capital Loans / Cash Credit	1,303.50	38.41
From Others		
Loans through Triparty Repo Settlement System (TREPS) of Clearing Corporation of India Limited**	-	849.97
Current maturities of long-term borrowings (Refer Note No.25)	-	1,343.66
Unsecured		
From Banks		
Working capital loans / Cash Credit	800.00	-
Current maturities of long-term borrowings (Refer Note No.25)	0.03	33.35
From Others		
Commercial Paper	1,998.50	3,344.43
Current maturities of long-term borrowings (Refer Note No.25)	4,539.09	3,672.31
Total	8,641.12	9,282.13

* Secured in favour of the participating banks ranking pari passu inter-alia by hypothecation of raw materials, finished goods, stock- in- process, book debts, stores, components and spares and all movables both present and future. [Refer Note no. 13 and 15]

The Corporation has Triparty Repo Settlement System limits from Clearing Corporation of India Limited, the borrowing against which was **NIL as at 31st March 2022 (Previous Year ₹ 850 Crores). These limits are secured by 7.59% Govt. Stock 2026 & 6.90% Oil Marketing Companies GOI Special Bonds 2026 of face value aggregrating to ₹ **1,245 Crores** (Previous Year secured by 7.59% Govt. Stock 2026 & T- Bills of face value aggregrating to ₹ 870 Crores)[Refer Note no. 14]

The borrowings from banks and financial institutions have been used for the purposes for which such loans were taken.

The quarterly returns or statements of current assets filed by the Corporation with banks or financial institutions are in agreement with the books of accounts for FY 2020-21 and FY 2021-22.

NOTE 30a CURRENT LEASE LIABILITIES

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Current Maturities of Lease Liabilities (Refer Note No. 25a)	558.68	243.39
Total	558.68	243.39

NOTE 31 TRADE PAYABLES

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Total Outstanding Dues of Micro Enterprises and Small Enterprises (Refer Note No. 62)	216.31	147.62
Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises		
Dues to Subsidiaries (Refer Note No. 68)	3,565.36	-
Dues to Others (Refer Note No. 46)	27,053.01	16,108.38
	30,618.37	16,108.38
Total	30,834.68	16,256.00

Ageing of Trade Payables as at 31/03/2022:

₹ in Crores

Particulars	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed Trade Payables							
Micro Enterprises and Small Enterprises	-	215.92	-	-	-	-	215.92
Others	714.09	28,965.75	267.39	59.28	9.75	29.91	30,046.17
Disputed Trade Payables							
Micro Enterprises and Small Enterprises	-	0.39	-	-	-	-	0.39
Others	308.07	1.16	76.58	25.99	31.51	128.89	572.20
Total	1,022.16	29,183.22	343.97	85.27	41.26	158.80	30,834.68

Ageing of Trade Payables as at 31/03/2021:

₹ in Crores

Particulars	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed Trade Payables							
Micro Enterprises and Small Enterprises	-	147.14	-	-	-	-	147.14
Others	916.96	12,952.71	1,484.55	17.26	21.49	69.02	15,461.99
Disputed Trade Payables							
Micro Enterprises and Small Enterprises	-	0.48	-	-	-	-	0.48
Others	292.09	0.55	82.99	82.06	33.33	155.37	646.39
Total	1,209.05	13,100.88	1,567.54	99.32	54.82	224.39	16,256.00

NOTE 32 OTHER FINANCIAL LIABILITIES

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Interest Accrued but not due on Borrowings	**271.01**	301.72
Security/Earnest Money Deposits	**892.64**	834.28
Deposits For Containers * ^	**16,098.84**	15,295.64
Unclaimed Dividends **	**33.50**	25.55
Unpaid Dividends	**-**	439.89
Dues to Micro Enterprises and Small Enterprises (Refer Note No. 62)	**112.75**	249.18
Derivative Liability	**284.15**	19.03
Other Liabilities	**2,626.12**	2,331.53
Total	**20,319.01**	19,496.82

* Includes deposits received under Rajiv Gandhi Gramin LPG Vitrak Yojana and Pradhan Mantri Ujjwala Yojana (Central Scheme) ₹ **3,695.19 Crores** (Previous year ₹ 3,281.45 Crores). The deposit against these schemes have been funded from CSR fund and Government of India.

^ Based on past trends, it is expected that settlement towards the deposit for containers is insignificant in next 12 months.

** No amount is due at the end of the period for credit to Investor Education and Protection Fund.

NOTE 33 OTHER CURRENT LIABILITIES

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Advances From Customers	**1,008.49**	813.60
Statutory Liabilities	**5,750.51**	5,856.29
Others (Deferred income etc.)*	**132.10**	102.01
Total	**6,891.10**	6,771.90

*Deferred Income includes unamortised portion of Government Grants amounting to ₹ **8.11 Crores** (Previous year ₹ 8.31 Crores), comprising mainly of works contract tax reimbursement, interest free loan received from Government of Kerala as part of the fiscal incentives sanctioned for IREP and grants received for technology development.

NOTE 34 PROVISIONS

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Provision For Employee Benefits (Refer Note No. 50)	**2,558.44**	2,246.65
Provision For CSR Expenditure (Refer Note No. 58)	**45.96**	17.01
Others (Refer Note No. 57)*	**277.13**	376.66
Total	**2,881.53**	2,640.32

*Above includes deposits / claims made of ₹ **94.39 Crores** (Previous year ₹ 107.60 Crores) netted of against provisions.

NOTE 35 CURRENT TAX LIABILITIES (NET)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Current Tax Liabilities (Net of Taxes paid)	**1,415.95**	825.48
Total	**1,415.95**	825.48

NOTE 36 REVENUE FROM OPERATIONS

₹ in Crores

Particulars	2021-22	2020-2021
(A) (i) Sales		
Petroleum products*	**4,29,486.07**	2,96,923.35
Crude oil	**2,736.18**	3,889.32
	4,32,222.25	3,00,812.67
(ii) Subsidy from State Governments	**35.82**	17.05
	4,32,258.07	3,00,829.72
(B) Other operating revenues	**1,148.41**	1,043.44
Total	**4,33,406.48**	3,01,873.16

*The MoPNG, vide letter dated 30.04.2020 had conveyed to Oil Marketing Companies (OMCs) that a) In case, the Market Determined Price (MDP) is higher than the Effective Cost to Customer (ECC), the difference shall be transferred to consumers account via Direct Benefit Transfer of LPG (DBTL) Scheme and b) In case, where MDP is less than the ECC, the OMCs will retain the difference in a separate buffer account for future adjustment. However, as at 31st March 2022, the Corporation had a negative buffer of ₹ 2,672.33 Crores (after adjustment of uncompensated cost of ₹ 1,324.80 Crores for FY 2021-22) as the retail selling price was less than MDP and accordingly the revenue from sale of LPG was reduced by this amount.

NOTE 37 OTHER INCOME

₹ in Crores

Particulars	2021-22	2020-2021
Interest Income on		
Instruments measured at FVTPL	**331.20**	352.62
Instruments measured at amortised cost	**866.20**	824.50
Income Tax Refund	**56.19**	34.18
Dividend Income		
Dividend income - Subsidiaries, Joint Ventures and Associates	**289.75**	2,051.04
Dividend income from non-current equity instruments at FVOCI	**28.76**	17.19
Net gains on fair value changes of		
Instruments measured at FVTPL ^	**-**	78.68
Write back of liabilities no longer required	**19.72**	99.27
Reversal of allowance on doubtful debts and advances (net)	**91.88**	-
Gain on sale of Property Plant and Equipment / Non-current assets held for sale (net)	**3.41**	-
Net gains on foreign currency transactions and translations@		
Exchange Gains / (Losses) on foreign currency forwards and Principal Only Swap contracts	**-**	(7.39)
Exchange Gains/(Losses) on transactions and translations of other foreign currency assets and liabilities	**-**	207.14
Sub-Total	**-**	199.75
Others#	**725.31**	679.04
Total	**2,412.42**	4,336.27

^ Includes gain on sale of investments for previous year ₹ 3.58 Crores. Gains on sale of investments during the current year of ₹ **52.96 Crores** are grouped under Other Expenses along with Net losses on fair value changes of instruments measured at FVTPL.

@During current year net losses on foreign currency transactions and translations of ₹ **227.96 Crores** has been grouped under Other Expenses.

#Includes amortisation of capital grants ₹ **8.37 Crores** (Previous year : ₹ 10.41 Crores)

NOTE 38 COST OF MATERIALS CONSUMED

₹ in Crores

Particulars	2021-22	2020-2021
Opening stock	**5,664.78**	3,137.95
Add : Purchases	**1,43,811.42**	73,680.39
Less: Closing stock	**(10,767.74)**	(5,664.78)
Net Total	**1,38,708.46**	71,153.56

NOTE 39 PURCHASES OF STOCK-IN-TRADE

₹ in Crores

Particulars	2021-22	2020-2021
Petroleum products	**1,86,020.40**	1,23,660.66
Crude oil	**2,736.18**	3,889.32
Others	**329.22**	250.89
Total	**1,89,085.80**	1,27,800.87

NOTE 40 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

₹ in Crores

Particulars	2021-22	2020-2021
Value of opening stock of		
Finished goods	**11,624.90**	10,180.28
Stock-in-Trade	**6,932.01**	5,591.42
Work-in-progress	**1,573.68**	725.32
	20,130.59	16,497.02
Less : Value of closing stock of		
Finished goods	**12,682.48**	11,624.90
Stock-in-Trade	**8,889.52**	6,932.01
Work-in-progress	**2,847.32**	1,573.68
	24,419.32	20,130.59
Net (increase) / decrease in inventories of Finished goods, Stock-in-Trade and Work-in-progress	**(4,288.73)**	(3,633.57)

NOTE 41 EMPLOYEE BENEFITS EXPENSE

₹ in Crores

Particulars	2021-22	2020-2021
Salaries and Wages (Refer Note 47)	**2,427.14**	2,536.78
Contribution to Provident and Other funds (Refer Note 50)	**547.06**	498.84
Staff Welfare Expenses	**337.35**	662.72
Voluntary Retirement Scheme	**2.90**	778.83
Total Employee benefits expense	**3,314.45**	4,477.17

NOTE 42 FINANCE COSTS

₹ in Crores

Particulars	2021-22	2020-2021
Interest Expense*	**1,597.92**	1,552.30
Other Borrowing Costs	**26.65**	27.95
Exchange differences regarded as an adjustment to borrowing costs	**235.91**	(251.89)
Total	**1,860.48**	1,328.36

*Includes ₹ **619.62 Crores** (Previous year : ₹ 534.55 Crores) recognized during the year as interest cost against Lease Liabilities as per IND AS 116.

NOTE 43 OTHER EXPENSES

₹ in Crores

Particulars	2021-22	2021-22	2020-21	2020-21
Transportation		**7,759.61**		6,874.19
Irrecoverable Taxes and other levies		**1,433.46**		1,123.24
Repairs, maintenance, stores and spares consumption		**1,460.95**		1,179.33
Power and fuel	**8,243.22**		4,820.59	
Less: Consumption of fuel out of own production	**(5,269.10)**		(2,489.01)	
Power and fuel consumed (net)		**2,974.12**		2,331.58
Packages consumed		**210.52**		160.64
Net losses on fair value changes of				
Instruments measured at FVTPL ^		**10.04**		-
Derivatives measured at FVTPL		**490.61**		31.49
Office Administration, Selling and Other expenses				
Rent		**422.61**		128.61
Utilities		**333.21**		295.69
Terminalling and related expenses		**214.97**		210.50
Travelling and conveyance		**185.38**		141.97
Remuneration to auditors				
Audit fees	**0.70**		0.58	
Fees for other services - Certification	**0.44**		0.36	
Reimbursement of expenses	**0.04**		0.01	
Sub-Total		**1.18**		0.95
Bad debts and other write offs		**5.91**		8.85
Allowance for doubtful debts & advances (net)		**-**		285.22
Loss on sale of Property Plant and Equipment / non-current assets held for sale (net)		**-**		21.29
Net losses on foreign currency transactions and translations ^				
Exchange Losses / (Gains) on foreign currency forwards and Principal Only Swap contracts	**(2.54)**		-	
Exchange Losses / (Gains) on transactions and translations of ther foreign currency assets and liabilities	**230.50**		-	
Sub-Total		**227.96**		-
CSR Expenditure (Refer Note 58)		**166.73**		136.25
Impairment loss@		**30.30**		32.41
Others# $		**3,336.40**		2,654.25
Sub-Total - Office Administration, Selling and Other expenses		**4,924.65**		3,915.99
Total		**19,263.96**		15,616.46

^ Includes gain on sale of investments for current year ₹ **52.96 Crores.** Gains on sale of investments during the previous year of ₹ 3.58 Crores has been grouped under Other Income along with Net Gains on fair value changes of instruments measured at FVTPL.

*During previous year, Net gains on foreign currency transactions and translations of ₹ 199.75 Crores has been grouped under Other Income.

@ Includes Impairment Loss on Non-current assets held for sale of ₹ **16.22 Crores** (Previous Year : ₹ 32.41 Crores).

Includes provision for Capital Work in Progress of ₹ **395.98 Crores** (Previous Year : ₹ 3.47 Crores).

$ Includes ₹ **454.25 Crores** (Previous Year: NIL) towards first refill and hot plate given under Pradhan Mantri Ujjwala Yojana 2.0

NOTE 44

Cabinet Committee of Economic Affairs (CCEA) Government of India, in its meeting held on 20th November 2019, has accorded in-principle approval for strategic disinvestment of Government of India's Shareholding in the Corporation excluding BPCL's shareholding in Numaligarh Refinery Limited. The transaction of strategic disinvestment of Government of India's Shareholding in the Corporation is in process.

NOTE 45

As per the scheme of amalgamation of the erstwhile Kochi Refineries Limited (KRL) with the Corporation approved by the Government of India, 3,37,28,737 equity shares of the Corporation were allotted (in lieu of the shares held by the Corporation in the erstwhile KRL) to a Trust ("BPCL Trust for Investment in Shares") for the benefit of the Corporation in the Financial Year 2006-07. The Corporation made 1:1 Bonus issues in July 2012 and July 2016 and 1:2 bonus issue in July 2017. The Trust held 20,23,72,422 equity shares of the Corporation as at 1st April 2020.

During FY 2020-21, Corporation had announced BPCL Employee Stock Purchase Scheme (ESPS) 2020 and created "BPCL ESPS Trust" for the purpose of acquiring shares for allotting to eligible employees. Accordingly, "BPCL ESPS Trust" had purchased 4,33,79,025 Equity shares from "BPCL Trust for Investment in Shares" in October 2020. The proportionate cost of "BPCL Trust for Investment in Shares" was recognized as cost of shares held by "BPCL ESPS Trust".

Further during FY 2020-21, Corporation has sold 12,60,33,090 Equity Shares from "BPCL Trust for Investment in Shares" via Bulk Deal on Stock Exchange for Net Consideration of ₹ 5,511.79 Crores. Accordingly, Security Premium of ₹ 5,101.31 Crores was recognized after adjusting the corresponding cost of ₹ 410.48 Crores (including Face Value of Equity Shares of ₹ 126.03 Crores) under Total Equity. The "BPCL Trust for Investment in Shares" holds 3,29,60,307 equity shares of the Corporation as at 31st March 2022.

During FY 2021-22, Corporation has allotted 3,65,42,077 shares to eligible employees on exercise of options by employees under BPCL Employee Stock Purchase Scheme (ESPS) 2020. Accordingly, Security Premium of ₹ **1,204.88 Crores** was recognized after adjusting the corresponding cost of ₹ **119.01 Crores** (including Face Value of Equity Shares of ₹ 36.54 Crores) under Total Equity. "BPCL ESPS Trust" holds 68,36,948 equity shares of the Corporation as at 31st March 2022.

The cost of the original investment together with the additional contribution to the corpus of above trusts has been reduced from the Total Equity of the Corporation. To the extent of the face value of the shares, the same is reduced from the Paid up Share capital of the Corporation and the balance is reduced from Other Equity under separate reserves.

The income received from "BPCL Trust for Investment in Shares" and the impact on consolidation of "BPCL ESPS Trust" has been recognized directly under Other Equity of the Corporation.

The details of shares held by "BPCL Trust for Investment in Shares" and "BPCL ESPS Trust" and its corresponding cost adjustment in Total Equity is as under:

BPCL Trust for Investment in Shares	As at 31st March 2022			As at 31st March 2021		
	No. of shares	Corresponding Cost adjusted under Paid-up Share Capital ₹ in Crores	Corresponding Cost adjusted under Other Equity ₹ in Crores	No. of shares	Corresponding Cost adjusted under Paid-up Share Capital ₹ in Crores	Corresponding Cost adjusted under Other Equity ₹ in Crores
Opening Balance	**3,29,60,307**	**32.96**	**74.39**	20,23,72,422	202.37	456.74
Less: Sold to "BPCL ESPS Trust"	**-**	**-**	**-**	(4,33,79,025)	(43.38)	(97.90)
Less: Sold through Stock Exchange via Bulk Deal	**-**	**-**	**-**	(12,60,33,090)	(126.03)	(284.45)
Closing Balance	**3,29,60,307**	**32.96**	**74.39**	**3,29,60,307**	**32.96**	**74.39**

BPCL ESPS Trust	As at 31st March 2022			As at 31st March 2021		
	No. of shares	Corresponding Cost adjusted under Paid-up Share Capital ₹ in Crores	Corresponding Cost adjusted under Other Equity ₹ in Crores	No. of shares	Corresponding Cost adjusted under Paid-up Share Capital ₹ in Crores	Corresponding Cost adjusted under Other Equity ₹ in Crores
Opening Balance	**4,33,79,025**	**43.38**	**97.90**	-	-	-
Add: Purchased from "BPCL Trust for Investment in Shares"	**-**	**-**	**-**	4,33,79,025	43.38	97.90
Less: Shares issued on exercise of Employee Stock Options (Refer Note 55)	**(3,65,42,077)**	**(36.54)**	**(82.47)**	-	-	-
Closing Balance	**68,36,948**	**6.84**	**15.43**	**4,33,79,025**	**43.38**	**97.90**

NOTE 46

The Corporation has numerous transactions with other oil companies. The outstanding balances (included under Trade Payables / Trade Receivables etc.) to / from them and certain other outstanding credit and debit balances are subject to confirmation / reconciliation. Adjustments, if any, arising therefrom are not likely to be material on settlement and are accounted as and when ascertained.

NOTE 47

During FY 2021-22 the Corporation has provided for Pay Revision dues of non-management staff under Salaries and Wages amounting to ₹ **86.47 Crores** (Previous year: ₹ 151.10 Crores) based on the available information and judgement. Further during previous FY 2020-21, Corporation had finalized Pay Revision with some of the Employees / Employee Unions. Pay Revision with few of the Employee Unions is pending as at 31st March 2022.

NOTE 48 SERVICE CONCESSION ARRANGEMENTS

The Corporation has entered into service concession arrangements with entities supplying electricity ("The Regulator") to construct, own, operate and maintain a wind energy based electric power generating station ("Plant").

Under the terms of agreement, the Corporation will operate and maintain the Plant and sell electricity generated to Regulator for a period which covers the substantial useful life of the Plant which may be renewed for such further period as may be mutually agreed upon between the parties. The Corporation will be responsible for any maintenance services during the concession period.

The Corporation in turn has the right to charge the Regulator agreed rate as stated in the service concession arrangement.

The fair value towards the construction of the Plant has been recognized as an Intangible Asset and is amortized over the useful life of the asset or period of contract whichever is less.

NOTE 49 DISCLOSURES AS PER IND AS 116 LEASES

The Corporation enters into lease arrangements for land, godowns, office premises, staff quarters, third party operating plants, tank lorries, time charter vessels and others. Pursuant to Ministry of Corporate Affairs Notification dated 30th March 2019, Ind AS 116 "Leases" applicable w.e.f 1st April 2019 is adopted by the Corporation using modified retrospective method wherein, at the date of initial application, the lease liability is measured at the present value of remaining lease payments and Right-of-use asset has been recognized at an amount equal to lease liability adjusted by an amount of any prepaid expenses. Under Ind AS 116 "Leases", at commencement of lease, the Corporation recognizes Right-of-use asset and corresponding Lease Liability. Right-of-use asset is depreciated over lease term on systematic basis and Interest on lease liability is charged to Statement of Profit and Loss as Finance Cost.

A. Leases as Lessee

a) The following is the detailed breakup of Right-of-use assets (by class of underlying assets) included in Property, Plant and Equipment (Refer Note 2)

₹ in Crores

Particulars	Gross Block				Depreciation				Net Carrying Amount	
	As at 01/04/2021	Additions	Reclassifications / Deductions On Account Of Conclusion	As at 31/03/2022	Up to 31/03/2021	For the Year	Reclassifications / Deductions On Account Of Conclusion	Up to 31/03/2022	As at 31/03/2022	As at 31/03/2021
Land	4,413.30	474.84	29.69	4,858.45	326.93	195.26	6.93	515.26	4,343.19	4,086.37
Buildings including Roads	162.13	7.74	107.38	62.49	49.28	30.84	64.29	15.83	46.66	112.85
Plant and Equipments	4,757.09	52.76	-	4,809.85	405.16	293.74	-	698.90	4,110.95	4,351.93
Tanks and Pipelines	26.61	5.00	0.50	31.11	9.47	9.19	0.27	18.39	12.72	17.14
Vehicles	0.18	-	0.18	-	0.16	0.02	0.18	-	-	0.02
Cargo Ships	-	603.54	-	603.54	-	69.12	-	69.12	534.42	-
Total	**9,359.31**	**1,143.88**	**137.75**	**10,365.44**	**791.00**	**598.17**	**71.67**	**1,317.50**	**9,047.94**	**8,568.31**
Previous Year	7,227.66	2,147.97	16.32	9,359.31	377.71	416.58	3.29	791.00	8,568.31	-

b) The following expenses have been charged to Statement of Profit and Loss during the year

₹ in Crores

Particulars	2021-22	2020-21
Interest on Lease Liabilities	619.62	534.55
Expenses relating to short term leases	1,367.17	1,323.00
Expenses relating to leases of low value items	6.30	3.52
Expenses relating to variable lease payments (not included in measurement of lease liabilities)	5,468.86	4,791.35

NOTE 49 DISCLOSURES AS PER IND AS 116 LEASES (CONTD.)

c) Total Cash outflow for leases during FY 2021-22 is ₹ **7,472.67 Crores** (Previous year ₹ 6,713.02 Crores)

d) Income from Sub leasing of Right-of-use assets recognised in Statement of Profit and Loss during FY 2021-22 is ₹ **3.51 Crores** (Previous year ₹ 3.20 Crores)

e) Maturity Analysis of Lease Liabilities as per Ind AS 116 Leases

₹ in Crores

As at 31st March 2022	Contractual Cash Flows				
	Up to 1 year	1-3 years	3-5 years	More than 5 years	Total
Undiscounted Cash outflows	**1,157.17**	**1,903.93**	**1,686.78**	**11,408.50**	**16,156.38**

₹ in Crores

As at 31st March 2021	Contractual Cash Flows				
	Up to 1 year	1-3 years	3-5 years	More than 5 years	Total
Undiscounted Cash outflows	808.11	1,630.10	1,596.33	11,325.47	15,360.01

B. Leases as Lessor

Operating Leases

a) The Corporation enters into operating lease arrangements in respect of lands, commercial spaces, storage and distribution facilities etc. The details are as follows:

As at 31st March 2022

₹ in Crores

Particulars	Freehold Land	Buildings	Plant and Equipments	Tanks & Pipelines	Furnitures and Fixtures	Office Equipment	Railway Sidings	Vehicles	ROU Assets
Gross Carrying Amount	**26.26**	**157.26**	**116.20**	**359.82**	**7.70**	**14.04**	**71.98**	**-**	**0.89**
Accumulated depreciation	**-**	**34.66**	**49.52**	**100.46**	**5.90**	**8.30**	**40.01**	**-**	**0.23**
Depreciation for the year	**-**	**5.58**	**3.90**	**15.45**	**0.16**	**1.94**	**6.10**	**-**	**0.09**

As at 31st March 2021

₹ in Crores

Particulars	Freehold Land	Buildings	Plant and Equipments	Tanks & Pipelines	Furnitures and Fixtures	Office Equipment	Railway Sidings	Vehicles	ROU Assets
Gross Carrying Amount	27.11	178.50	114.66	341.94	7.42	14.03	71.98	0.03	0.91
Accumulated depreciation	-	35.73	45.65	85.00	5.70	6.34	33.91	0.01	0.17
Depreciation for the year	-	6.37	4.53	14.67	0.22	2.29	6.10	0.00	0.07

b) Income earned from Operating Leases recognised in Statement of Profit and Loss during FY 2021-22 is ₹ **52.61 Crores** (Previous year ₹ 52.32 Crores) [Of which Variable lease payments that do not depend on index or rate is ₹ **7.50 Crores** (Previous year ₹ 7.61 Crores)]

c) The maturity analysis of lease payments receivable under operating leases is as follows :-

As at 31st March 2022

₹ in Crores

Particulars	Within 1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	> 5 years	Total
Undiscounted Lease Payments receivable	**27.52**	**27.41**	**27.48**	**7.90**	**1.51**	**3.53**	**95.35**

As at 31st March 2021

₹ in Crores

Particulars	Within 1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	> 5 years	Total
Undiscounted Lease Payments receivable	26.76	26.28	26.29	26.29	6.65	1.76	114.03

NOTE 50 EMPLOYEE BENEFITS

[A] Post Employment Benefit Plans:

Defined Contribution Scheme

Defined Contribution Scheme (DCS) was introduced effective from 1st Jan 2007. Corporation contributes at a defined percentage of the employee salary out of the total entitlements on account of superannuation benefits under this scheme.

Corporation has GOI managed PFRDA NPS for its employees and is contributing up to 10% of the salary from the above defined percentage to the NPS for the staff who have enrolled under the scheme. The remaining contribution after the PFRDA NPS contribution is made to a separate Trust managed by the Corporation.

₹ in Crores

Amount recognized in the Statement of Profit and Loss	2021-22	2020-21
Defined Contribution Scheme	285.57	270.89

Defined Benefit Plans

The Corporation has the following Defined Benefit Plans :-

Gratuity:

The Corporation has a Defined Benefit Gratuity plan managed by a Trust. Trustees administer the contributions made to the Trust, investments thereof etc. Based on actuarial valuation, the contribution is paid to the trust which is invested in plan assets as per the investment pattern prescribed by the Government. Gratuity is paid to a staff member who has put in a minimum qualifying period of 5 years of continuous service, on superannuation, resignation, termination or to his nominee on death.

Other Defined Benefits include:

(a) Post Retirement Medical Scheme (managed by a Trust) for employees, spouse, dependent children and dependent parents;

(b) Pension / Ex-Gratia scheme to the retired employees who are entitled to receive the monthly pension / ex-gratia for life;

(c) Death in service / Permanent Disablement benefit given to the spouse of the employee / employee, provided the deceased's family / disabled employee deposits with the Corporation, retirement dues such as Provident Fund, Gratuity, Leave Encashment etc., payable to them;

(d) Resettlement allowance paid to employees to permanently settle down at the time of retirement;

(e) Felicitation benefits to retired employees on reaching the age related milestones; and

(f) The Corporation makes contribution towards Provident Fund, which is administered by the trustees. The Corporation has an obligation to fund any shortfall on the yield of the trust's investments over the interest rates declared by the Government under EPF scheme.

These defined benefit plans expose the Corporation to actuarial risks, such as longevity risk, interest rate risk, and market (investment) risk.

NOTE 50 EMPLOYEE BENEFITS (CONTD.)

Movement in net defined Benefit (asset)/ liability

₹ in Crores

Particulars	Gratuity Funded		Post Retirement Medical-Funded		Ex-Gratia Scheme Funded	Ex-Gratia Scheme Non-Funded
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
a) Reconciliation of balances of Defined Benefit Obligations.						
Defined Obligations at the beginning of the year	**808.72**	1,071.90	**1,725.13**	1,502.66	**663.02**	375.47
Interest Cost	**55.15**	73.64	**119.21**	102.33	**45.81**	25.57
Current Service Cost	**13.19**	15.35	**46.92**	52.92	**7.49**	5.95
Past Service Cost	**90.82**	23.64	**(102.44)**	56.89	**-**	272.08
Benefits paid	**(106.37)**	(361.20)	**(85.32)**	(57.24)	**(46.37)**	(28.67)
Actuarial (Gains)/ Losses on obligations						
- Changes in Demographic Assumptions	**(1.12)**	-	**(4.58)**	179.73	**2.12**	52.90
- Changes in financial Assumptions	**(27.15)**	2.82	**12.17**	(26.26)	**(19.70)**	(5.48)
- Experience adjustments	**8.76**	(17.43)	**100.98**	(85.90)	**(9.97)**	(34.80)
Defined Obligations at the end of the year	**842.00**	808.72	**1,812.07**	1,725.13	**642.40**	663.02
b) Reconciliation of balances of Fair Value of Plan Assets						
Fair Value at the beginning of the year	**869.16**	807.79	**1,800.19**	1,693.02	**-**	-
Interest income (i)	**59.28**	55.50	**124.39**	115.29	**-**	-
Return on Plan Assets, excluding interest income(ii)	**10.95**	5.87	**15.58**	43.63	**4.07**	-
Actual Return on Plan assets (i+ii)	**70.23**	61.37	**139.97**	158.92	**4.07**	-
Contribution by employer	**-**	-	**56.88**	5.49	**235.30**	-
Contribution by employee	**-**	-	**1.57**	-	**-**	-
Benefits paid	**(96.94)**	-	**(85.32)**	(57.24)	**(43.11)**	-
Fair Value of Plan Assets at the end of the year	**842.45**	869.16	**1,913.29**	1,800.19	**196.26**	-
c) Liability/(Asset) recognized in Balance sheet (a-b)	**(0.45)**	(60.44)	**(101.22)**	(75.06)	**446.14**	663.02
d) Amount recognized in Statement of Profit and Loss						
Current Service Cost	**13.19**	15.35	**46.92**	52.92	**7.49**	5.95
Past Service Cost	**90.82**	23.64	**(102.44)**	56.89	**-**	272.08
Interest Cost	**55.15**	73.64	**119.21**	102.33	**45.81**	25.57
Interest income	**(59.28)**	(55.50)	**(124.39)**	(115.29)	**-**	-
Contribution by employee	**-**	-	**(1.57)**	-	**-**	-
Expenses for the year	**99.88**	57.13	**(62.27)**	96.85	**53.30**	303.60

NOTE 50 EMPLOYEE BENEFITS (CONTD.)

₹ in Crores

Particulars	Gratuity Funded		Post Retirement Medical-Funded		Ex-Gratia Scheme Funded	Ex-Gratia Scheme Non-Funded
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
e) Amount recognized in Other Comprehensive Income Remeasurements :						
Actuarial (Gains)/ Losses						
- Changes in Demographic Assumptions	**(1.12)**	-	**(4.58)**	179.73	**2.12**	52.90
- Changes in financial assumptions	**(27.15)**	2.82	**12.17**	(26.26)	**(19.70)**	(5.48)
- Experience adjustments	**8.76**	(17.43)	**100.98**	(85.90)	**(9.97)**	(34.80)
Return on plan assets excluding net interest cost	**(10.95)**	(5.87)	**(15.58)**	(43.63)	**(4.07)**	-
Total	**(30.46)**	(20.48)	**92.99**	23.94	**(31.62)**	12.62
f) Major Actuarial Assumptions						
Discount Rate (%)	**7.25**	6.82	**7.40**	6.91	**7.29**	6.91
Salary Escalation (%)	**8.00**	8.00	**NA**	NA	**NA**	NA
Expected Return on Plan assets (%)	**7.25**	6.82	**7.40**	6.91	**7.29**	NA
g) Investment pattern for Fund						
Category of Asset						
Government of India Securities (%)	**15.20**	15.77	**18.76**	19.81	**-**	-
Corporate Bonds (%)	**1.78**	2.49	**42.57**	49.56	**-**	-
Insurer Managed funds (%)	**82.43**	81.14	**-**	-	**-**	-
State Government Securities (%)	**-**	-	**32.63**	25.95	**-**	-
Others (%)	**0.59**	0.60	**6.04**	4.68	**100.00**	-
Total (%)	**100.00**	100.00	**100.00**	100.00	**100.00**	-

The estimates for future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors.

The expected return on plan assets is based on market expectation at the beginning of the period, for returns over the entire life of the related obligations.

For the funded plans, the trust maintains appropriate fund balance considering the analysis of maturities. Projected Unit Credit method is adopted for Asset-Liability Matching.

Provision in respect of pay revision dues as mentioned in Note 47 is over and above the amounts recognized herein.

In respect of investments made by PRMB Trust, total Provision as at 31st March 2022 was ₹ **25.50 Crores** (as at 31st March 2021: ₹ 35 Crores).

During FY 2021-22, Past Service cost is recognized in respect of Gratuity and Post Retirement Medical Benefits for the benefit payable in future after DA reaching the specified limit and an amendment in the member eligibility criteria of the scheme, respectively.

Further for FY 2020-21, Past Service cost is recognized in respect of Gratuity and Post Retirement Medical Benefits as there was an enhancement of Post employement benefits on account of Voluntary Retirement Scheme. Also, Past Service cost was recognized in respect of Monthly Ex-Gratia Scheme as there was an upward revision in benefits under the scheme.

NOTE 50 EMPLOYEE BENEFITS (CONTD.)

Movement in net defined benefit (assest) / liability

₹ in Crores

Particulars	Death / Permanent disablement- Non Funded		Re-settlement Allowance- Non Funded		Burmah Shell Pension- Non Funded		Felicitation Scheme- Non Funded	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
a) Reconciliation of balances of Defined Benefit Obligations.								
Defined Obligations at the beginning of the year	**12.75**	12.34	**9.28**	12.75	**64.32**	72.14	**78.58**	79.70
Interest Cost	**0.77**	0.77	**0.63**	0.88	**4.03**	4.64	**5.43**	5.43
Current Service Cost	-	-	**1.94**	3.01	-	-	**1.53**	1.88
Past Service Cost	-	-	-	(0.87)	-	-	-	-
Benefits paid	**(7.74)**	(7.05)	**(2.38)**	(4.99)	**(12.39)**	(13.55)	**(2.38)**	(2.19)
Actuarial (Gains)/ Losses on obligations								
- Changes in Demographic Assumptions	-	-	**0.19**	-	-	(1.32)	**0.03**	6.80
- Changes in Financial Assumptions	**(0.10)**	0.51	**(0.54)**	0.03	**(0.69)**	0.33	**(3.51)**	(0.75)
- Experience adjustments	**4.19**	6.18	**7.48**	(1.53)	**(1.88)**	2.08	**(8.10)**	(12.29)
Defined Obligations at the end of the year	**9.87**	12.75	**16.60**	9.28	**53.39**	64.32	**71.58**	78.58
b) Liability/(Asset) recognized in Balance sheet	**9.87**	12.75	**16.60**	9.28	**53.39**	64.32	**71.58**	78.58
c) Amount recognized in Statement of Profit and Loss								
Current Service Cost	-	-	**1.94**	3.01	-	-	**1.53**	1.88
Past Service Cost	-	-	-	(0.87)	-	-	-	-
Interest Cost	**0.77**	0.77	**0.63**	0.88	**4.03**	4.64	**5.43**	5.43
Expenses for the year	**0.77**	0.77	**2.57**	3.02	**4.03**	4.64	**6.96**	7.31
d) Amount recognized in Other Comprehensive Income Remeasurements :								
Actuarial (Gains)/ Losses								
- Changes in Demographic Assumptions	-	-	**0.19**	-	-	(1.32)	**0.03**	6.80
- Changes in Financial assumptions	**(0.10)**	0.51	**(0.54)**	0.03	**(0.69)**	0.33	**(3.51)**	(0.75)
- Experience adjustments	**4.19**	6.18	**7.48**	(1.53)	**(1.88)**	2.08	**(8.10)**	(12.29)
Total	**4.09**	6.69	**7.13**	(1.50)	**(2.57)**	1.09	**(11.58)**	(6.24)
e) Major Actuarial Assumptions								
Discount Rate (%)	**6.09**	6.06	**7.25**	6.82	**6.70**	6.26	**7.40**	6.91

For FY 2020-21, Past Service cost was recognised in respect of Resettlement Scheme as there was an enhancement of Post employement benefits on account of Voluntary Retirement Scheme.

NOTE 50 EMPLOYEE BENEFITS (CONTD.)

Sensitivity analysis

Sensitivity analysis for significant actuarial assumptions, showing how the defined benefit obligation would be affected, considering increase/decrease of 1% as at 31st March 2022 is as below:

₹ in Crores

Particulars	Gratuity - Funded	Post Retirement Medical - Funded	Exgratia scheme- Funded	Death/ Permanent Disablement- Non funded	Resettlement allowance- Non funded	Burmah shell Pension- Non Funded	Felicitation Scheme - Non Funded
+ 1% change in rate of Discounting	**(56.78)**	**(209.19)**	**(46.54)**	**(3.05)**	**(1.11)**	**(1.50)**	**(6.29)**
- 1% change in rate of Discounting	**66.03**	**259.10**	**54.59**	**3.33**	**1.30**	**1.61**	**7.51**
+ 1% change in rate of Salary increase	**12.13**	**-**	**-**	**-**	**-**	**-**	**-**
- 1% change in rate of Salary increase	**(14.26)**	**-**	**-**	**-**	**-**	**-**	**-**

Sensitivity analysis for significant actuarial assumptions, showing how the defined benefit obligation would be affected, considering increase/decrease of 1% as at 31st March 2021 is as below:

₹ in Crores

Particulars	Gratuity- Funded	Post Retirement Medical- Funded	Exgratia scheme- Funded	Death / Permanent Disablement- Non funded	Resettlement allowance- Non funded	Burmah shell Pension- Non Funded	Felicitation Scheme- Non Funded
+ 1% change in rate of Discounting	(52.43)	(229.44)	(50.16)	(2.77)	(0.63)	(1.89)	(6.81)
- 1% change in rate of Discounting	61.16	296.36	59.16	2.98	0.73	2.03	8.20
+ 1% change in rate of Salary increase	9.54	-	-	-	-	-	-
- 1% change in rate of Salary increase	(11.59)	-	-	-	-	-	-

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation keeping all other actuarial assumptions constant.

The expected future cash flows as at 31st March 2022 are as follows:

₹ in Crores

Particulars	Gratuity - Funded	Post Retirement Medical - Funded	Exgratia scheme- Funded	Death/ Permanent Disablement- Non funded	Resettlement allowance- Non funded	Burmah shell Pension- Non Funded	Felicitation Scheme - Non Funded
Projected benefits payable in future years from the date of reporting							
1st following year	**95.35**	**99.53**	**46.42**	**5.76**	**2.04**	**5.76**	**3.33**
2nd following year	**59.42**	**114.97**	**46.68**	**2.28**	**1.05**	**8.40**	**2.70**
3rd following year	**85.57**	**122.50**	**46.87**	**1.90**	**1.87**	**7.02**	**3.63**
4th following year	**78.92**	**130.92**	**46.82**	**1.68**	**1.74**	**5.80**	**3.77**
5th following year	**81.16**	**139.65**	**46.49**	**1.40**	**1.47**	**4.74**	**4.05**
Years 6 to 10	**380.31**	**849.05**	**226.02**	**3.57**	**7.40**	**12.66**	**28.36**

NOTE 50 EMPLOYEE BENEFITS (CONTD.)

Other details as at 31st March 2022

Particulars	Gratuity - Funded	Post Retirement Medical - Funded	Exgratia scheme- Funded	Death/ Permanent Disablement- Non funded	Resettlement allowance- Non funded	Burmah shell Pension- Non Funded	Felicitation Scheme - Non Funded
Weighted average duration of the Projected Benefit Obligation(in years)	9.00	13.92	8.87	6.00	9.00	4.00	10.64
Prescribed contribution for next year (₹ in Crores)	-	-	446.14	-	-	-	-
Mortality Table							
-During Employment	Indian Assured Lives Mortality 2012-14 (Urban)						
-After Employment	Indian Individual AMT (2012-15) Ultimate						

[B] Provident Fund:

The Corporation's contribution to the Provident Fund is remitted to a separate trust established for this purpose based on a fixed percentage of the eligible employees' salary and charged to Statement of Profit and Loss. Shortfall, if any, in the fund revenues based on the EPFO specified rate of return, will need to be made good by the Corporation and is charged to Statement of Profit and Loss. The actual return earned by the fund has mostly been higher than the EPFO specified minimum rate of return in the past two years. During FY 2021-22, Corporation has paid an advance of ₹ 124 Crores towards provision of default securities. The Fund balance is sufficient to meet the fund obligations as at 31st March 2022 and 31st March 2021.

The details of fund obligations are given below:

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Present Value of benefit obligation	5,044.81	4,860.26

NOTE 51 RELATED PARTY TRANSACTIONS

a) Names of the Related parties

I Joint Venture & Associate Companies

1 Indraprastha Gas Limited
2 Bharat Oman Refineries Limited (became Wholly-Owned subsidiary w.e.f. 30th June 2021)
3 Petronet India Limited *
4 Petronet CI Limited *
5 Petronet LNG Limited (including Petronet Energy Limited)
6 Maharashtra Natural Gas Limited
7 Central UP Gas Limited
8 Sabarmati Gas Limited
9 Bharat Stars Services Private Limited (Including Bharat Stars Services (Delhi) Private Limited)
10 Bharat Renewable Energy Limited *
11 Matrix Bharat Pte. Ltd.
12 Delhi Aviation Fuel Facility Private Limited
13 Kannur International Airport Limited
14 GSPL India Gasnet Limited
15 GSPL India Transco Limited
16 Mumbai Aviation Fuel Farm Facility Private Limited
17 Kochi Salem Pipeline Private Limited
18 BPCL-KIAL Fuel Farm Private Limited
19 Haridwar Natural Gas Private Limited
20 Goa Natural Gas Private Limited
21 FINO Paytech Limited (including Fino Payments Bank)
22 Ratnagiri Refinery and Petrochemicals Limited
23 Ujjwala Plus Foundation (Section 8 Company)
24 IBV (Brasil) Petroleo Ltda.
25 Taas India Pte Ltd
26 Vankor India Pte Ltd
27 Falcon Oil & Gas B.V.
28 Mozambique LNG1 Company Pte Ltd
29 Mozambique LNG1 Holding Company Ltd
30 Mozambique LNG1 Financing Company Ltd.
31 Moz LNG1 Co. Financing Company, LDA
32 LLC TYNGD
33 JSC Vankorneft
34 Urja Bharat Pte. Ltd.
35 DNP Limited ^
36 Brahmaputra Cracker and Polymer Limited ^
37 Assam Bio Refinery (P) Ltd. ^
38 Indradhanush Gas Grid Limited ^
39 IHB Limited

* Companies in the process of winding up

^ These are Joint Venture and Associates of Numaligarh Refinery Limited which has ceased to be Subsidiary of the Corporation w.e.f. 26th March 2021.

II Retirement Benefit Fund/ Trusts

1 Indian Provident Fund of BPCL
2 Pension Fund of BPCL
3 BPCL Employees Post Retirement Medical Benefits Trust
4 Gratuity Fund of BPCL
5 BPCL Monthly Ex-Gratia Trust

III Key Management Personnel

1 Shri Arun Kumar Singh, Chairman & Managing Director (w.e.f. 07.09.2021). He is holding additional charge of Director (Marketing)
2 Shri Vetsa Ramakrishna Gupta, Director (Finance) (w.e.f. 07.09.2021) He is holding additional charge of Director (Human Resources).
3 Shri Sanjay Khanna, Director (Refineries) (w.e.f. 22.02.2022)
4 Shri D. Rajkumar, Chairman & Managing Director (Up to 31.08.2020)
5 Shri R. Ramachandran, Director (Refineries) (Up to 31.08.2020)
6 Shri N. Vijayagopal, Director (Finance) (Up to 31.07.2021)
7 Shri K. Padmakar, Director (Human Resources) (Up to 31.12.2021)
8 Smt. V. Kala, Company Secretary
9 Shri Harshadkumar P. Shah, Independent Director
10 Shri Pradeep Vishambhar Agrawal, Independent Director (w.e.f. 12.11.2021)
11 Shri Ghanshyam Sher, Independent Director (w.e.f. 12.11.2021)
12 Dr. (Smt) Aiswarya Biswal, Independent Director (w.e.f. 12.11.2021)
13 Prof. (Dr.) Bhagwati Prasad Saraswat, Independent Director (w.e.f. 12.11.2021)
14 Shri Gopal Krishna Agarwal, Independent Director (w.e.f. 12.11.2021)
15 Shri Vinay Sheel Oberoi, Independent Director (Up to 09.04.2020)
16 Shri Gudey Srinivas, Govt. Nominee Director (w.e.f. 13.10.2021)
17 Shri Suman Billa, Govt. Nominee Director (w.e.f. 16.03.2022)
18 Shri Rajesh Aggarwal, Govt. Nominee Director (Up to 22.09.2021)
19 Dr. K. Ellangovan, Govt. Nominee Director (Up to 31.01.2022)

b) The nature wise transactions and outstanding at period end with the above Joint Ventures and Associates are as follows:

₹ in Crores

S.No.	Nature of Transactions	2021-22 *	2020-21
1	Purchase of goods (i)	21,595.30	41,585.44
2	Sale of goods (ii)	691.00	3,283.53
3	Rendering of Services	75.52	134.24
4	Receiving of Services	247.90	347.08
5	Interest Income	29.64	114.39
6	Dividend Income	289.75	350.23
7	Investment in Equity	432.58	528.53
8	Loan Given	-	15.00
9	Management Contracts (Employees on deputation / consultancy services)	18.79	35.69
10	Lease Rentals Income	8.57	31.49
11	Proceeds from reduction in Equity Investment	-	12.71
12	Lease Rentals and other charges paid	-	0.10
13	Refundable deposit given	4.02	0.01
14	Deposit refund received	0.02	0.01
15	Advance against Equity	195.54	0.54
16	Provision for Advance against Equity at year end	0.54	0.54
17	Reduction in Financial Guarantee	-	633.24
18	Receivables as at year end	76.52	1,365.29
19	Advance given outstanding at year end	106.60	177.52
20	Payables as at year end	532.72	1,999.23
21	Advance received outstanding at year end	0.12	0.12
22	Commitments	250.00	3.62
23	Guarantee Outstanding	752.00	752.00

* W.e.f from 30th June 2021, Bharat Oman Refineries Limited (BORL) has become a Wholly Owned Subsidiary of the Corporation, accordingly transactions with BORL have been included to the extent of April-June 2021.

(i) Major transactions entered with BORL: ₹ 11,782.27 Crores (Previous period ₹ 35,854.25 Crores), Petronet LNG Limited: ₹ 6,256.77 Crores (Previous period: ₹ 3,899.76 Crores), Falcon Oil And Gas B.V.: ₹ 2,298.37 Crores (Previous period: ₹ 891.05 Crores)

(ii) Major transactions entered with BORL: ₹ 2.49 Crores (Previous period ₹ 2,801.05 Crores), Indraprastha Gas Limited: ₹ 309.15 Crores (Previous period: ₹ 287.53 Crores), Sabarmati Gas Ltd.: ₹ 379.32 Crores (Previous period: ₹ 191.82 Crores)

The outstanding balances are unsecured and are being settled in cash except advance against equities which are settled in equity.

c) In the ordinary course of its business, the Corporation enters into transactions with other Government controlled entities (not included in the list above). The Corporation has transactions with other Government-controlled entities, including but not limited to the following:

- Sales and purchases of goods and ancillary materials;
- Rendering and receiving of services;
- Receipt of dividends;
- Loans and advances;
- Depositing and borrowing money;
- Guarantees; and
- Uses of public utilities.

These transactions are conducted in the ordinary course of business on terms comparable to those with other entities that are not government controlled entities.

Further, during FY 2020-21 entire Investment in Equity Shares of Numaligarh Refinery Limited have been sold to a consortium of Oil India Limited and Engineers India Limited; and Government of Assam for a total consideration of ₹ 9,875.96 Crores.

d) Details relating to the personnel referred to in Item No. III above:

₹ in Crores

Particulars	2021-22	2020-21
Short-term employee benefits	**3.96**	3.25
Post-employment benefits	**0.67**	0.73
Other long-term benefits	**0.77**	0.89
Share Based Payment	**0.06**	0.57
Others (including sitting fees to non-executive directors)	**0.35**	0.15

e) The transactions and outstanding at period end with Retirement Benefit Fund / Trust are as follows:

₹ in Crores

Particulars	2021-22	2020-21
Contribution to Retirement Benefit Funds / Trusts	**455.16**	542.87
Advance given outstanding to Retirement Benefit Funds / Trusts	**101.67**	135.50
Contribution payable to Retirement Benefit Funds / Trusts	**512.32**	76.87

NOTE 52 DUES FROM DIRECTORS / OFFICERS

Dues from Directors is ₹ **0.04 Crores** (Previous year: ₹ 0.10 Crores) and Dues from Officers is ₹ **4.31 Crores** (Previous year: ₹ 6.00 Crores).

NOTE 53

In compliance with Ind AS – 27 'Separate Financial Statements', the required information is as under:

Particulars	Principal place of Business / Country of Incorporation	Percentage of ownership Interest	
		As at 31/03/2022	**As at 31/03/2021**
Subsidiaries			
Bharat Oman Refineries Limited *	India	**100.00%**	63.38%
Bharat Gas Resources Limited	India	**100.00%**	100.00%
Bharat PetroResources Limited	India	**100.00%**	100.00%
Joint Ventures and associates			
Indraprastha Gas Limited	India	**22.50%**	22.50%
Petronet India Limited ^	India	**16.00%**	16.00%
Petronet CI Limited ^	India	**11.00%**	11.00%
Petronet LNG Limited	India	**12.50%**	12.50%
Central UP Gas Limited	India	**25.00%**	25.00%
Maharashtra Natural Gas Limited	India	**22.50%**	22.50%
Sabarmati Gas Limited	India	**49.94%**	49.94%
Bharat Stars Services Private Limited	India	**50.00%**	50.00%
Bharat Renewable Energy Limited ^	India	**33.33%**	33.33%
Matrix Bharat Pte. Ltd.	Singapore	**50.00%**	50.00%
Delhi Aviation Fuel Facility Private Limited	India	**37.00%**	37.00%
Kannur International Airport Limited	India	**16.20%**	16.20%
GSPL India Gasnet Limited	India	**11.00%**	11.00%
GSPL India Transco Limited	India	**11.00%**	11.00%
Mumbai Aviation Fuel Farm Facility Private Limited	India	**25.00%**	25.00%
Kochi Salem Pipeline Private Limited	India	**50.00%**	50.00%
BPCL-KIAL Fuel Farm Private Limited	India	**74.00%**	74.00%
Haridwar Natural Gas Private Limited	India	**50.00%**	50.00%
Goa Natural Gas Private Limited	India	**50.00%**	50.00%
FINO Paytech Limited	India	**20.89%**	20.73%
Ratnagiri Refinery and Petrochemicals Limited	India	**25.00%**	25.00%
IHB Limited	India	**25.00%**	25.00%

Notes:

* During FY 2021-22 the Corporation acquired 88,86,13,336 equity shares from Joint Venture Partner OQ S.A.O.C. (formerly known as Oman Oil Company S.A.O.C.) ("OQ"), of Bharat Oman Refinery Limited(BORL), constituting 36.62% of the equity share capital, for a consideration of ₹ **2,399.26 Crores.** BORL has become a Wholly Owned Subsidiary of the Corporation w.e.f. 30th June 2021 [Refer Note 68 (II)]

^ Companies in the process of winding up.

Further, Ujjwala Plus Foundation is a Joint Venture of IOCL, BPCL and HPCL with fund contribution in the ratio of 50:25:25 respectively which was incorporated as a limited by guarantee company (without share capital) under Section 8 of Companies Act, 2013.

NOTE 54 EARNINGS PER SHARE (EPS)

Sr. No	Particulars	2021-22	2020-21
i.	**Profit attributable to equity holders of the Corporation for basic and diluted earnings per equity share (₹ in Crores)**	**8,788.73**	19,041.67
ii.	**Weighted average number of ordinary shares for Basic EPS**		
	Issued ordinary shares as at 1st April (In Crores)	**216.93**	216.93
	Less : Weighted average no. of shares held by “BPCL Trust for Investment in Shares” (In Crores)	**(3.30)**	(17.57)
	Less : Weighted average No. of Shares held by “BPCL ESPS Trust” (In Crores)	**(0.88)**	(1.91)
	Weighted average number of shares for calculating Basic EPS (In Crores)	**212.75**	197.45
iii.	**Weighted average number of ordinary shares for Diluted EPS**		
	Weighted average number of shares for calculating Basic EPS (In Crores)	**212.75**	197.45
	Total Weighted average Potential Equity Shares* (In Crores)	**-**	0.65
	Weighted average number of shares for calculating Diluted EPS (In Crores)	**212.75**	198.10
iv.	**Basic EPS (₹)**	**41.31**	96.44
v.	**Diluted EPS (₹)**	**41.31**	96.12

*Diluted Impact of Employee Share Based Payment Scheme.

NOTE 55 SHARE BASED PAYMENT

(a) Employee Option Plan

The Corporation had floated an Employee Stock Purchase Scheme (“Scheme”) on 28th September 2020 (Grant Date) after taking Shareholders' approval in the Annual General Meeting held on 28th September 2020, giving the background of proposed disinvestment by the Government of India (“GOI”). As a recognition of contribution of employees in growth of the Corporation and increase in shareholders’ value, the Scheme as a primary objective seeks to reward eligible employees for their loyalty/longevity with the Corporation. The Scheme was named as "BPCL Employee Stock Purchase Scheme-2020" ("ESPS" / "Scheme"). The above scheme also covered the employees who had opted for Voluntary Retirement Scheme (VRS) during the previous FY 2020-21.

As per Vesting Condition of the Scheme, the employee had to render services till the date of share transfer or retirement (including VRS) or Death in Service whichever is earlier. In view of the above, the scheme was accounted as Employee Stock Option Scheme, in line with the applicable Ind AS.

Each option converts into one equity share of the Corporation upon exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. These options were vested and exercised on 20th April 2021. All options which remain unexercised during the year have lapsed.

The share-based payments (options) to employees being equity-settled instruments are measured at the fair value of the equity instruments of the Corporation at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Corporation’s estimate of equity instruments that will eventually vest, with a corresponding increase in Total Equity.

NOTE 55 SHARE BASED PAYMENT (CONTD.)

(b) Movement during the period

The number and Weighted Average Exercise Prices (WAEP) of the options and movement during the period is as follows:

Particulars	2021-22		2020-21	
	Number of options	WAEP (in ₹)	Number of options	WAEP (in ₹)
Opening balance	**3,96,36,732**	**126.54**	-	-
Granted during the period	-	-	4,33,79,025	126.54
Exercised during the period	**(3,65,42,077)**	**126.54**	-	-
Forfeited during the period	**(37,175)**	**126.54**	(1,69,775)	126.54
Expired during the period	**(30,57,480)**	**126.54**	(35,72,518)	126.54
Closing balance	-	-	3,96,36,732	126.54
Exercisable at period end	-	-	-	-

Weighted average remaining contractual life of options outstanding as at 31st March 2022 is **NIL** days (as at 31st March 2021: 20 days) and the exercise price is ₹ 126.54 per option.

(c) Fair value of options granted

The model inputs used in the measurement of grant date fair value are as follows:

Particulars	BPCL ESPS Scheme 2020
Option pricing model used	**Black Scholes Merton formula**
Fair Value of options on Grant Date	**₹ 235.77**
Share Price on Grant Date	**₹ 385.15**
Exercise price	**₹ 126.54**
Dividend Yield	**6.13%**
Expected Volatility*	**45.00%**
Risk free interest rate	**3.63%**
Expected life of share options	**0.56 Years**

* The expected volatility is based on the historic volatility of the share price.

(d) Expense arising from share based payment transactions

Total expense of ₹ **77.06 Crores** (Previous year : ₹ 940.72 Crores) arising from share based payment transactions is recognized in Statement of Profit and Loss as an exceptional item.

NOTE 56 IMPAIRMENT OF ASSETS

The Corporation assesses at each reporting date, whether there is an indication for impairment of assets. The Corporation takes into consideration external and internal source of information available about the asset to check whether any indication for impairment exists. If any such indication exists, the Corporation estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. The value in use is assessed based on the estimated future cash flows which are discounted to their present value using the discount rate that reflects the time value of money and risk specific to the assets for which the future cash flows estimates have not been adjusted. An impairment loss is recognized in the Statement of Profit and Loss to the extent asset's carrying amount exceeds its recoverable amount.

Based on the assessment, there are no indications for impairment of assets as at 31st March 2022 except for investment in one of the associate company GSPL India Transco Limited by ₹ **14.08 Crores.** (Previous Year: Impairment loss of ₹ 2,032.79 Crores for investment in one of the Subsidiary Company BPRL). Further, in respect of impairment loss on investment in BPRL, the estimated recoverable amount does not necessitate a reversal or further impairment in the current FY 2021-22.

NOTE 57 PROVISIONS

In compliance of Ind AS 37 on "Provisions, Contingent Liabilities and Contingent Assets", the required information is as under:

₹ in Crores

Nature	Opening balance	Additions during the year	Utilisation during the year	Reversals during the year	Closing balance
Excise	0.60	**0.02**	-	-	**0.62**
Customs	3.24	-	-	-	**3.24**
Income Tax (TDS)	4.61	**0.03**	**4.21**	**0.43**	-
VAT/ Sales Tax/ Entry Tax/ GST	411.35	**20.20**	**75.44**	**62.05**	**294.06**
Property Tax	64.46	**22.44**	**12.19**	**1.11**	**73.60**
Total	**484.26**	**42.69**	**91.84**	**63.59**	**371.52**
Previous year	387.09	105.88	5.86	2.85	484.26

The above provisions are made based on estimates and the expected timing of outflows is not ascertainable at this stage.
Above includes provision of ₹ **94.39 Crores** (Previous year: ₹ 107.60 Crores) for which deposits have been made.

NOTE 58 DISCLOSURE IN RESPECT OF EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

₹ in Crores

Particulars	**2021-22**	**2020-21**
a) Unspent CSR Expenditure carried forward from previous year (Opening Provision)	**17.01**	25.66
b) Amount required to be spent by the Corporation during the year	**166.73**	136.25
c) Amount spent during the year * # (on purposes other than construction / acquisition of assets controlled by the Corporation)	**137.78**	144.90
d) Shortfall at the end of the year (Closing Provision) (a + b - c) ^	**45.96**	17.01

* The above expenditure includes contribution to funds, expenses through registered trusts / registered society, company established under Section 8 of the Companies Act and direct expenses towards implementation of CSR activities by the Corporation.

Includes payables of ₹ **8.15 Crores** (Previous year: ₹ 30.18 Crores)

^ The opening balance of ₹ 17.01 Crores for FY 2021-22 has been transferred to a separate bank account on 30th April 2021

^ The closing balance of ₹ 45.96 Crores for FY-2021-22 consists of ₹ 6.56 Crores pertaining to amount transferred on 30th April 2021 for FY 2020-21 and ₹ 39.40 Crores transferred to a separate Unspent CSR bank account on 29th April 2022

Reason for shortfall

The shortfall of ₹ 45.96 Crores from the stipulated and prescribed spend is on account of delay in certain projects due to certain limitations faced by Implementing Agencies. However, the shortfall has been allocated against the specific projects and would be spent as per the provisions of Companies Act, 2013.

Nature of CSR Activity undertaken by the company

The Corporation undertakes impactful social projects which are in alignment with the areas specified under Schedule VII of the Companies Act, 2013 of which the Company takes up CSR projects largely in the five core thrust areas of Education, Water Conservation, Skill Development, Health & Sanitation and Community Development.

NOTE 59 FINANCIAL INSTRUMENTS

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

₹ in Crores

As at 31st March 2022	Note Reference	Carrying amount				Fair value			
		Mandatorily at FVTPL	FVOCI - designated as such	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Investment in equity instruments	8	-	758.13	-	758.13	637.33	-	120.80	758.13
Investment in debt instruments	8 & 14	4,442.27	-	0.01	4,442.28	4,442.27	-	-	4,442.27
Derivative instruments - Commodity related	19	8.13	-	-	8.13	-	8.13	-	8.13
Derivative instruments - Interest Rate Swaps	19	3.47	-	-	3.47	-	3.47	-	3.47
Derivative instruments- Forward Contracts	19	0.63	-	-	0.63	-	0.63	-	0.63
Advance against equity to Joint Venture	10	-	-	195.00	195.00	-	-	-	-
Deposits	10 & 19	-	-	67.47	67.47	-	92.20	-	92.20
Loan to subsidiary- fixed rate	9	-	-	1,254.10	1,254.10	-	1,707.07	-	1,707.07
Loan to subsidiary- variable rate	9	-	-	2,190.00	2,190.00	-	-	-	-
Loan to Joint Venture - variable rate	9 & 18	-	-	15.00	15.00	-	-	-	-
Loans									
- Loans to employee	9 & 18	-	-	475.66	475.66	-	475.66	-	475.66
- PMUY Loans to consumers	9 & 18	-	-	554.40	554.40	-	-	581.43	581.43
- Others	9 & 18	-	-	202.69	202.69	-	-	-	-
Other Deposits	10 & 19	-	-	95.22	95.22	-	-	-	-
Cash and cash equivalents	16	-	-	767.54	767.54	-	-	-	-
Bank Balances other than Cash and cash equivalents	17	-	-	66.95	66.95	-	-	-	-
Trade receivables	15	-	-	9,738.32	9,738.32	-	-	-	-
Others	10 & 19	-	-	606.37	606.37	-	-	-	-
Total		4,454.50	758.13	16,228.72	21,441.36	-	-	-	-
Financial liabilities									
Derivative Liability on commodity derivatives	32	284.15	-	-	284.15	-	284.15	-	284.15
Bonds (Foreign Currency)	25 & 30	-	-	7,566.61	7,566.61	7,610.09	-	-	7,610.09
Debentures	25 & 30	-	-	3,744.84	3,744.84	3,766.33	-	-	3,766.33
Term loans	25 & 30	-	-	3,000.50	3,000.50	-	-	-	-
Interest Free Loan from Govt. of Kerala	25	-	-	37.42	37.42	-	37.42	-	37.42
Foreign Currency Loans - Syndicated	25	-	-	5,671.72	5,671.72	-	-	-	-
Lease Obligation	25a & 30a	-	-	8,593.98	8,593.98	-	-	-	-
Other Non-Current financial liabilities	26	-	-	56.44	56.44	-	-	-	-
Short term borrowings	30	-	-	4,102.00	4,102.00	-	-	-	-
Trade and Other Payables	31	-	-	30,834.68	30,834.68	-	-	-	-
Other Financial liabilities	32	-	-	20,034.86	20,034.86	-	-	-	-
Total		284.15	-	83,643.06	83,927.21	-	-	-	-

Note: There are no other categories of financial instruments other than those mentioned above.

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

₹ in Crores

As at 31st March 2021	Note Reference	Carrying amount				Fair value			
		Mandatorily at FVTPL	FVOCI - designated as such	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Investment in equity instruments	8	-	423.81	-	423.81	328.10	-	95.71	423.81
Investment in debt instruments	8 & 14	5,282.71	-	0.01	5,282.72	5,282.71	-	-	5,282.71
Derivative instruments - Commodity related	19	5.30	-	-	5.30	-	5.30	-	5.30
Deposits	10 & 19	-	-	64.10	64.10	-	81.61	-	81.61
Loan to subsidiary- variable rate	9	-	-	2,090.00	2,090.00	-	-	-	-
Loan to Joint Venture - fixed rate	9	-	-	1,254.10	1,254.10	-	1,707.07	-	1,707.07
Loan to Joint Venture - variable rate	9	-	-	15.00	15.00	-	-	-	-
Investment in Mutual Funds	14	1,011.87	-	-	1,011.87	1,011.87	-	-	1,011.87
Investment in T Bills	14	-	-	499.69	499.69	499.66	-	-	499.66
Loans									
- Loans to employee	9 & 18	-	-	462.72	462.72	-	462.72	-	462.72
- PMUY Loans to consumers	9 & 18	-	-	969.41	969.41	-	-	1,020.60	1,020.60
- Others	9 & 18	-	-	140.14	140.14	-	-	-	-
Other Deposits	10 & 19	-	-	70.00	70.00	-	-	-	-
Cash and cash equivalents	16	-	-	6,517.35	6,517.35	-	-	-	-
Bank Balances other than Cash and cash equivalents	17	-	-	536.14	536.14	-	-	-	-
Trade receivables	15	-	-	7,827.47	7,827.47	-	-	-	-
Others	10 & 19	-	-	604.81	604.81	-	-	-	-
Total		**6,299.88**	**423.81**	**21,050.94**	**27,774.63**	-	-	-	-
Financial liabilities									
Derivative Liability on Interest Rate Swaps	32	17.12	-	-	17.12	-	17.12	-	17.12
Derivative Liability on Currency Swaps	32	1.91	-	-	1.91	-	1.91	-	1.91
Bonds	25 & 30	-	-	11,001.50	11,001.50	11,464.09	-	-	11,464.09
OIDB Loans	25 & 30	-	-	793.70	793.70	-	793.89	-	793.89
Debentures	25	-	-	4,294.62	4,294.62	4,343.25	-	-	4,343.25
Term loans	25 & 30	-	-	466.65	466.65	-	-	-	-
Interest Free Loan from Govt. of Kerala	25	-	-	34.48	34.48	-	34.48	-	34.48
Foreign Currency Loans - Syndicated	25	-	-	5,491.21	5,491.21	-	-	-	-
Lease Obligation	25a & 30a	-	-	7,845.36	7,845.36	-	-	-	-
Other Non-Current financial liabilities	26	-	-	58.00	58.00	-	-	-	-
Short term borrowings	30	-	-	4,232.81	4,232.81	-	-	-	-
Trade and Other Payables	31	-	-	16,256.00	16,256.00	-	-	-	-
Other Financial liabilities	32	-	-	19,477.79	19,477.79	-	-	-	-
Total		**19.03**	**-**	**69,952.12**	**69,971.15**				

Note: There are no other categories of financial instruments other than those mentioned above.

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the Balance Sheet, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Unquoted equity shares (Cochin International Airport Limited)	The Valuation is based on market multiples derived from quoted prices of international companies comparable to investee and the expected revenue and PAT of the investee.	Adjusted market multiple (P/E)	The estimated fair value would increase / (decrease) if Adjusted market multiple were higher/(lower)
Derivative instruments - forward exchange contracts	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date.	Not applicable	Not applicable
Derivative instruments - interest rate swap and currency swa	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates. This technique also involves using the interest rate curve for projecting the future cash flows.	Not applicable	Not applicable
Non current financial assets and liabilities measured at amortised cost	Discounted cash flows: The valuation model considers the present value of expected receipt/ payment discounted using appropriate discounting rates.	Not applicable	Not applicable
PMUY Loans to consumers	Discounted cash flows: The valuation model considers the present value of expected receipt/ payment discounted using appropriate discounting rates.	Subsidy rate	The estimated fair value would increase / (decrease) if subsidy rate were higher/ (lower)
Derivative instruments - commodity contracts	Fair valuation of Commodity Derivative instruments are based on Platts pricing - Settlement is based on monthly Platts average prices for the respective product for the relevant settlement month. Mark to Market calculation is based on Platts forward assessment. Platts is an independent agency which assesses benchmark global crude oil and product prices. Globally counterparties also use Platts assessment for settlement of transactions.	Not applicable	Not applicable

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

Level 3 fair values

Reconciliation of Level 3 fair values

The following table shows a reconciliation of the opening and closing balances for Level 3 fair values.

₹ in Crores

Particulars	Equity securities
Opening Balance(1st April 2020)	66.62
Net change in fair value (unrealised)	29.09
Closing Balance (31st March 2021)	**95.71**
Opening Balance(1st April 2021)	**95.71**
Net change in fair value (unrealised)	**25.09**
Closing Balance (31st March 2022)	**120.80**

Sensitivity analysis

For the fair values of unquoted equity shares, reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects:

₹ in Crores

Significant unobservable inputs	As at 31st March 2022 Profit or loss		As at 31st March 2022 Profit or loss	
	Increase	Decrease	Increase	Decrease
P/E (5% movement)	6.04	(6.04)	4.79	(4.79)

C. Financial risk management

C.i. Risk management framework

The Corporation's Board of Directors has overall responsibility for the establishment and oversight of the Corporation's risk management framework. The Risk Management Committee of the Board has defined roles and responsibilities, which includes reviewing and recommending the risk management plan and the risk management report for approval of the Board with the recommendation of the Audit Committee. The Corporation has adopted a Risk Management Charter and Policy for self-regulatory processes and procedures for ensuring the conduct of the business in a risk conscious manner.

The Corporation has exposure to the following risks arising from financial instruments :

- Credit risk;
- Liquidity risk; and
- Market risk

C.ii. Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Corporation's trade and other receivables, cash and cash equivalents and other bank balances, derivatives and debt securities. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

(a) Trade and other receivables from customers

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to which the Corporation grants credit terms in the normal course of business.

As at 31st March 2022 and 31st March 2021, the Corporation's retail dealers, industrial and aviation customers accounted for the majority of the trade receivables.

Expected credit loss assessment for Trade and other receivables from customers as at 31st March 2022 and 31st March 2021

The Corporation uses an allowance matrix to measure the expected credit losses of trade and other receivables.

The loss rates are computed using a 'Roll Rate' method based on the probability of receivable progressing through successive stages of delinquency to write off. Roll rates are calculated separately for exposures in different segments based on the following common credit risk characteristics - type of product purchases, type of customers.

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

The following table provides information about the exposure to credit risk and Expected Credit Loss Allowance for trade and other receivables:

₹ in Crores

As at 31st March 2022	Gross carrying amount	Weighted average loss rate - range	Loss allowance
Debts not due	**6,126.49**	**0.20%**	**12.25**
Debts over due	**2,990.31**	**11.15%**	**333.47**
TOTAL	**9,116.80**	**3.79%**	**345.72**

₹ in Crores

As at 31st March 2021	Gross carrying amount	Weighted average loss rate - range	Loss allowance
Debts not due	5,122.56	0.28%	14.10
Debts over due	2,007.29	21.40%	429.54
TOTAL	**7,129.85**	**6.22%**	**443.64**

The Corporation does not provide for any loss allowance on trade receivables where risk of default is negligible such as receivables from other oil marketing companies, if any, hence the same is excluded from above.

Loss rates are based on actual credit loss experience over the past three years.

The movement in the loss allowance in respect of trade and other receivables during the year was as follows.

₹ in Crores

Particulars	Amount
Balance as at 1st April, 2020	193.65
Movement during the year	249.99
Balance as at 31st March, 2021	**443.64**
Movement during the year	**(97.92)**
Balance as at 31st March, 2022	**345.72**

(b) PMUY and Other Loans

As per the Government of India's scheme - Pradhan Mantri Ujjwala Yojana (PMUY), the Corporation has given interest free loans to PMUY customers towards cost of hot plate and 1st refill, which is to be recovered from the subsidy amount payable to customer when such customers book refill. During the year, the Corporation has recalculated gross carrying amount of the loans at period end at the present value of the estimated future contractual cash flows discounted at the original effective interest rate due to revision in estimates of receipts based on projections of subsidy amount per refill. Accordingly, the gross carrying amount of the loans has been reduced by ₹ 367.29 Crores (Previous year: ₹ 650.84 Crores) with a corresponding recognition of expense in the Statement of Profit and Loss.

The Corporation assess the credit risks / significant increases in credit risk on an ongoing basis throughout each reporting period. For determining the expected credit loss on such loans, the Corporation considers the time elapsed since the last refill for determining probability of default on collective basis. Accordingly, the expected credit loss of ₹ 88.15 Crores (Previous year: ₹ 86.38 Crores) has been recognized on carrying amount of ₹ 642.56 Crores (Previous year: ₹ 1,055.79 Crores) (Refer Note No. 9 and 18)

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

The movement in the loss allowance in respect of PMUY and other loans during the year was as follows.

₹ in Crores

Particulars	Amount
Balance as at 1st April, 2020	98.90
Movement during the year	(10.97)
Balance as at 31st March, 2021	**87.93**
Movement during the year	**1.85**
Balance as at 31st March, 2022	**89.78**

(c) Cash and cash equivalents and Other Bank Balances

The Corporation held cash and cash equivalents and other bank balances of ₹ **834.49 Crores** at 31st March 2022 (Previous year: ₹ 7,053.49 Crores). The cash and cash equivalents are held with banks with good credit ratings and financial institution counterparties with good market standing. Also, Corporation invests its short term surplus funds in bank fixed deposits, Tri Party Repo and liquid schemes of mutual funds etc., which carry no / low mark to market risks for short duration and therefore does not expose the Corporation to credit risk.

(d) Derivatives

The derivatives are entered into with banks, financial institutions and other counterparties with good credit ratings. Further exposures to counter-parties are closely monitored and kept within the approved limits.

(e) Investment in debt securities

Investment in debt securities are mainly as loans to subsidiaries, joint venture companies and investment in government securities which do not carry any significant credit risk.

C.iii. Liquidity risk

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is managed by Corporation through effective fund management. The Corporation has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Corporation has access to funds from debt markets through Commercial Paper programs, Foreign Currency Borrowings and other debt instruments.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments;

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

Maturity Analysis of Significant Financial Liabilities

₹ in Crores

As at 31st March 2022	Contractual cash flows				
	Total	Up to 1 year	1-3 years	3-5 years	More than 5 years
Non-derivative financial liabilities					
Bonds	8,286.66	4,117.27	303.23	3,866.16	-
Term loans	3,461.31	127.09	3,233.97	0.25	100.00
Non Convertible Debentures	4,451.24	1,009.78	1,324.35	2,117.11	-
Foreign Currency Loans - Syndicated	5,850.25	82.36	5,767.89	-	-
Lease Liabilities	16,156.37	1,157.17	1,903.93	1,686.78	11,408.50
Short term borrowings	4,105.51	4,105.51	-	-	-
Trade and other payables	30,834.68	30,834.68	-	-	-
Other financial liabilities	20,034.86	20,034.86	-	-	-
Financial guarantee contracts *	7,437.25	741.77	-	6,434.13	261.35

₹ in Crores

As at 31st March 2021	Contractual cash flows				
	Total	Up to 1 year	1-3 years	3-5 years	More than 5 years
Non-derivative financial liabilities					
Bonds	12,188.00	4,153.02	4,139.23	3,895.75	-
OIDB Loans	794.32	794.32	-	-	-
Term loans	652.56	63.97	488.59	-	100.00
Non Convertible Debentures	5,301.44	850.20	2,211.89	2,239.35	-
Foreign Currency Loans - Syndicated	5,734.06	74.67	5,659.39	-	-
Lease Liabilities	15,360.01	808.11	1,630.10	1,596.33	11,325.47
Short term borrowings	4,238.46	4,238.46	-	-	-
Trade and other payables	16,256.00	16,256.00	-	-	-
Other financial liabilities	19,477.79	19,477.79	-	-	-
Financial guarantee contracts *	6,603.78	-	1,135.65	-	5,468.13

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

* These Guarantees issued by the Corporation on behalf of subsidiaries are with respect to borrowings raised by the respective entities. The above also includes guarantee amount of ₹ **261.35 Crores** (equivalent USD 34.48 Million) [Previous Year ₹ 175.79 Crores (equivalent USD 23.92 Million)] towards BPRL Venture Mozambique BV's pro rata share of drawdown of **USD 28.73 Million** (as on 31st March 2022) [USD 19.93 Million (as on 31st March 2021)] under the project finance arrangement entered into for 2-train 12.88 MMTPA LNG Project in Mozambique Offshore Area 1, Rovuma basin. This project is being partly funded through USD 16 Billion project finance. BPCL has provided a Debt Service Undertaking (DSU) to guarantee its pro rata share (i.e. towards BPRL Venture Mozambique BV's Participating Interest (PI) of 10% in the project) of project finance obligations to any project finance beneficiaries under project financing arrangement, capped at a maximum of USD 1.92 Billion (out of which the draw down was USD 28.73 Million as on 31st March 2022) [(out of which the draw down was USD 19.93 Million as on 31st March 2021).

These guarantee amounts will be payable on default by the concerned entity. As of the reporting date, none of the subsidiaries have defaulted and hence, the Corporation does not have any present obligation to third parties in relation to such guarantees. The bifurcation of contractual cash flows in different years is based on expiry of said guarantees.

C.iv. Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises four types of risk: currency risk, interest rate risk, commodity risk and other price risk.

C.iv.a Currency risk

The Corporation is exposed to currency risk on account of its operating and financing activities. The functional currency of the Corporation is Indian Rupee. Our exposure is mainly denominated in US Dollars (USD). The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future.

The Corporation has put in place a Financial Risk Management Policy to identify the most effective and efficient ways of managing the currency risks. The Corporation uses derivative instruments, (mainly foreign exchange forward contracts) to mitigate the risk of changes in foreign currency exchange rates in line with our policy.

The Corporation does not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk

The currency profile in INR of foreign currency denominated financial assets and financial liabilities as at 31st March 2022 and 31st March 2021 are as below:

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

₹ in Crores

As at 31st March 2022	USD	EURO	JPY	CHF	Others
Financial assets					
Cash and cash equivalents	**23.85**	**-**	**-**	**-**	**-**
Trade receivables and Other assets	**3,093.00**	**-**	**-**	**-**	**0.02**
Net exposure for assets	**3,116.85**	**-**	**-**	**-**	**0.02**
Financial liabilities					
Bonds	**7,566.61**	**-**	**-**	**-**	**-**
Foreign Currency Loans - Syndicated	**5,671.72**	**-**	**-**	**-**	**-**
Trade Payables and other liabilities	**19,705.76**	**36.63**	**16.58**	**0.16**	**0.73**
Add/(Less): Foreign currency forward exchange contracts	**(1,856.17)**	**-**	**-**	**-**	**-**
Net exposure for liabilities	**31,087.92**	**36.63**	**16.58**	**0.16**	**0.73**
Net exposure (Assets - Liabilities)	**(27,971.07)**	**(36.63)**	**(16.58)**	**(0.16)**	**(0.71)**

₹ in Crores

As at 31st March 2021	USD	EURO	JPY	CHF	Others
Financial assets					
Cash and cash equivalents	24.81	-	-	-	-
Trade receivables and other assets	1,757.75	-	-	-	0.02
Net exposure for assets	**1,782.56**	**-**	**-**	**-**	**0.02**
Financial liabilities					
Bonds	11,001.50	-	-	-	-
Foreign Currency Loans - Syndicated	5,491.21	-	-	-	-
Trade Payables and other liabilities	9,142.60	78.09	13.83	0.07	2.82
Add/(Less): Foreign curency forward exchange contracts	(521.00)	-	-	-	-
Net exposure for liabilities	**25,114.31**	**78.09**	**13.83**	**0.07**	**2.82**
Net exposure (Assets - Liabilities)	**(23,331.75)**	**(78.09)**	**(13.83)**	**(0.07)**	**(2.80)**

Sensitivity analysis

A reasonably possible strengthening/ (weakening) of the USD against INR at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to Property, Plant and Equipment or recognised directly in reserves, the impact indicated below may affect the Corporation's income statement over the remaining life of the related Property, Plant and Equipment or the remaining tenure of the borrowing respectively.

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

₹ in Crores

Effect in INR (before tax)	Profit or loss	
For the year ended 31st March, 2022	**Strengthening**	**Weakening**
3% movement		
USD	**(839.13)**	**839.13**
	(839.13)	**839.13**

₹ in Crores

Effect in INR (before tax)	Profit or loss	
For the year ended 31st March, 2021	**Strengthening**	**Weakening**
3% movement		
USD	(699.95)	699.95
	(699.95)	**699.95**

C.iv.b Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Corporation's approach to managing interest rate risk is to have a judicious mix of borrowed funds with fixed and floating interest rate obligation.

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

Exposure to interest rate risk

Corporation's interest rate risk arises primarily from borrowings. The interest rate profile of the Corporation's interest-bearing financial instruments is as follows:

₹ in Crores

Particulars	Note Reference	As at 31st March 2022	As at 31st March 2021
Fixed-rate instruments			
Financial Assets - measured at amortised cost			
Investment in debt instruments	8	**0.01**	0.01
Loan to Subsidiary	9	**1,254.10**	-
Loan to Joint Venture	9	**-**	1,254.10
Investments in FD & TREPS	16	**365.00**	6,289.93
Investment in T-Bills	14	**-**	499.69
Financial Assets - measured at Fair Value through Profit or Loss			
Investment in debt instruments	14	**4,442.27**	5,282.71
Total of Fixed Rate Financial Assets		**6,061.38**	**13,326.44**
Financial liabilities - measured at amortised cost			
Bonds	25 & 30	**7,566.61**	11,001.50
OIDB Loans	25 & 30	**-**	793.70
Non- Convertible Debentures	25 & 30	**3,744.84**	4,294.62
Short term borrowings	30	**4,102.00**	4,232.81
Term Loan	25	**37.42**	34.48
Total of Fixed Rate Financial Liabilities		**15,450.87**	**20,357.11**
Variable-rate instruments			
Financial Assets - measured at amortised cost			
Loan to Subsidiary	9	**2,190.00**	2,090.00
Loan to Joint Venture	9 & 18	**15.00**	15.00
Financial Assets - measured at Fair Value through Profit or Loss			
Investment in Mutual Funds	14	**-**	1,011.87
Total of Variable Rate Financial Assets		**2,205.00**	**3,116.87**
Financial liabilities - measured at amortised cost			
Foreign Currency Loans - Syndicated *	25 & 30	**5,671.72**	5,491.21
Term loans	25 & 30	**3,000.50**	466.65
Total of Variable Rate Financial Liabilities		**8,672.22**	**5,957.86**

* In respect of Foreign Currency Loans, the Corporation has entered into Interest Rate Swaps of **USD 65 Million** (Previous year: USD 65 Million)

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

Interbank offered rate (IBOR) additional information

The Corporation has following exposure to LIBOR as at 31st March 2022:

Nature of Transaction	Principal Amount in Million USD	Rate of Interest	Repayment Date / Last Settlement Date
External Commercial Borrowing	**300.00**	6 Months LIBOR + 0.80%	5-Dec-23
External Commercial Borrowing	**450.00**	6 Months LIBOR + 1.30%	11-Jan-24
Interest Rate Swap (6 monthly)	**65.00**	Pay- Fix Rate	5-Dec-23
		Receive -6 Month LIBOR	

In March 2021, the Financial Conduct Authority (FCA), UK had confirmed that all LIBOR settings will either cease to be provided by any administrator or no longer be representative:

- immediately after 31 December 2021, in the case of all sterling, euro, Swiss franc and Japanese yen settings, and the 1-week and 2-month US dollar settings; and
- immediately after 30 June 2023, in the case of the remaining US dollar settings.

The aforementioned exposures shall be migrated from LIBOR to an Alternative Reference Rate in line with the announcement. The impact of such migration is not ascertainable at present.

Fair value sensitivity analysis for fixed-rate instruments

The Corporation accounts for certain investments in fixed-rate financial assets such as investments in Oil bonds and Government Securities at fair value through profit or loss. Accordingly, a decrease in 25 basis point in interest rates is likely to increase the profit or loss (before tax) for the year ending 31st March 2022 by ₹ **29.43 Crores** (Previous year: ₹ 46.61 Crores) and an increase in 25 basis point in interest rates is likely to decrease the profit or loss (before tax) for the year ending 31st March 2022 by ₹ **29.18 Crores** (Previous year: ₹ 46.10 Crores).

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 25 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. In cases where the related interest rate risk is capitalised to Property, Plant and Equipment, the impact indicated below may affect the Corporation's income statement over the remaining life of the related Property, Plant and Equipment.

₹ in Crores

Cash flow sensitivity (net)	Profit or (loss)	
	0.25 % increase	**0.25% decrease**
As at 31st March 2022		
Variable-rate loan instruments	**(15.28)**	**15.28**
Interest on loan given to Subsidiary / Joint Venture	**5.39**	**(5.39)**
Cash flow sensitivity (net)	**(9.90)**	**9.90**
As at 31st March 2021		
Variable-rate loan instruments	(14.95)	14.95
Interest on loan given to Subsidiary / Joint Venture	5.23	(5.23)
Cash flow sensitivity (net)	(9.72)	9.72

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

C.iv.c Commodity rate risk

Corporation's profitability gets affected by the price differential (also known as Margin or Crack spread) between prices of products (output) and the price of the crude oil and other feed-stocks used in production (input). Prices of both are set by markets. Hence Corporation uses derivatives instruments (swaps, futures, options, and forwards) to hedge exposures to commodity price risk to cover refinery operating cost using Basic Swaps on various products cracks like Naphtha, Gasoline (Petrol), Jet/Kerosene, Gasoil (Diesel) and Fuel Oil against Benchmark Dubai Crude. Further volatility in freight costs is hedged through Freight Forwards and bunker purchases. Settlement of all derivative transactions take place on the basis of monthly average of the daily prices of the settlement month quoted by Platts.

Corporation measures market risk exposure arising from its trading positions using value-at-risk techniques. These techniques make a statistical assessment of the market risk arising from possible future changes in market prices over a one-day holding period.

Corporation uses historical model of VaR techniques based on variance/covariance to make a statistical assessment of the market risk arising from possible future changes in market values over a 24-hour period and within a 95% confidence level. The calculation of the range of potential changes in fair value takes into account positions and the history of price movements for last two years. VaR calculation for open position as on 31st March 2022 is as given below:

Product	Gasoline - Dubai	Jet - Dubai (USD/bbl)	Gasoil - Dubai (USD/bbl)
Unit	**USD/Bbl**	**USD/Bbl**	**USD/Bbl**
Mean	16.54	22.56	30.81
Standard Deviation	2.17	8.28	8.88
Max dev: 95% confidence	3.57	13.62	14.61
Mean +Max Dev: 95%	20.11	36.18	45.42
Avg.Trade Price	17.63	26.08	17.42
Lots as on 31st March 2022	4.00	2.00	112.00
Standard Lot size	50000 BBL	50000 BBL	50000 BBL
VAR USD million	0.50	1.01	156.82
Total Portfolio VaR in USD million (without considering inter-commodity VaR correlation)	**158.33**		

C.iv.d Price risk

The Corporation's exposure to equity investments price risk arises from investments held by the Corporation and classified in the financial statements at fair value through OCI. The Corporation intends to hold these investments for long-term for better returns and price risk will not be significant from a long term perspective.

Exposure to price risk

₹ in Crores

Effect in INR (before tax)	Profit or Loss		Other components of Equity	
	Strengthening	Weakening	Strengthening	Weakening
As at 31st March 2022				
1% movement				
Investment in Oil India Limited- FVOCI	-	-	6.37	(6.37)
Investment in Cochin International Airport Limited - FVOCI	-	-	1.21	(1.21)
Total	**-**	**-**	**7.58**	**(7.58)**

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

₹ in Crores

Effect in INR (before tax)	Profit or Loss		Other components of Equity	
	Strengthening	Weakening	Strengthening	Weakening
As at 31st March 2021				
1% movement				
Investment in Oil India Limited- FVOCI	-	-	3.28	(3.28)
Investment in Cochin International Airport Limited - FVOCI	-	-	0.96	(0.96)
Total	-	-	4.24	(4.24)

D. Offsetting

The following table presents the recognised financial instruments that are offset and other similar agreements that are not offset, as at 31st March 2022 and 31st March 2021.

The column 'net amount' shows the impact on the Corporation's Balance Sheet if all set-off rights are exercised.

₹ in Crores

Particulars	Note reference	Effect of offsetting on the balance sheet			Related amounts not offset		
		Gross amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Financial Instrument	Amounts which can be offset	Net Amount
As at 31st March 2022							
Financial liabilities							
Trade and other payables	B & C	**9,289.38**	**4,677.22**	**4,612.16**	**-**	**-**	**-**

As at 31st March 2021							
Financial assets							
Investment in GOI Bonds, T-Bills & CBLO	A	-	-	-	5,932.33	849.96	5,082.37
Trade and other receivables	B & C	4,253.36	3,311.66	941.70	-	-	-
Financial liabilities							
Short term borrowings	A	-	-	-	4,232.81	849.96	3,382.85
Trade and other payables	B & C	4,141.44	87.04	4,054.40	-	-	-

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

NOTES

A. The Corporation has Triparty Repo Settlement System limits with Clearing Corporation of India Limited, the borrowings against which was **NIL** as at 31st March 2022 (Previous year : ₹ 850 Crores). The limits are secured by 7.59% Government Stock 2026 & 6.90% Oil Marketing Companies GOI Special Bonds 2026 of ₹ **1,245 Crores** (Previous year : ₹ 870 Crores Secured by 7.59% Government Stock 2026 & T-Bills).

B. The Corporation purchases and sells petroleum products from different Oil and Gas Companies. Under the terms of the agreement, the amounts payable by the Corporation are offset against receivables and only the net amounts are settled. The relevant amounts have therefore been presented net in the balance sheet.

C. The Corporation enters into derivative transactions under the International Swaps and Derivatives Association (ISDA) master netting agreements. In general, under such agreements the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other.

NOTE 60 CAPITAL MANAGEMENT

The Corporation’s objective is to maximize the shareholders' value by maintaining an optimum capital structure. Management monitors the return on capital as well as the debt equity ratio and makes necessary adjustments in the capital structure for the development of the business.

The Corporation’s debt to equity ratio as at 31st March, 2022 was **0.49** (Previous year: 0.48).

Note: For the purpose of computing debt to equity ratio, equity includes Equity Share Capital and Other Equity and Debt includes Current and Non Current borrowings.

NOTE 61 SEGMENT REPORTING

As per the requirements of Ind AS 108 on “Operating Segments”, segment information has been provided under the Notes to Consolidated Financial Statements.

NOTE 62 MICRO AND SMALL ENTERPRISES

The details regarding Micro and Small Enterprises are provided to the extent, the Corporation has received intimation from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 are as under:

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Principal amount overdue (remaining unpaid)	-	-
Interest due thereon remaining unpaid	-	-
Payment made during the year after the due date		
Principal	-	14.38
Interest	-	-
Interest accrued and remaining unpaid	**0.07**	0.07

NOTE 63 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

₹ in Crores

Particulars		As at 31/03/2022	As at 31/03/2021
(a)	**Contingent Liabilities :**		
	In respect of Income Tax matters	**153.93**	791.88
	Other Matters :		
	i) Claims against the Corporation not acknowledged as debts *		
	Excise and customs matters	**277.71**	234.82
	Service Tax matters	**10.93**	10.40
	Sales Tax/ GST/ VAT/ Entry Tax matters	**3,397.89**	3,480.27
	Land Acquisition cases for higher compensation	**243.96**	244.44
	Others	**768.05**	329.25
* These include ₹ **1,336.05 Crores** (Previous year: ₹ 1,180.78 Crores) against which the Corporation has a recourse for recovery and ₹ **88.38 Crores** (Previous year: ₹ 97.57 Crores) which are on capital account.			
	ii) Claims on account of wages, bonus / ex-gratia payments in respect of pending court cases	**63.36**	55.03
	iii) Guarantees (Refer Note Below)	**752.00**	1,156.99
(b)	**Capital Commitments :**		
	i) Estimated amount of contracts remaining to be executed on capital account and not provided for	**2,562.23**	3,545.63
	ii) Other Commitments #	**350.00**	3.62

Note: Apart from the above;

1. Corporation's subsidiary, Bharat Gas Resources Limited (BGRL) has been authorized by Petroleum and Natural Gas Regulatory Board (PNGRB) for development of 11 Geographical Areas (GAs) in Bid Round 9 and 2 GAs in Bid Round 10. As a promoter, BPCL has issued Parent Company Guarantees (PCGs) to PNGRB guaranteeing all performance obligations of BGRL under these 13 GAs. The outflow that may arise under these PCGs is not quantifiable.
2. Corporation has issued a Parent Company Guarantee (PCG) in favour of Mozambique LNG1 Company Pte. Limited in respect of obligations of BGRL under LNG Sales Purchase Agreement (SPA) with Mozambique LNG1 Company Pte. Limited. Transaction under the SPA is expected to be initiated in FY 2023-24. The outflow that may arise under this PCGs is not quantifiable.

3. Corporation's subsidiary, Bharat PetroResources Limited (BPRL), is engaged in the business of Exploration and Production (E&P) of oil & gas and has participating interest in several blocks held directly or through group companies. Corporation has issued performance guarantees/ counter-indemnities/ letter of undertakings in favour of Government/ Government Agencies/ Operators/ other partners towards performance obligations of BPRL (including its group companies) under the Concession Agreement/Joint Operating Agreements/ Production Sharing Contracts/ Licenses/ Farmout Agreements relating to various such E&P oil & gas blocks acquired by them. The outflow that may arise under these performance guarantees/ counter-indemnities/ letter of undertakings is not quantifiable.
4. The Corporation has issued Performance Guarantee for necessary infrastructure of terminal and pipelines at Kochi and obligations of Associate Company Petronet LNG Ltd under the LNG SPA, the outflow that may arise under the same is not quantifiable.

Calls received for issue of shares during the year from Subsidiary and Joint Venture Company for which subscription of shares is pending.

NOTE 64 RESEARCH AND DEVELOPMENT EXPENDITURE

₹ in Crores

Particulars	2021-22	2020-21
a) Revenue Expenditure	**51.21**	48.88
b) Capital Expenditure	**26.55**	37.76

NOTE 65 REVENUE FROM CONTRACTS WITH CUSTOMERS

Contract balances

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Contract liabilities	**659.11**	499.36

The contract liabilities primarily relates to the liability towards customer loyalty program for unutilized points and the upfront bidding fees/fixed fees pertaining to tendering for Retail Outlets.

Movement in contract liabilities is as follows

₹ in Crores

Particulars	2021-22	2020-21
At beginning of the year	**499.36**	302.45
Increases due to cash received, excluding amounts recognised as revenue during the year	**231.19**	250.52
Revenue recognised during the year that was included in the contract liability balance at the beginning of the year	**71.44**	53.61
At end of the year	**659.11**	499.36

NOTE 66 ADDITIONAL DISCLOSURE AS PER SCHEDULE III- RATIOS

Particulars	Unit	Numerator	Denominator	2021-22	2020-21	Variation (in %)	Reason for Variation @
Current ratio	times	Current Assets	Current Liability	**0.76**	0.92	(16.87)	
Debt Equity ratio	times	Total Debt excluding Lease Liabilities	Total Equity	**0.49**	0.48	2.08	
Debt service coverage ratio	times	Profit after tax + Finance cost ^ + Depreciation	Finance cost ^ + Long term debt payment ^ + Finance Cost Capitalised	**2.08**	4.96	(58.06)	Due to gain on disposal of Investment in one of the subsidiary Numaligarh Refinery Limited in previous FY 2020-21, coupled with increase in debt repayment during current FY 2021-22.
Return on equity ratio	%	Profit after tax	Average Total Equity	**16.87**	43.40	(61.12)	Due to gain on disposal of Investment in one of the subsidiary Numaligarh Refinery Limited in previous FY 2020-21.
Inventory turnover ratio	times	Sale of Product	Average Inventory	**13.71**	12.75	7.49	
Trade receivables turnover ratio	times	Sale of Product	Average Trade Receivable	**49.22**	46.31	6.27	
Trade payables turnover ratio	times	Purchase of Stock in trade+ Raw Material +other expenses	Average Trade Payable	**14.96**	15.09	(0.91)	
Net capital turnover ratio	times	Sale of Product	Average Working Capital	*****	*	-	Mainly on account of higher Profit in previous year.
Net profit ratio	%	Profit after tax	Revenue from Operations	**2.03**	6.33	(67.92)	
Return on capital employed	%	Profit before exceptional item, interest and tax	Average Capital Employed	**18.19**	23.45	(22.41)	
Return on investment							
Instruments measured at FVOCI	%	Dividend income + Interest InCapital Gaincome +	Average Investment	**61.44**	13.01	372.25	Mainly on account of increase in share prices of the investments in listed securities.
Instruments measured at FVTPL	%			**5.77**	6.57	(12.18)	
Investments in Subsidiaries, Joint Ventures and Associates	%			**2.06**	82.89	(97.51)	Due to gain on disposal of Investment in one of the subsidiary Numaligarh Refinery Limited in previous FY 2020-21.

@ variation reason has been proided where the change in ratio is more than 25% as compared to ratio of previous year.

^ excluding impact of interest on lease liabilities and depreciation on ROU Assets

* Negative Ratio

NOTE 67 DISCLOSURE UNDER SCHEDULE III

(A) Relationship with Struck off Companies

Balances with struck-off companies are as under:

Name of struck-off companies	CIN	Nature of transactions with struck-off Company	Balance outstanding (₹ in Crores)		Relationship with the Struck-off company
			As at 31st March 2022	As at 31st March 2021	
Duncan Agro Industries Ltd	U15494WB1900PLC001041	Payable	**0.17**	0.17	N.A.
Murthy Electronics Private Limited	U31909KA2003PTC032405	Payable	**0.15**	0.26	N.A.
Patel And Lalka Cement Pvt Ltd	U26941GJ1982PTC005235	Payable	**0.05**	-	N.A.
Rus Food Products Private Limited	U15412MH1995PTC084233	Payable	**0.04**	0.04	N.A.
Siddheshwar Logistic Private Limited	U04520MP2005PTC017943	Payable	**0.04**	0.04	N.A.
Devesh Hotel And Resort Private Limited	U55101RJ1998PTC014897	Payable	**0.03**	-	N.A.
Verny Engineers Private Limited	U74140TG1980PTC002827	Payable	**0.03**	0.03	N.A.
Advantech Services (India) Private Limited	U29120MH2000PTC127174	Payable	**0.02**	0.02	N.A.
Drs Computer Distribution Private Limited	U72200TZ2001PTC009624	Payable	**0.02**	0.01	N.A.
Aasthaa Airtech Private Limited	U29309RJ2010PTC031181	Payable	**0.01**	0.06	N.A.
Shree Properties Pvt Ltd [1]	U70109WB1947PTC015086	Payable	**0.00**	0.00	N.A.
Maitreya Hotels And Resorts Private Limited [2]	U55100MH2000PTC123608	Payable	**0.00**	0.00	N.A.
Chandy Engineering Private Limited [3]	U74900TN2015PTC101481	Payable	**0.00**	0.02	N.A.
Sabne Transport Private Limited [4]	U60231PN1988PTC050204	Payable	**0.00**	0.00	N.A.
HBN Homes Colonisers Private Limited [5]	U70109DL2006PTC149581	Payable	**0.01**	0.00	N.A.
Uniquetrade Broadband System Private Limited	U74900WB2015PTC205378	Transaction entered and settled during the year hence Nil outstanding	**-**	-	N.A.
K S P Carriers Private Limited [6]	U74899DL1998PTC093100	Receivable	**0.00**	0.00	N.A.
Laxmi Nirmal Petrochemicals Private Limited	U11100MH2007PTC174636	Receivable	**0.03**	0.03	N.A.
Guru Kripa Trans-Connect Private Limited	U60220DL2008PTC178895	Receivable	**0.03**	0.03	N.A.
Om Ingot Industries Limited	U27100MH1998PLC117493	Receivable	**0.04**	0.04	N.A.
Pawan Proteins (India) Limited	L15494MH1992PTC070066	Receivable	**0.04**	0.04	N.A.
Verny Engineers Private Limited	U74140TG1980PTC002827	Receivable	**0.04**	0.04	N.A.
Golden Agro Tech Industries Limited	U15143AP1991PLC012190	Receivable	**0.08**	0.08	N.A.
Jagdev Transport Company Private Limited	U60100MH1981PTC025201	Receivable	**0.09**	0.09	N.A.

[1] Balance Outstanding of ₹ **45,900** (₹ 29,700 as at 31st March 2021)

[2] Balance Outstanding of ₹ **16,722** (₹ 16,722 at 31st March 2021)

[3] Balance Outstanding of ₹ **9,800** (₹ 1,65,781 as at 31st March 2021)

[4] Balance Outstanding of ₹ **7,021** (₹ 22,705 as at 31st March 2021)

[5] Balance Outstanding of ₹ **60,227** (₹ 30,359 as at 31st March 2021)

[6] Balance Outstanding of ₹ **29,943** (₹ 29,943 as at 31st March 2021)

The above list includes balances for the transactions entered with the above parties before their name has been struck off by the respective Registrar of Companies or MCA.

(B) Utilisation of Borrowed Funds and share premium

During FY 2021-22, other than the transactions undertaken in the normal course of business and in accordance with extant regulatory guidelines and internal policies, as applicable,

1. The Corporation has not granted any advance / loans or investments or provided guarantee or security or the like to any other person(s) or entities with an understanding, whether recorded in writing or otherwise, to further lend/invest/provide guarantee or security or the like to any other person on behalf of the Corporation.
2. The Corporation has not received any funds from any person(s) or entity with an understanding, whether recorded in writing or otherwise, that the Corporation shall further lend or invest or provide guarantee or security or the like in any other person on behalf of and identified by such person(s)/entity.

(C) Registration of charges or satisafaction with Registrar of Companies

The details of pending satisfaction of charges with Registrar of Companies is as follows:

Brief description of the charge to be satisfied	Location of the Registrar	Date of repayment of facility	Reason for delay in satisfaction
Mortgage created by Deposit of Title Deed over certain immovable properties situated in the State of Gujarat, in favor of Rupee Lenders to secure certain borrowing facilities. Amount secured by the charge is ₹ 10 Crores.	Mumbai, Maharashtra	31.12.2019	NOC from Rupee Lenders for release of charge is awaited.

As per MCA website, a charge of ₹ 246.80 Crores is appearing unsatisfied vide charge ID 90165239. As per information available with the company, the charge was satisfied vide document number 424 on 20th April 2000 by Registrar of Companies, Mumbai. Hence the same has not been disclosed in Schedule III.

NOTE 68

(I) Bharat Gas Resource Limited (BGRL)

During FY 2020-21, the Board had decided to merge the wholly owned subsidiary BGRL with the Corporation and not pursue transfer of Assets and Liabilities of Gas business to BGRL.
The proposed merger of BGRL with the Corporation is in process as on 31st March 2022 and will be completed after obtaining approval from respective authorities.

(II) Bharat Oman Refineries Limited (BORL)

The Corporation held 63.38% stake in BORL (i.e. 1,53,82,16,114 Equity Shares) and has additionally acquired balance 36.62% of Equity Shares (i.e. 88,86,13,336 equity shares) in BORL vide a Share Purchase Agreement (SPA) with Joint Venture Partner OQ S.A.O.C. (formerly known as Oman Oil Company S.A.O.C.) ("OQ") on 30th June 2021, for a consideration of ₹ **2,399.26 Crores**. By way of this transaction, BORL has become a wholly owned subsidiary of the Corporation.

Further, the Corporation has acquired the remaining share warrants of BORL held by Government of Madhya Pradesh for a consideration of ₹ **72.65 Crores** (including Stamp Duty).

Further during FY 2021-22, the Board has decided to merge the wholly owned subsidiary BORL with the Corporation. The proposed merger of BORL with the Corporation is in process as on 31st March 2022 and will be completed after obtaining necessary approval from respective authorities.

(III) Numaligarh Refinery Limited (NRL)

During previous FY 2020-21 the Corporation had sold its entire shareholding in NRL constituting 61.65% of the total equity capital of NRL (i.e. 45,35,45,998 equity shares of ₹10/- each) under the terms of Share Purchase Agreement executed on 25th March 2021 after obtaining approvals from the shareholders in Extra-ordinary General Meeting held on 25th March 2021. The Equity Shares of NRL had been sold to a consortium of Oil India Limited and Engineers India Limited; and to Government of Assam for a total consideration of ₹ 9,875.96 Crores.

After the above sale of equity shares, NRL has ceased to be the subsidiary of the Corporation with effect from 26th March 2021. The Gain arising from the sale of Equity shares of NRL is ₹ 9,422.42 Crores has been shown as an Exceptional Item in the Statement of Profit and Loss for FY 2020-21.

NOTE 69 EXCEPTIONAL ITEMS - EXPENSES / (INCOME)

₹ in Crores

Particulars	2021-22	2020-21
Employee Share Based Expenses (Refer Note 55)	**77.06**	940.72
Impairment of Investment in Subsidiary (Refer Note 56)	**-**	2,032.79
Gain on sale of Investment in Subsidiary (Refer Note 68)	**-**	(9,422.42)
Exceptional Items Expenses / (Income)	**77.06**	(6,448.91)

NOTE 70

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1st April , 2022. The Corporation does not expect the amendment to have any significant impact in its financial statements.

NOTE 71 ENERGY SAVING CERTIFICATES (ESCerts)

During FY 2021-22, Mumbai and Kochi Refineries were awarded with 83,996 Nos and 1,06,764 Nos of ESCerts respectively from Bureau of Energy Efficiency (BEE) as part of "Performance, Achieve & Trade" (PAT) scheme, India for achieving reduction in Specific Energy Consumption above targets set by them for the performance during FY 2018-19. These can be redeemed to meet refineries own shortfall (if any) or can be used as tradable certificates which can be sold through power exchanges. According to the Indian Energy Exchange's market fluctuations, current values of ESCerts are volatile. Considering unascertainability of cost of ESCerts since such cost cannot be derived directly, the same has not been carried in inventory.

NOTE 72

Figures of the previous year have been regrouped wherever necessary, to conform to current period presentation

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Signature to Notes '1' to '72'

For and on behalf of the Board of Directors

As per our attached report of even date
For and on behalf of

Sd/-
Arun Kumar Singh
Chairman and Managing Director
DIN: 06646894
Place: Delhi

Kalyaniwalla and Mistry LLP
Chartered Accountants
ICAI FR No. 104607W/W100166

K.S. Aiyar & Co
Chartered Accountants
ICAI FR No. 100186W

Sd/-
VRK Gupta
Director (Finance)
DIN: 08188547

Sd/-
V. Kala
Company Secretary

Sd/-
Sai Venkata Ramana Damarla
Partner
Membership No. 107017

Sd/-
Rajesh S. Joshi
Partner
Membership No. 038526

Place: Mumbai
Date: 25th May 2022

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BHARAT PETROLEUM CORPORATION LIMITED

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

1. We have audited the accompanying Consolidated Ind AS Financial Statements of Bharat Petroleum Corporation Limited ("hereinafter referred to as the Holding Company/Corporation") and its subsidiaries (the Holding Company/Corporation and its subsidiaries together referred to as "the Group"), its joint ventures and associates (refer Note 7 to the attached Consolidated Ind AS Financial Statements); comprising the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

2 In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the auditors on financial statements and on the other financial information of the subsidiaries, joint ventures and associates, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, the consolidated Profit, consolidated total comprehensive income, consolidated cash flows and consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit of the Consolidated Ind AS Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated Ind AS Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

Emphasis of Matter

4. We draw attention to the following matters in relation to the Consolidated Ind AS Financial Statements:

   I. Note No. 64 to the consolidated financial statements with regard to the Exceptional Items recognized in the Statement of Profit and Loss by the Company as gain on re-measurement of previously held equity interest as on June 30, 2021 in 'Bharat Oman Refinery Limited (BORL)', which is based on provisional estimates made by management, amounting to ₹ 1,720.13 Crores and resultant Goodwill amounting to ₹ 1,203.98 Crores on account of change in control from joint venture company to wholly owned subsidiary company due to acquisition of the remaining shares of joint venture company with effect from June 30, 2021.

   II. The auditors of Bharat Petro Resources Limited (BPRL) (Subsidiary Company) have stated following under Emphasis of Matter in their Report on the consolidated financial statements:

      1. We draw attention to Note No. 58 of consolidated financial statements on "Interest in Joint Operations" regarding incorporation of details about the Holding Company's share in assets, liabilities, income and expense in the unincorporated joint operations based on the audited/unaudited statements received from the respective Operators.

"In these regard, it has been observed that:

a. As on March 31, 2022, the holding company is having a participating interest in nine Indian Blocks, out of which three Indian blocks are operated by the holding company. For the remaining six Indian blocks, audited statements have not been received by the Company; hence, certified figures as provided by the management of the operator have been considered. The total Assets & Liabilities as on March 31, 2022 and Income & Expenses for FY 2021-22 in respect of the said six blocks amounts to ₹ 157.07 Crores, ₹ 15.96 Crores, ₹125.21 Crores and ₹ 27.62 Crores respectively.

b. The holding company was having participating interest in two foreign blocks, out of which EP 413 block has been farmed out during the year and Block 32 has been relinquished in the previous financial year. The operators of foreign blocks are not required to submit annual audited statements; hence, unaudited statements as received by the company have been considered. The value of total assets, liabilities, income and expenses in which has been incorporated in the books of the Company amounts to ₹ 0.08 Crores, ₹ 0.09 Crores, ₹ NIL Crores and ₹ 0.03 Crores respectively.

c. The Holding Company's proportionate share in jointly controlled assets, liabilities for which the Holding Company is jointly responsible, Holding Company's proportionate share of income and expenses for the year, the elements making up the Cash Flow Statements and related disclosures contained in the enclosed financial statements and our observations thereon are based on such audit reports and statements from the Operators to the extent available with the Holding Company.

d. Some of the Operators use accounting policies other than those adopted by the Holding Company for like transactions. The Holding Company has made appropriate adjustments while incorporating relevant data;" and

2. We draw attention to Note No.66 of consolidated financial statements regarding reversal of Provision for Cost of Minimum Work Program amounting to ₹ 51.77 Crores by BPRL based on the letter from competent authority received during the year ended March 31, 2022 and the same has been disclosed under exceptional item.

3. We draw attention to the 58 (III) (3) of the consolidated financial statements regarding recognition of amount of ₹18.02 Crores being Other Operating Revenue towards services provided to group companies pertaining to period October 2016 to March 2021.

4. We draw attention to Note 58 of the consolidated financial statements regarding:

   a. Arbitration filed before International Chamber of Commerce, London and appeal filed in the Brazilian courts by IBV (Brasil) Petroleo Ltd against the notice for exclusive operations served by the Operator of BMC 30 concession i.e participating asset. Pending such decision, the management of Holding company continues to recognize its assets at its carrying value.

   b. The commencement of military operation in Ukraine by the Russian Federation in February 22 and severe sanctions imposed by United States of America, the European Union and numerous other countries on the Russian Government may have on the impact of operations of the Entities in Russia.

   Our opinion is not modified in respect of the above matters

III. Attention is drawn to Note 59 (II) of the financial statements regarding the adoption of New Income Tax Regime under section 115BAA of the Income Tax Act, 1961 with effect from financial year 2021-22 by one its subsidiary company 'BORL'.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr.No.	Key Audit Matter	Auditors' Response
1	**Valuation of Investment in E&P Assets:** The Group along with its step down Subsidiaries, Joint Ventures & Associates holds participating interest in various oil/ gas blocks for exploration & evaluation, development and production activities (E&P). The Group's realisation from these E&P investments is dependent on the continued successful operations/development of reserves resulting in expected earnings and revenue growth of the respective companies.	The following procedures were carried out in this regard: • We evaluated the design, implementation and operating effetiveness of key controls in relation to the annual impairment testing activity carried out by the Group for its investments in E&P Assets. • We reviewed the audited Consolidated Ind AS Financial Statements of BPRL for FY 2021-22 and the Independent Auditor's Report thereon to ascertain if there are any signs of permanent diminution in the Corporation's investments therein.
2	**Computation of Expected Credit Loss (ECL):** Trade receivables and loans granted under the Pradhan Mantri Ujwala Yojana (PMUY) scheme constitute a significant component of the total current assets of the Corporation. At each reporting date, the Corporation recognizes Lifetime ECL on Trade Receivables using a 'simplified approach' and 12 month ECL on loans granted under the PMUY scheme, which rely on Management's estimates regarding probability of default rates linked to age- wise bucketing of the corresponding asset.	Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: • In respect of loans granted under PMUY, the Corporation along with other few industry peers have derived a common methodology for calculating ECL, based on the broad category of active and inactive consumers and last refill date with expected loan recovery period. We checked the working of the same and it was in line with the common methodology document shared with us. • We have evaluated the methodology for age-wise bucketing of trade receivables and key assumptions underlying the probability of default estimates on the same, to ascertain that the same were broadly in-line with the Corporation's historical default rates and have considered available information regarding the current economic scenario. • We selected a few sample outstanding receivable cases having different overdue periods and checked that the computation of ECL has been appropriately carried out in line with the Group's policy.

Sr.No.	Key Audit Matter	Auditors' Response
3	**Evaluation of Contingent Liabilities:** The Group has material uncertain positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Contingent liabilities are not recognized in the Consolidated Ind AS Financial Statements but are disclosed unless the possibility of an outflow of economic resources is considered remote. Contingent liabilities disclosed are in respect of items which in each case are above the threshold limit.	The following audit procedures were carried out in this regard: • We examined sample items above the threshold limit for determination of contingent liabilities and obtained details of completed Excise, VAT/ Sales Tax/ Entry Tax assessments, demands as well as other disputed claims against the Corporation as on March 31, 2022. The Corporation has obtained opinion from tax consultants in various disputed matters. We have relied upon such opinions and litigation history based on which Corporation has concluded that possibility of cash outflow is remote while preparing its Consolidated Ind AS Financial Statements. • We have assessed the Management's underlying assumptions in estimating the possible outcome of such disputed claims/ cases against the Corporation, based on records and judicial precedents made available.
4	**Inventories:** Verification and valuation of Inventories is a significant area requiring Management's judgment of estimates and application of accounting policies that have significant effect on the amounts recognized in the Consolidated Ind AS Financial Statements.	Our audit approach involved the following combination of test of control design and substantive testing in respect of verification and valuation of inventories: • We evaluated the Corporation's system of inventory monitoring and control. It was observed that inventory has been physically verified by the Management during the year at reasonable intervals. • Our audit teams have also physically verified on sample basis the Inventories of the Corporation at various locations and compliance with cut off procedures. However, since physical verification at certain locations was not possible for us, in such cases we have relied on the physical verification of inventory carried out by the Management. • In respect of the Corporation's inventory lying with third parties, we have ascertained that these have substantially been confirmed by them. We also examined the system of records maintenance for stocks lying at third party locations. • We have also tested the values considered by the Corporation in respect of Net realisable value, cost of products and verified these on sample basis with the inventory valuation and accounting entries posted in this regard.

Sr.No.	Key Audit Matter	Auditors' Response
5	**Property, Plant & Equipment:** Estimates of useful lives and residual value of Property, Plant and Equipment is a significant area requiring Management judgment of estimates and application of accounting policies that have significant effect on the amounts recognized in the Consolidated Ind AS Financial Statements.	Our audit approach involved the following combination of test of control design and substantive testing in respect of verification and recording of Property, Plant & Equipment: • We examined whether the Corporation has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. • The physical verification of the Corporation's Property, Plant and Equipment (except LPG Cylinders and pressure regulators with customers) has been carried out by the Management in accordance with the phased program of verification of all assets and necessary accounting entries based on such physical verification have been appropriately posted which were verified by us. • Changes in the useful life and residual value of class of assets was adopted based on internal evaluation and was also comparable with other entities in the same industry. We have verified the computation of depreciation on sample basis.
6	**Information Technology:** A significant part of the Company's financial reporting process is heavily reliant on IT systems with automated processes and controls over the capture, storage and extraction of information. A fundamental component of these processes and controls is ensuring appropriate user access and change management protocols exist and being adhered to. These protocols are important because they ensure that access and changes to IT systems and related data are made and authorized in an appropriate manner. As our audit sought to place a high level of reliance on IT systems and application controls related to financial reporting, high proportion of the overall audit effort was in Information Technology (IT) Systems and Controls. We focused our audit on those IT systems and controls that are significant to the Company's financial reporting process	**Our procedures included:** We focused our audit on those IT systems and controls that are relevant to preparation of financial statements. As audit procedures over IT Systems and controls require specific expertise, we involved our IT specialist. Our review of the IT Controls covers the following areas: • Physical and Logical Security; • Change Management; • Backup, Business Continuity and • IT Operations. • Our assessment of the IT Controls is performed according to the following approach: • Understanding the IT environment. • Information gathering about the control framework surrounding the IT environment. • Evidence gathering with respect to Control testing. • Review of Implementation of controls testing. • Review of limited cases to identify whether there had been unauthorized or inappropriate access or changes made to critical IT systems and related data.

Information Other than the Consolidated Ind AS Financial Statements and Auditors' Report Thereon

6. The Corporation's Board of Directors is responsible for the preparation of the other information. The other information which is included in the Holding Company's Report comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Ind AS Financial Statements and our audit report thereon. The Other information is expected to be made available to us after the date of this auditor's report.

7. Our opinion on the Consolidated Ind AS Financial Statements does not cover the other information and we do not express any form of assurance thereon.

8. In connection with our audit of the Consolidated Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

9. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Ind AS Financial Statements

10. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these Consolidated Ind AS Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

11. In preparing the Consolidated Ind AS Financial Statements, the respective Board of Directors of the companies included in the Group, joint ventures and its associates are responsible for assessing the ability of the Group and of its joint ventures and associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

12. The respective Board of Directors of the companies included in the Group, joint ventures and its associates are also responsible for overseeing the financial reporting process of the said companies.

Other Matters

13. We did not audit the financial statements of three subsidiaries, whose financial statements /financial information reflect total assets of ₹ 49,487.52 Crores, total revenues of ₹ 45,323.27 Crores, Net profit of ₹ 658.56 Crores and net cash inflows amounting to ₹ 337.26 Crores for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. The Consolidated Ind AS Financial Statements also include the Group's share of net profit of ₹ 710.95 Crores for the year ended March 31, 2022, as considered in the Consolidated Ind AS Financial Statements, in respect of nine joint ventures and five Associate whose financial statements/financial information have not been audited by us. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Ind AS

Financial Statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associate, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associate, is based solely on such reports of the other auditors.

14. The Consolidated Ind AS Financial Statements include the Group share of net profit of ₹ 237.21 Crores for the year ended March 31, 2022 in respect of five joint ventures and two associates, whose financial statements/financial information have not been audited by us. These financial statements/financial information are unaudited and have been furnished to us by the Management, and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these joint ventures and associates, and our report in terms of sub-section (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid joint ventures and associates, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given by the Management, the variation, if any, in these financial statements is not expected to be material.

15. The auditor of BPRL has stated in their report in respect of one of its subsidiary as follows:

    'The liabilities have exceeded its total assets by ₹ 56.52 Crores and the financial statements have been prepared on the basis other than of going concern.'

16. Further, BPRL in their audit report have stated that they have placed reliance on technical/ commercial evaluation done by the management of the holding company in respect of categorization of wells as exploratory, development, producing & dry wells, allocation of costs incurred on them, proved (developed and undeveloped)/ probable hydrocarbon reserves & depletion thereof on Oil and Gas Assets, impairment and liability for decommissioning costs, liability for NELP and nominated blocks under performance against agreed Minimum Work Program.

    Our opinion above on the Consolidated Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements and Internal Financial Controls as per **Annexure- A** below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

Auditors' Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

17. Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Consolidated Ind AS Financial Statements.

18. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, have adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group, joint ventures and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Ind AS Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Ind AS Financial Statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

19. Materiality is the magnitude of misstatements in the Consolidated Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Ind AS Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Ind AS Financial Statements.

20. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

21. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

22. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

23. As required by Section 143(3) of the Act, based on our audit we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements.

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.

d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Act.

e) In view of exemption given vide notification no. G.S.R. 463(E) dated June 5, 2015, issued by Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualification of directors, are not applicable to the Holding company and in case of other companies, on the basis of report of the statutory auditors of the respective Companies of the Group, joint ventures and its associates incorporated in India, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"** which is based on the report of the statutory auditors of the respective Companies of the Group, joint ventures and its associates incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

g) In view of exemption given vide notification no. G.S.R. 463(E) dated June 5 2015, issued by Ministry of Corporate Affairs, provisions of Section 197 read with Schedule V of the Act regarding managerial remuneration are not applicable to the holding company.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Consolidated Ind AS Financial Statements disclose the impact of pending litigations as at March 31, 2022 on consolidated financial position of the Group, Joint Ventures and Associates- (Refer Note 57 of the Consolidated Ind AS Financial Statements.)

   ii. Provision has been made in the Consolidated Ind AS Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts as at March 31, 2022.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiaries, joint ventures and associates incorporated in India.

   iv.

      (a) The respective Managements of the C ompany and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement except for the following entities (Management Certified entities):-

(i) Fino Paytech Limited

(ii) Kannur International Airport Limited

(iii) Central U.P. Gas Limited

(iv) Sabarmati Gas Limited

(v) Delhi Aviation Fuel Facility Private Limited

(vi) Maharashtra Natural Gas Limited

(vii) Bharat Stars Services Limited

v. The dividend declared or paid during the year by the Holding Company are in compliance with section 123 of the Act.

24. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report there are no qualifications or adverse remarks in these CARO reports.

For Kalyaniwalla and Mistry LLP
Chartered Accountants
ICAI FRN: 104607W/W100166

Sd/-
Sai Venkata Ramana Damarla
Partner
M. No. 107017
UDIN: 22107017AJOZFO9213

Place: Mumbai
Date: 25th May, 2022

For K. S. Aiyar & Co
Chartered Accountants
ICAI FRN: 100186W

Sd/-
Rajesh S. Joshi
Partner
M. No. 038526
UDIN: 22038526AJOZQM3956

Place: Mumbai
Date: 25th May, 2022

ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

[Referred to in paragraph 24(f) under ‘Report on Other Legal and Regulatory Requirements’ in the Independent Auditors’ Report of even date to the members of Bharat Petroleum Corporation Limited on the Consolidated Ind AS Financial Statements for the year ended March 31, 2022]

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the Consolidated Ind AS Financial Statements of the Group, its joint ventures and associates as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of Bharat Petroleum Corporation Limited (“the Holding Company/Corporation”) and its subsidiaries, joint ventures and associates, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company, its subsidiaries, joint ventures and associates, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“the ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the respective company’s business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company, its subsidiaries, joint ventures and associates, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company, its subsidiaries, joint ventures and associates, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Consolidated Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Ind AS Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiaries, joint ventures and associates, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to three subsidiaries and eight joint ventures which are companies incorporated in India, is based on the corresponding reports issued by auditors of such companies, which do not disclose any material inadequacy in the internal financial controls over financial reporting.

Our opinion is not modified in respect of this matter.

For Kalyaniwalla and Mistry LLP
Chartered Accountants
ICAI FRN: 104607W/W100166

Sd/-
Sai Venkata Ramana Damarla
Partner
M. No. 107017
UDIN: 22107017AJOZFO9213

Place: Mumbai
Date: 25th May, 2022

For K. S. Aiyar & Co
Chartered Accountants
ICAI FRN: 100186W

Sd/-
Rajesh S. Joshi
Partner
M. No. 038526
UDIN: 22038526AJOZQM3956

Place: Mumbai
Date: 25th May, 2022

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2022

₹ in Crores

Particulars	Note no.	As at 31/03/2022	As at 31/03/2021
I. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	2	81,507.26	63,588.84
(b) Capital Work-in-Progress	3	4,979.89	7,537.18
(c) Goodwill on Consolidation	64	1,203.98	-
(d) Investment Property	4	0.03	0.05
(e) Intangible Assets	5	1,190.19	509.42
(f) Intangible Assets Under Development	6	10,453.06	9,500.11
(g) Investments accounted for using the Equity Method	7	18,415.49	19,549.64
(h) Financial Assets			
(i) Investments	8	758.14	423.82
(ii) Loans	9	3,956.62	5,175.31
(iii) Other Financial Assets	10	706.98	184.60
(i) Income Tax Assets (Net)	11	349.80	1,158.07
(j) Deferred Tax Assets (Net)	28	-	3.53
(k) Other Non-Current Assets	12	2,007.83	1,276.13
Total Non-Current Assets		1,25,529.27	1,08,906.70
(2) Current Assets			
(a) Inventories	13	42,178.74	26,706.72
(b) Financial Assets			
(i) Investments	14	4,442.27	6,794.27
(ii) Trade Receivables	15	9,707.47	7,834.77
(iii) Cash and Cash Equivalents	16	2,159.04	7,567.57
(iv) Bank Balances other than Cash and Cash Equivalents	17	77.65	542.54
(v) Loans	18	136.00	132.50
(vi) Other Financial Assets	19	559.66	599.95
(c) Current Tax Assets (Net)	20	894.89	535.21
(d) Other Current Assets	21	1,830.98	1,339.82
		61,986.70	52,053.35
Assets held for sale	22	12.66	21.50
Total Current Assets		61,999.36	52,074.85
TOTAL ASSETS		1,87,528.63	1,60,981.55
II EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	23	2,129.45	2,092.91
(b) Other Equity	24	49,776.17	51,462.17
Total Equity		51,905.62	53,555.08
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	25	36,358.93	35,740.22
(ia) Lease Liabilities	25a	8,040.73	7,612.07
(ii) Other Financial Liabilities	26	56.63	58.08
(b) Provisions	27	234.29	827.49
(c) Deferred Tax Liabilities (Net)	28	6,375.72	4,934.48
(d) Other Non-Current Liabilities	29	1,488.24	549.95
Total Non-Current Liabilities		52,554.54	49,722.29
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	30	19,573.75	10,935.99
(ia) Lease Liabilities	30a	560.79	243.58
(ii) Trade Payables	31		
a. Total Outstanding dues of Micro Enterprises and Small Enterprises		245.26	147.79
b. Total Outstanding dues of Creditors other than Micro enterprises and Small Enterprises		30,102.46	16,122.14
(iii) Other Financial Liabilities	32	20,983.28	19,916.42
(b) Other Current Liabilities	33	7,259.56	6,780.92
(c) Provisions	34	2,925.39	2,731.68
(d) Current Tax Liabilities (Net)	35	1,417.98	825.66
Total Current Liabilities		83,068.47	57,704.18
Total Liabilities		1,35,623.01	1,07,426.47
TOTAL EQUITY AND LIABILITIES		1,87,528.63	1,60,981.55
Significant Accounting Policies	1		
Notes forming part of Financial Statements	44 to 68		

For and on behalf of the Board of Directors

Sd/-
Arun Kumar Singh
Chairman and Managing Director
DIN: 06646894

Place: Delhi

Sd/-
VRK Gupta
Director (Finance)
DIN: 08188547

Sd/-
V. Kala
Company Secretary

Place: Mumbai
Date: 25th May 2022

As per our attached report of even date
For and on behalf of

Kalyaniwalla and Mistry LLP
Chartered Accountants
ICAI FR No. 104607W/W100166

Sd/-
Sai Venkata Ramana Damarla
Partner
Membership No. 107017

K.S. Aiyar & Co
Chartered Accountants
ICAI FR No. 100186W

Sd/-
Rajesh S. Joshi
Partner
Membership No. 038526

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022

₹ in Crores

	Particulars	Note no.	2021-22	2020-21
	Income			
I)	Revenue from Operations	36	4,32,569.62	3,04,274.46
II)	Other Income	37	2,268.54	2,244.86
III)	**Total Income (I + II)**		4,34,838.16	3,06,519.32
IV)	**Expenses**			
	Cost of Materials Consumed	38	1,63,541.19	78,778.19
	Purchases of Stock-in-Trade	39	1,43,901.70	1,12,364.13
	Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	40	(4,041.62)	(3,743.56)
	Excise Duty Expense		85,778.54	74,103.65
	Employee Benefits Expense	41	3,408.00	4,856.35
	Finance Costs	42	2,605.64	1,723.41
	Depreciation and Amortization Expense	2,4,5	5,434.35	4,334.21
	Other Expenses	43	20,844.51	16,611.15
	Total Expenses (IV)		4,21,472.31	2,89,027.53
V)	**Profit from Continuing Operations before Share of Profit of Equity Accounted Investees, Exceptional Items and Income Tax (III - IV)**		13,365.85	17,491.79
VI)	Share of Profit of Equity Accounted Investees (Net of Income Tax)		1,535.73	(325.53)
VII)	Exceptional Items (Expense/(Income))	66	(1,135.15)	(5,265.76)
VIII)	**Profit from Continuing Operations before Income Tax (V + VI-VII)**		16,036.73	22,432.02
IX)	**Tax Expense**	28		
	1) Current Tax		2,706.42	6,165.29
	2) Deferred Tax		690.75	82.17
	3) Short / (Excess) provision of earlier years		958.06	(1,135.27)
	Total Tax Expense		4,355.23	5,112.19
X)	**Profit for the Year (VIII-IX)**		11,681.50	17,319.83
XI)	**Other Comprehensive Income (OCI)**		402.12	(1,274.60)
	(i) Items that will not be reclassified to Profit or Loss			
	(a) Remeasurements of the Defined Benefit Plans		(28.39)	0.52
	(b) Equity Instruments through Other Comprehensive Income- net change in fair value		334.32	135.96
	(c) Equity Accounted Investees - share of OCI		0.46	0.69
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss		(18.09)	(55.68)
	(iii) Items that will be reclassified to Profit or Loss			
	(a) Exchange differences in translating Financial Statements of foreign operations		167.15	0.59
	(b) Equity accounted Investees - share of OCI		(53.33)	(1,356.68)
XII)	**Total Comprehensive Income for the Year (X+XI)**		12,083.62	16,045.23
	Profit attributable to:			
	Owners of the Company		11,681.50	16,164.98
	Non-Controlling Interests		-	1,154.85
	Profit for the Year		11,681.50	17,319.83
	Other Comprehensive Income attributable to :			
	Owners of the Company		402.12	(1,279.36)
	Non-Controlling Interests		-	4.76
	Other Comprehensive Income for the Year		402.12	(1,274.60)
	Total Comprehensive Income attributable to :			
	Owners of the Company		12,083.62	14,885.62
	Non-Controling Interests		-	1,159.61
	Total Comprehensive Income for the Year		12,083.62	16,045.23
XIII)	**Basic Earnings Per Equity Share (Face value ₹10)**	51	54.91	81.87
XIV)	**Diluted Earnings Per Equity share (Face value ₹10)**	51	54.91	81.60
	Significant Accounting Policies	1		
	Notes forming part of Financial Statements	44 to 68		

For and on behalf of the Board of Directors

Sd/-
Arun Kumar Singh
Chairman and Managing Director
DIN: 06646894

Place: Delhi

Sd/-
VRK Gupta
Director (Finance)
DIN: 08188547

Sd/-
V. Kala
Company Secretary

Place: Mumbai
Date: 25th May 2022

As per our attached report of even date
For and on behalf of

Kalyaniwalla and Mistry LLP
Chartered Accountants
ICAI FR No. 104607W/W100166

Sd/-
Sai Venkata Ramana Damarla
Partner
Membership No. 107017

K.S. Aiyar & Co
Chartered Accountants
ICAI FR No. 100186W

Sd/-
Rajesh S. Joshi
Partner
Membership No. 038526

CONSOLIDATED STATEMENT OF CASH FLOWS

₹ in Crores

	For the Year ended	31/03/2022	31/03/2021
A	**Net Cash Flow from Operating Activities**		
	Net Profit Before Tax (After Exceptional Items)	16,036.73	22,432.02
	Adjustments for :		
	Share of (Profit) / Loss from Equity Accounted Investees	(1,535.73)	325.53
	Depreciation	5,434.35	4,334.21
	Finance Costs	2,605.64	1723.41
	Foreign Exchange Fluctuations	(26.85)	(131.74)
	Fair valuation gain on previously held investment in Bharat Oman Refineries Limited	(1,720.13)	-
	(Profit) / Loss on sale of Property plant and equipment / Non-current assets held for sale	(1.64)	22.03
	(Profit) / Loss on Sale of Stake in Numaligarh Refinery Limited (Equity)	-	(6,473.35)
	(Profit) / Loss on Sale of Investments	(52.29)	(11.34)
	Interest Income	(1,088.72)	(1,085.19)
	Dividend Income	(28.76)	(17.19)
	Expenditure towards Corporate Social Responsibility	176.44	163.23
	Share Options Outstanding Account	77.06	940.72
	Other Non-Cash items	994.58	1,360.14
	Operating Profit before Working Capital Changes	20,870.68	23,582.48
	(Invested in)/Generated from :		
	Inventories	(9,672.18)	(6,367.01)
	Trade Receivables	(2,317.48)	(2,588.98)
	Other Receivables	268.12	5,956.78
	Current Liabilities & Payables	13,044.16	6,706.47
	Cash generated from Operations	22,193.30	27,289.74
	Direct Taxes Paid	(1,710.00)	(3,662.72)
	Paid for Corporate Social Responsibility	(147.67)	(171.88)
	Net Cash from / (used in) Operating Activities	20,335.63	23,455.14
B	**Net Cash Flow from Investing Activities**		
	Purchase of Property, Plant and Equipment / Intangible Assets	(7,750.63)	(9,107.31)
	Sale of Property, Plant and Equipment	58.27	55.37
	Capital Advance	(795.10)	28.05
	Investment in Equity Accounted Investee	(920.58)	(1,478.69)
	Purchase of Stake in Bharat Oman Refineries Limited (Equity and Share Warrants) (Note 3)	(2,467.88)	-
	Sale of Stake in Numaligarh Refinery Limited (Equity)	-	9,652.98
	Tax on sale of Investment in Numaligarh Refinery Limited (Equity)	-	(1,932.00)
	Loan to Equity Accounted Investee	-	(15.00)
	Purchase of Investments	(18,839.41)	(9,102.01)
	Sale of Investments	20,722.00	6,899.45
	Interest Received	982.90	969.78
	Dividend Received	872.86	1,555.34
	Net Cash from / (used in) Investing Activities	(8,137.57)	(2,474.04)

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTD.)

₹ in Crores

	For the Year ended	31/03/2022	31/03/2021
C	**Net Cash Flow from Financing Activities**		
	Proceeds from sale of equity shares held by "BPCL Trust for Investment in Shares"	-	5,519.53
	Proceeds from Allotment of Equity Shares to employees on account of "BPCL ESPS SCHEME (Net of Expenses)	462.40	-
	Repayment of Lease Liability	(892.39)	(663.88)
	Short Term Borrowings (Net)	554.10	(13,325.19)
	Long Term Borrowings	7,244.23	4,996.06
	Repayment of Long Term Borrowings	(8,781.97)	(3,661.13)
	Interest Paid	(1,775.27)	(1,922.02)
	Dividend Paid#	(14,482.78)	(4,924.27)
	Net Cash from / (used in) Financing Activities	(17,671.68)	(13,980.90)
D	**Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)**	(5,473.62)	7,000.20
	Cash and Cash Equivalents as at	31/03/2021	31/03/2020
	Cash on hand	16.98	6.13
	Cheques and drafts on hand	6.68	6.10
	Cash at Bank	346.20	323.07
	Deposits with Banks with original maturity of less than three months	7,047.78	464.34
	Investment in Triparty Repo Settlement System	149.93	-
	Less : Bank Overdraft	(38.41)	(270.68)
		7,529.16	528.96
	Cash and Cash Equivalents as at	31/03/2022	31/03/2021
	Cash on hand	23.46	16.98
	Cheques and drafts on hand	5.56	6.68
	Cash at Bank	734.17	346.20
	Deposits with Banks with original maturity of less than three months	1,395.85	7,047.78
	Investment in Triparty Repo Settlement System	-	149.93
	Less : Bank Overdraft	(103.50)	(38.41)
		2,055.54	7,529.16
	Net Increase / (Decrease) in Cash and Cash Equivalents	(5,473.62)	7,000.20

Dividend paid includes dividend of ₹ 510.03 Crores pertaining to Second Interim Dividend declared for FY 2020-21 on 16th March 2021, which has been earmarked in separate dividend account and paid on 9th April 2021.

₹ in Crores

Particulars	Total liabilities from financing activities (excluding bank overdraft)
As at 31st March, 2020	59,240.56
Cash flows	(11,990.26)
Non cash changes	
a) Foreign exchange movement	(642.46)
b) Recognition of deferred income and its amortisation	2.72
c) Fair value changes	27.24
As at 31st March, 2021	46,637.80

₹ in Crores

Particulars	Total liabilities from financing activities (excluding bank overdraft)
As at 31st March, 2021	**46,637.80**
Adustment on account of acquisition of BORL	**9,331.88**
Cash flows	**(983.64)**
Non cash changes	
a) Foreign exchange movement	**1,036.00**
b) Recognition of deferred income and its amortisation	**2.94**
c) Fair value changes	**28.45**
d) Others adjustments	**(224.25)**
As at 31st March, 2022	**55,829.18**

Explanatory notes to Statement of Cash Flows

1 The Statement of Cash Flows is prepared in accordance with the format prescribed by Securities and Exchange Board of India and as per Ind AS 7 as notified by Ministry of Corporate Affairs.

2 In Part-A of the Statement of Cash Flows, figures in brackets indicate deductions made from the Net Profit for deriving the net cash flow from operating activities. In Part-B and Part-C, figures in brackets indicate cash outflows.

3 In June 2021, BPCL acquired 888,613,336 equity shares (36.62%) of Bharat Oman Refineries Limited (BORL) from OQ S.A.O.C for a value of ₹ 2,399.26 Crore. Further, in September 2021, BPCL purchased 2.69 crore warrant held by Government of Madhya Pradesh in BORL for a value of ₹ 72.65 crores (including stamp duty). As on 30.06.2021, BORL has become wholly owned subsidiary of BPCL. The consideration paid by BPCL for the purchase of stake in BORL (Equity and Share Warrants) is net of cash & cash equivalents of BORL as on the date of change in control.

4 The net profit / loss arising due to conversion of current assets / current liabilities, receivable / payable in foreign currency is furnished under the head "Foreign Exchange Fluctuations".

5 "Other Non-Cash items" includes provisions created (including provision for Capital Work in progress)/excess provisions written back, Mark to Market change in value of investments, Impairment loss on Non-current assets held for sale, amortisation of deferred expenditure and capital grant, bad debts and materials and miscellaneous adjustments not affecting Cash Flow.

6 Figures of the previous year have been regrouped wherever necessary, to conform to current period presentation.

For and on behalf of the Board of Directors

Sd/-
Arun Kumar Singh
Chairman and Managing Director
DIN: 06646894
Place: Delhi

Sd/-
VRK Gupta
Director (Finance)
DIN: 08188547

Sd/-
V. Kala
Company Secretary

Place: Mumbai
Date: 25th May 2022

As per our attached report of even date
For and on behalf of

Kalyaniwalla and Mistry LLP
Chartered Accountants
ICAI FR No. 104607W/W100166

Sd/-
Sai Venkata Ramana Damarla
Partner
Membership No. 107017

K.S. Aiyar & Co
Chartered Accountants
ICAI FR No. 100186W

Sd/-
Rajesh S. Joshi
Partner
Membership No. 038526

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022

a)

₹ in Crores

Equity Share Capital	As at 31/03/2022		As at 31/03/2021	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting period	2,16,92,52,744	2,169.25	2,16,92,52,744	2,169.25
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	2,16,92,52,744	2,169.25	2,16,92,52,744	2,169.25
Add: Issue of Bonus Shares (Refer Note No. 23)	-	-	-	-
Balance at the end of the reporting period	2,16,92,52,744	2,169.25	2,16,92,52,744	2,169.25
Less: Adjustment for Shares held by "BPCL Trust for Investment in Shares" (Refer Note No.45)	(3,29,60,307)	(32.96)	(3,29,60,307)	(32.96)
Less: Adjustment for Shares held by "BPCL ESPS Trust" (Refer Note no.45)	(68,36,948)	(6.84)	(4,33,79,025)	(43.38)
Balance at the end of the reporting period after Adjustment	2,12,94,55,489	2,129.45	2,09,29,13,412	2,092.91

₹ in Crores

(b) Other Equity	Reserves & Surplus								Equity nstruments through Other Comprehensive Income [Note 24]	BPCL ESPS Trust [Note 24]	BPCL Trust for Investment in Shares [Note 24]	Total attributable to Owners of the Corporation	Attributable to NCI	Total other equity
	Capital Reserve [Note 24]	Capital Reserve on Acquisition of subsidiaries, JVCs and associates [Note 24]	Securities Premium [Note 24]	Share Options Outstanding Account [Note 24]	Debenture Redemption Reserve [Note 24]	General Reserve [Note 24]	Retained Earnings [Note 24]*	Foreign Currency Translation Reserve [Note 24]						
Balance as at 01st April 2020	73.05	(31.00)	249.79	-	1,095.12	32,797.15	(352.84)	1,488.44	(297.52)		(456.74)	34,565.45	2,056.33	36,621.78
Opening Balance adjustment	(0.01)		0.22		(18.76)		6.18					(12.37)	-	(12.37)
Balance after the above effect	73.04	(31.00)	250.01	-	1,076.36	32,797.15	(346.66)	1,488.44	(297.52)		(456.74)	34,553.08	2,056.33	36,609.41
Profit for the year	-	-	-	-	-	-	16,164.98	-	-	-	-	16,164.98	1,154.85	17,319.83
Other Comprehensive Income for the year	-	-	-	-	-	-	(59.23)	(1,356.06)	135.96	-	-	(1,279.33)	4.76	(1,274.57)
Transfer of Shares to "BPCL ESPS trust" (Refer Note No. 45)	-	-	-	-	-	-	-	-	-	(97.90)	97.90	-	-	-
Issue of Equity Shares out of shares held in "BPCL Trust for Investment in Shares" (Refer Note No. 45)	-	-	5,101.31	-	-	-	-	-	-	-	284.45	5,385.76	-	5,385.76
Dividends	-	-	-	-	-	-	(4,555.43)	-	-	-	-	(4,555.43)	(1,057.93)	(5,613.36)
Income from "BPCL Trust for Investment in Shares" (Refer Note No. 45)	-	-	-	-	-	-	270.87	-	-	-	-	270.87	-	270.87
Transfer to Debenture Redemption reserve	-	-	-	-	188.48		(188.48)	-	-	-	-	-	-	-
Foreign Currency Translation Reserve - Reclassification to Statement of profit and loss	-	-	-	-	-	-	-	(4.19)	-	-	-	(4.19)	-	(4.19)
Transfers on account of sale of stake in Subsidiary (Refer note 63)	-	-	-	-	-	(3,128.00)	3,128.00	-	-	-	-	-	-	-
Transfer to Statement of Profit and Loss on sale of stake in subsidiary (Refer note no. 63)	-	(66.45)	-	-	-	-	-	-	-	-	-	(66.45)	-	(66.45)
Income of "BPCL ESPS Trust" (Net of Tax) (Refer Note No. 45)	-	-	-	-	-	-	52.16	-	-	-	-	52.16	-	52.16
De-Recognition of NCI due to sale of stake in Subsidiary (Refer note 63)	-	-	-	-	-	-	-	-	-	-	-	-	(2,158.01)	(2,158.01)
Employee Stock Option Granted (Refer Note 52)	-	-	-	940.72	-	-	-	-	-	-	-	940.72	-	940.72
Transfer on account of Stock Options not excercised	-	-	-	(84.23)	-	84.23	-	-	-	-	-	-	-	-
Balance as at 31st March 2021	73.04	(97.45)	5,351.32	856.49	1,264.84	29,753.38	14,466.21	128.19	(161.56)	(97.90)	(74.39)	51,462.17	-	51,462.17

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022

₹ in Crores

(b) Other Equity	Reserves & Surplus								Equity nstru-ments through Other Compre-hensive Income [Note 24]	BPCL ESPS Trust [Note 24]	BPCL Trust for Invest-ment in Shares [Note 24]	Total attribu-table to Owners of the Corpor-ation	Attribu-table to NCI	Total other equity
	Capital Reserve [Note 24]	Capital Reserve on Acquis-ition of subsidi-aries, JVCs and associ-ates [Note 24]	Secur-ties Premium [Note 24]	Share Options Outstan-ding Account [Note 24]	Deben-ture Redem-ption Reserve [Note 24]	General Reserve [Note 24]	Retained Earnings [Note 24]*	Foreign Currency Transl-ation Reserve [Note 24]						
Balance as at 1st April 2021	73.04	(97.45)	5,351.32	856.49	1,264.84	29,753.38	14,466.21	128.19	(161.56)	(97.90)	(74.39)	51,462.17	-	51,462.17
Opening Balance adjustment	-	-	-	-	-	-	4.67	-	-	-	-	4.67	-	4.67
Balance after the above effect	73.04	(97.45)	5,351.32	856.49	1,264.84	29,753.38	14,470.88	128.19	(161.56)	(97.90)	(74.39)	51,466.84	-	51,466.84
Profit for the year	-	-	-	-	-	-	11,681.50	-	-	-	-	11,681.50	-	11,681.50
Other Comprehensive Income for the year	-	-	-	-	-	-	(20.41)	113.82	308.71	-	-	402.12	-	402.12
Dividends	-	-	-	-	-	-	(14,750.92)	-	-	-	-	(14,750.92)	-	(14,750.92)
Income from "BPCL Trust for Investment in Shares" (Refer Note No. 45)	-	-	-	-	-	-	224.13	-	-	-	-	224.13	-	224.13
Transfer to General Reserve from Retained Earnings	-	-	-	-	-	3,000.00	(3,000.00)	-	-	-	-	-	-	-
Transfer to Debenture Redemption reserve	-	-	-	-	207.75	-	(207.75)	-	-	-	-	-	-	-
Share issued on exercise of Employee Stock Options	-	-	343.39	-	-	-	-	-	-	82.47	-	425.86	-	425.86
Transfer to retained earnings on change in control in BORL	-	-	(199.98)	-	-	-	199.98	-	-	-	-	-	-	-
Impact on stake sale by an Associate in its Subsidiary	-	-	-	-	-	-	213.52	-	-	-	-	213.52	-	213.52
Transfer to General Reserve from Debenture Redemption Reserve	-	-	-	-	(137.50)	137.50	-	-	-	-	-	-	-	-
Income of "BPCL ESPS Trust" (Net of tax) (Refer Note No. 45)	-	-	-	-	-	-	36.06	-	-	-	-	36.06	-	36.06
Transfer on account of exercise of Stock Options	-	-	861.49	(861.49)	-	-	-	-	-	-	-	-	-	-
Employee Stock option Granted (Refer Note No. 52)	-	-	-	77.06	-	-	-	-	-	-	-	77.06	-	77.06
Transfer on account of Stock Options not excercised	-	-	-	(72.06)	-	72.06	-	-	-	-	-	-	-	-
Balance as at 31st March 2022	73.04	(97.45)	6,356.22	-	1,335.09	32,962.94	8,846.99	242.01	147.15	(15.43)	(74.39)	49,776.17	-	49,776.17

*The balance includes accumulated Gain/(Loss) on account of remeasurements of Defined Benefit Plans (Net of tax) as on 31st March 2022 ₹ **(531.13) Crores** [Previous Year ₹ (510.19) Crores].

For and on behalf of the Board of Directors

Sd/-
Arun Kumar Singh
Chairman and Managing Director
DIN: 06646894

Place: Delhi

Sd/-
VRK Gupta
Director (Finance)
DIN: 08188547

Place: Mumbai
Date: 25th May 2022

Sd/-
V. Kala
Company Secretary

As per our attached report of even date
For and on behalf of

Kalyaniwalla and Mistry LLP
Chartered Accountants
ICAI FR No. 104607W/W100166

Sd/-
Sai Venkata Ramana Damarla
Partner
Membership No. 107017

K.S. Aiyar & Co
Chartered Accountants
ICAI FR No. 100186W

Sd/-
Rajesh S. Joshi
Partner
Membership No. 038526

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

1. Statement of Significant Accounting Policies:

The Consolidated Financial Statements relate to Bharat Petroleum Corporation Limited (BPCL or Parent Company or Corporation), its Subsidiary Companies and interest in Joint Venture and Associates. The Corporation and its Subsidiaries are together referred to as "Group".

1.1. Basis for preparation: The Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015; and other relevant provisions of the Act and Rules thereunder.

The Financial Statements of the Subsidiary Companies, Joint Venture Companies (JVCs) and the Associates used in the preparation of the Consolidated Financial Statements are drawn upto the same reporting date as that of BPCL i.e. 31st March 2022, except for Matrix Bharat Pte. Ltd. whose accounts are drawn for the year ended 31st December 2021, where there are no significant transactions or other events that have occurred between 1st January 2022 and 31st March 2022.

The Consolidated Financial Statements have been prepared under historical cost convention basis, except for certain assets and liabilities measured at fair value.

The Group has adopted all the Ind AS and the adoption was carried out during Financial Year 2016-17 in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Generally Accepted Accounting Principles in India (Indian GAAP) as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, which was the "Previous GAAP".

The functional currency of the Corporation and its Indian Subsidiaries is Indian Rupees (₹), whereas the functional currency of foreign subsidiaries is USD ($). The presentation currency of the group is Indian Rupees (₹). All figures appearing in the consolidated Financial Statements are rounded to the nearest Crores (₹ Crores), except where otherwise indicated.

In case of some Joint Venture Companies and Associates, certain accounting policies are different from that of the parent company, the impact of which is not expected to be material. The thresholds limit for the group has been applied as per their respective Financial Statements and the same has been specified in Note no. 1.34.

Authorization of Consolidated Financial Statements: The Consolidated Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on 25th May 2022.

The percentage of ownership interest of the Corporation in the Subsidiary Companies, JVCs and Associates as on 31st March 2022 are as under:

S.No.	Particulars	Country of Incorporation	Percentage (%) of actual ownership interest as on	
			31/03/2022	31/03/2021
A	**Subsidiaries**			
1	Bharat Oman Refineries Limited (BORL) (Note i)	India	**100.00**	63.38
2	Bharat Gas Resources Limited (BGRL)	India	**100.00**	100.00
3	Bharat PetroResources Limited (BPRL)	India	**100.00**	100.00
4	Bharat PetroResources JPDA Limited (Note ii)	India	**100.00**	100.00
5	BPRL International BV (Note ii)	Netherlands	**100.00**	100.00
6	BPRL International Singapore Pte Ltd. (Note ii)	Singapore	**100.00**	100.00
7	BPRL Ventures BV (Note iii)	Netherlands	**100.00**	100.00
8	BPRL Ventures Mozambique BV (Note iii)	Netherlands	**100.00**	100.00
9	BPRL Ventures Indonesia BV (Note iii)	Netherlands	**100.00**	100.00
10	BPRL International Ventures BV (Note iii)	Netherlands	**100.00**	100.00
11	Numaligarh Refinery Limited (NRL) (Note iv)	India	**-**	-
B	**Joint Venture Companies**			
1	Central UP Gas Limited	India	**25.00**	25.00
2	Maharashtra Natural Gas Limited	India	**22.50**	22.50
3	Sabarmati Gas Limited	India	**49.94**	49.94
4	Bharat Stars Services Private Limited	India	**50.00**	50.00
5	Bharat Renewable Energy Limited (Note v)	India	**33.33**	33.33
6	Matrix Bharat Pte. Ltd.	Singapore	**50.00**	50.00
7	Delhi Aviation Fuel Facility Private Limited	India	**37.00**	37.00
8	IBV (Brasil) Petroleo Ltda. (Note vi)	Brazil	**60.88**	50.00
9	Mumbai Aviation Fuel Farm Facility Private Limited	India	**25.00**	25.00
10	Kochi Salem Pipeline Private Limited	India	**50.00**	50.00
11	BPCL-KIAL Fuel Farm Private Limited	India	**74.00**	74.00
12	Haridwar Natural Gas Private Limited	India	**50.00**	50.00
13	Goa Natural Gas Private Limited	India	**50.00**	50.00
14	DNP Limited (Note vii)	India	**-**	-
15	Taas India Pte Ltd. (Note viii)	Singapore	**33.00**	33.00
16	Vankor India Pte Ltd. (Note viii)	Singapore	**33.00**	33.00
17	Falcon Oil & Gas BV (Note ix)	Netherlands	**30.00**	30.00
18	Ratnagiri Refinery and Petrochemicals Limited	India	**25.00**	25.00
19	LLC TYNGD (Note x)	Russia	**9.87**	9.87
20	Urja Bharat Pte. Ltd. (Note xi)	Singapore	**50.00**	50.00
21	Assam Bio Refinery (P) Ltd. (Note vii)	India	**-**	-
22	Indradhanush Gas Grid Limited (Note vii)	India	**-**	-
23	IHB Limited	India	**25.00**	25.00

S.No.	Particulars	Country of Incorporation	Percentage (%) of actual ownership interest as on	
			31/03/2022	31/03/2021
C	Associates			
1	Indraprastha Gas Limited	India	**22.50**	22.50
2	Petronet LNG Limited	India	**12.50**	12.50
3	GSPL India Gasnet Limited	India	**11.00**	11.00
4	GSPL India Transco Limited	India	**11.00**	11.00
5	Kannur International Airport Limited	India	**16.20**	16.20
6	Petronet India Limited (Note xii)	India	**16.00**	16.00
7	Petronet CI Limited (Note v)	India	**11.00**	11.00
8	FINO Paytech Limited	India	**20.89**	20.73
9	Brahmaputra Cracker and Polymer Limited (Note vii)	India	**-**	-
10	Mozambique LNG1 Holding Company Ltd (Note xiii)	UAE	**10.00**	10.00
11	Mozambique LNG 1 Company Pte Ltd (Note xiv)	Singapore	**10.00**	10.00
12	Mozambique LNG1 Financing Company Ltd. (Note xiv)	UAE	**10.00**	10.00
13	Mozambique LNG 1 Co. Financing, LDA (Note xiv)	Mozambique	**10.00**	10.00
14	JSC Vankorneft (Note xv)	Russia	**7.89**	7.89

→ Ujjwala Plus Foundation is a joint venture of IOCL, BPCL and HPCL with fund contribution in the ratio of 50:25:25 which was incorporated as a limited by guarantee company (without share capital) under section 8 of Companies Act, 2013.

Notes:

i. Corporation had acquired 88,86,13,336 shares of Joint Venture Company Bharat Oman Refineries Limited (36.62% of the equity share capital) on 30th June 2021 from Joint Venture Partner OQ S.A.O.C. (formerly known as Oman Oil Company S.A.O.C.) ("OQ") for a consideration of ₹ 2,399.26 Crores. Bharat Oman Refineries Limited has become a wholly owned subsidiary of the Corporation w.e.f. 30th June 2021.

The Corporation has also made investment in Compulsorily Convertible Debentures and Warrants in BORL. Further, the Corporation has acquired the remaining share warrants of Bharat Oman Refineries Limited held by Government of Madhya Pradesh for a consideration of ₹ 72.65 Crores.

ii. Bharat PetroResources JPDA Limited, BPRL International BV and BPRL International Singapore Pte. Ltd. are 100% subsidiaries of BPRL.

iii. BPRL Ventures BV, BPRL Ventures Mozambique BV, BPRL Ventures Indonesia BV and BPRL International Ventures BV are wholly owned subsidiaries of BPRL International BV which have been incorporated outside India.

iv. Numaligarh Refinery Limited ceased to be the part of the Group w.e.f. 26th March 2021. Accordingly, Financial Statements of NRL have been consolidated till 25th March 2021, post which derecognition of Assets and Liabilities of NRL has been carried out in line with applicable Ind AS.

v. Consolidation in respect of Investment in Petronet CI Limited and Bharat Renewable Energy Limited have not been considered in the preparation of Consolidated Financial Statements as the Corporation has decided to exit from these Companies and provision for full diminution in the value of investment has been done in the standalone Financial Statements of the Corporation.

vi. BPRL Ventures BV holds 60.88% equity in Joint Venture Company IBV (Brasil) Petroleo Ltda., incorporated in Brazil. During FY 2021-22, Quotaholders resolution for Capital Reduction of IBV has been approved and the amendment to Articles of Association has been approved by JUCERJA reflecting the capital reduction. Consequently, BPRL Ventures BV's share in paid up and subscribed equity in IBV has increased from 50% to 60.88% during the year. Considering BPRL Ventures BV's joint control with the Joint Venture partner over IBV (Brasil) Petroleo Ltda., it has been consolidated as Joint Venture as on 31st March 2022.

vii. Brahmaputra Cracker and Polymer Limited is an Associate of NRL and DNP Limited, Assam Bio Refinery (P) Ltd. and Indradhanush Gas Grid Ltd. are Joint Ventures of NRL. These Companies ceased to be a part of Group on account of loss of control on sale of NRL.

viii. Taas India Pte Ltd. and Vankor India Pte Ltd., are joint venture companies of BPRL International Singapore Pte Ltd.

ix. Falcon Oil & Gas BV is a joint venture of BPRL International Ventures BV.

x. LLC TYNGD is a Joint Venture of Taas India Pte Ltd.

xi. Urja Bharat Pte Ltd. is a joint venture of BPRL International Singapore Pte. Ltd.

xii. Petronet India Limited has gone under winding up. Consolidation has been done based on the declaration of solvency by the management of company.

xiii. Mozambique LNG1 Holding Company Ltd is an associate of BPRL Ventures Mozambique BV.

xiv. Mozambique LNG1 Company Pte. Ltd., Mozambique LNG1 Financing Company Ltd. and Mozambique LNG 1 Co. Financing, LDA are the wholly owned Subsidiary Company of Mozambique LNG1 Holding Company Ltd.

xv. JSC Vankorneft is an associate of Vankor India Pte Ltd.

The Financial Statements of Maharashtra Natural Gas Limited, Sabarmati Gas Limited, Bharat Stars Services Private Limited, Kannur International Airport Limited, FINO Paytech Limited, Central UP Gas Limited and Delhi Aviation Fuel Facility Private Limited are yet to be audited and hence provisional Financial Statements provided by management of the respective companies have been considered for the purpose of preparation of Consolidated Financial Statements.

1.2. Basis of consolidation

1.2.1. Subsidiaries

Subsidiaries are entities controlled by the Corporation. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The Financial Statements of the subsidiaries are included in the consolidated Financial Statements from the date on which control commences until the date on which the control ceases.

Subsidiaries are consolidated by combining like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. The intra-company balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These consolidated Financial Statements are prepared by applying uniform accounting policies in use at the Corporation. Non-controlling interests ("NCI") which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the company, are excluded.

Changes in the Corporation's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

1.2.2. Joint Venture and Associates

A joint venture is an arrangement in which the Corporation has joint control and has rights to the net assets of the arrangement, rather than the rights to its assets and obligation for its liabilities. An associate is an entity in which the Corporation has significant influence, but no control or joint control over the financial and operating policies.

Interest in joint ventures and associates are accounted for using the equity method. They are initially recognized at cost which includes transaction cost. Subsequent to initial recognition the consolidated Financial Statements include the JVCs and associates share of profit or loss and Other Comprehensive Income ("OCI") of such entities until the date on which significant influence or joint control ceases.

Unrealised gains / losses arising from transactions with such entities are eliminated against the investment to the extent of the Corporation's interest in the investee.

1.2.3. Business Combinations

In accordance with Ind AS 101 First time adoption of Indian Accounting Standards, the Group has elected to apply the requirements of Ind AS 103, "Business Combinations" prospectively to business combinations on or after the date of transition (1st April 2015). Pursuant to this exemption, goodwill / capital reserve arising from business combination has been stated at the carrying amount under Previous GAAP. In accordance with Ind AS 103, the Group accounts for these business combinations using the acquisition method when the control is transferred to the Group. The consideration transferred for the business combinations is generally measured at fair value as at the date the control is acquired (acquisition date), of the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognized in Profit or Loss or OCI as appropriate.

Common Control

Business combinations involving entities that are ultimately controlled by the same party(ies) before and after the business combination are considered as Common control entities and are accounted using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect the fair values, or recognise new assets or liabilities. Adjustments are made to harmonise accounting policies.
- The financial information in the Financial Statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the Financial Statements, irrespective of the actual date of the combination.

The balance of the retained earnings appearing in the Financial Statements of the transferor is aggregated with the corresponding balance appearing in the Financial Statements of the transferee or is adjusted against general reserve.

The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.

The difference if any, between the amounts recorded as share capital plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

1.3. Use of Judgements and Estimates

The preparation of the consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Group continually evaluates these estimates and assumptions based on the most recently available information.

In particular, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated Financial Statements are as below:

- Assessment of functional currency;
- Financial instruments;
- Estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets;
- Valuation of inventories;
- Measurement of recoverable amounts of cash-generating units;
- Measurement of Defined Benefit Obligations and actuarial assumptions;
- Provisions including loss allowances;
- Evaluation of recoverability of deferred tax assets;
- Contingencies;
- Interest in Joint arrangements; and
- In case of BPRL, impairment of exploration and evaluation assets; key assumptions for underlying recoverable amounts, and
- Estimation of Oil and Natural Gas reserves:

- The determination of the Group's estimated oil and natural gas reserves requires significant judgements and estimates to be applied and these are regularly reviewed and updated. Factors such as the availability of geological and engineering data, reservoir performance data, acquisition and divestment activity, drilling of new wells, and commodity prices all impact the determination of the Group's estimates of its oil and natural gas reserves. The Group estimates its proved reserves with a reasonable certainty on the basis of rigorous technical and commercial assessments based on conventional industry practice and regulatory requirements.
- Estimates of oil and natural gas reserves are used to calculate depreciation, depletion and amortization charges for the Group's oil and gas properties. The impact of changes in estimated proved reserves is dealt with prospectively by amortizing the remaining carrying value of the asset over the expected future production. Oil and natural gas reserves also have a direct impact on the assessment of the recoverability of asset carrying values reported in the consolidated Financial Statements. If proved reserves estimates are revised downwards, retained earnings could be affected by changes in depreciation expense or an immediate write-down of the property's carrying value.

Revisions to accounting estimates are recognized prospectively in the Consolidated Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

1.4. Property, plant and equipment

1.4.1. Property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

1.4.2. The initial cost of an asset comprises its purchase price or construction cost (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use).

1.4.3. Direct expenses incurred during construction period on capital projects are capitalized. Other expenses of the project group which are allocated to projects costing above a threshold limits are also capitalized. Expenditure incurred on enabling assets are capitalised.

1.4.4. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the group.

1.4.5. Expenditure on assets, other than plant and machinery, LPG cylinders and pressure regulators, not exceeding threshold limits are charged to revenue.

1.4.6. Spare parts which meet the definition of Property, Plant and Equipment are capitalized as Property, Plant and Equipment in case the unit value of the spare part is above the threshold limits. In other cases, the spare part is inventorized on procurement and charged to Consolidated Statement of Profit and Loss on consumption.

1.4.7. An item of Property, Plant and Equipment and any significant part initially recognized separately as part of Property, Plant and Equipment is derecognized upon disposal; or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Consolidated Statement of Profit and Loss when the asset is derecognized.

1.4.8. The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial year end and changes, if any, are accounted in the line with revisions to accounting estimates.

1.4.9. In respect of the capital goods common for both GST and non-GST products, the GST input tax credit is taken on the eligible portion based on GST and non-GST product ratio in the month of procurement and the ineligible portion is capitalised. Subsequently, this ratio is reviewed every month as per the GST provisions and the differential GST amount arising due to changes in the ratio is capitalised beyond the materiality threshold.

1.4.10. The Group has elected to use the exemption available under Ind AS 101 to continue the carrying value for all of its Property, Plant and Equipment as recognized in the Financial Statements as at the date of transition to Ind ASs, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (1st April 2015).

1.5. Depreciation

Depreciation on Property, Plant and Equipment are provided on the straight line basis, over the estimated useful lives of assets (after retaining the estimated residual value of upto 5%). These useful lives determined are in line with the useful lives as prescribed in the Schedule II of the Act, except in following cases:

1.5.1. Plant & Machinery at Retail Outlets (other than Storage tanks and related equipments) are depreciated over a useful life of 15 years based on the technical assessment.

1.5.2. Computer equipments are depreciated over a period of 3 years and Mobile phones are depreciated over a period of 2 years based on internal assessment. Electronic and electrical equipments provided to management staff under furniture on hire scheme are depreciated over a period of 4 years as per internal assessment. Other furniture items provided to management staff are depreciated over a period of 6 years as per internal assessment.

1.5.3. Solar Panels are depreciated over a period of 25 years based on the technical assessment of useful life and applicable warranty conditions.

1.5.4. Moulds, used for the manufacturing of the packaging material for Lubricants, are depreciated over a period of 5 years based on technical assessment of useful life.

1.5.5. Items of Property, Plant and Equipment costing not more than the threshold limits are depreciated at 100 percent in the year of acquisition except LPG Cylinders and Pressure Regulators which are depreciated over a useful life of 15 years based on the technical assessment.

1.5.6. In case of BPRL, workstations are depreciated over a period of 5 years. The useful lives are estimated based on the internal assessment.

1.5.7. Components of the main asset that are significant in value and have different useful lives as compared to the main asset are depreciated over their estimated useful life. Useful life of such components has been assessed based on historical experience and internal technical assessment.

1.5.8. Depreciation on spare parts specific to an item of Property, Plant and Equipment is based on life of the related Property, Plant and Equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment.

1.5.9. Depreciation is charged on additions / deletions on pro-rata monthly basis including the month of addition / deletion.

1.5.10. The Residual value of LPG cylinders and Pressure Regulators have been estimated at 15% of the original cost based on the historical experience and internal technical assessment.

1.5.11. The residual value of catalyst having precious/noble metals is estimated at the cost of the precious/noble metal content in catalyst which is expected to be extracted at end of their useful life, plus 5% of original cost of catalyst excluding cost of precious/noble metals based on the experience and internal technical assessment.

1.5.12. In respect of immovable assets constructed on leasehold land, useful life as per Schedule II or lease period of land (including renewable/likely renewable period) whichever is lower is considered.

1.6. Intangible Assets

1.6.1. **Goodwill:** Goodwill that arises on a business combination is subsequently measured at cost less any accumulated impairment losses.

In respect of business combinations that occurred prior to 1st April 2015, goodwill is included on the basis of its deemed cost, which represents the amount recorded under Previous GAAP, adjusted for the reclassification of certain intangibles.

Goodwill is not amortized but is tested for impairment annually.

1.6.2. Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any. Expenditure on internally generated intangibles, excluding development costs, is not capitalized and is reflected in Consolidated Statement of Profit and Loss in the period in which such expenditure is incurred. Development costs are capitalized if, and only if, technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Group has an intention and ability to complete and use or sell the asset and the costs can be measured reliably.

1.6.3. Assets where entire output generated is committed to be sold to entities providing public services for almost entire useful life of the asset are classified as intangible assets as per the requirements of Applicable Ind AS and are amortized (after retaining the residual value, if applicable) over their useful life or the period of the agreement, whichever is lower.

1.6.4. In cases where, the Corporation or its Subsidiaries has constructed assets on behalf of public infrastructure entities and it has only a preferential right to use, these assets are classified as intangible assets and are amortized (after retaining the residual value, if applicable) over their useful life or the period of the agreement, whichever is lower.

1.6.5. Intangible assets with indefinite useful lives, such as right of way which is perpetual and absolute in nature, are not amortized, but are tested for impairment annually. The useful lives are reviewed at each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If not, the change in useful life from indefinite to finite is made on a prospective basis. The impairment losses on intangible assets with indefinite life are recognized in the Consolidated Statement of Profit and Loss.

1.6.6. Expenditure incurred for creating / acquiring other intangible assets above threshold limits from which future economic benefits will flow over a period of time, is amortized over the estimated useful life of the asset or five years, whichever is lower, on a straight line basis, from the time the intangible asset starts providing the economic benefit. In other cases, the expenditure is reflected in the Consolidated Statement of Profit and Loss in the year in which the expenditure is incurred. The amortization period and the amortization method for an intangible asset with a finite life are reviewed at each year end. The amortization expense on intangible asset with finite useful lives and impairment losses in case there is an indication that the intangible asset may be impaired, are recognized in the Consolidated Statement of Profit and Loss.

1.6.7. The Group has elected to use the exemption available under Ind AS 101 to continue the carrying value for all of its intangible assets as recognized in the Financial Statements as at the date of transition to Ind ASs, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (1st April 2015).

1.7. Investment Property

1.7.1. Investment property is property (land or a building or part of a building or both) held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes. Investment properties are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

1.7.2. Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the Investment Property is recognized in Consolidated Statement of Profit and Loss.

1.7.3. On transition to Ind AS i.e. 1st April 2015, the Group has re-classified certain items from Property, Plant and Equipment to investment property. For the same, Group has elected to use the exemption available under Ind AS 101 to continue the carrying value for such assets as recognized in the Financial Statements as at the date of transition to Ind ASs, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (1st April 2015).

1.8. Borrowing costs

1.8.1. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.8.2. Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Consolidated Statement of Profit and Loss.

1.8.3. Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

1.9. Non-currents assets/Disposal Group held for sale

1.9.1. Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.

1.9.2. Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs of disposal (upto 5% of the acquisition value).

1.9.3. The disposal group classified as held for sale, are measured at the lower of carrying amount and fair value less costs of disposal.

1.9.4. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortized.

1.10. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset to lessee for a period of time in exchange for consideration.

Corporation and its subsidiary shall reassess whether a contract is, or contains, a lease if the terms and conditions of the contract are changed.

1.10.1. As a Lessee

At the commencement date, group recognises a right-of-use asset at cost and a lease liability at present value of the lease payments that are not paid at commencement date. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has right to obtain substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability (at present value) adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives (at present value) except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense. Lease of items such as IT Assets (tablets, personal computers, mobiles, POS machines etc.), small items of office furniture etc. are treated as low value.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the Corporation and its subsidiaries respective incremental borrowing rate computed on periodic basis based on lease term. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Group changes its assessment, whether it will exercise an extension or a termination option.

Right-of-use assets are depreciated over the lease term on systematic basis and Interest on lease liability is charged to statement of profit and loss as Finance cost.

The Group has elected not to apply Ind AS 116 “Leases” to Intangible assets.

1.10.2. As a Lessor

A lessor shall classify each of its leases as either an operating lease or a finance lease.

1.10.2.1. Finance leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

Group shall recognise assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease.

1.10.2.2. Operating leases

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

Group shall recognise lease payments from operating leases as income on systematic basis in the pattern in which benefit from the use of the underlying asset is diminished.

1.11. Impairment of Non-financial Assets

1.11.1. Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the

Group estimates the asset's recoverable amount. The recoverable amount is the higher of the asset's or Cash-Generating Units' (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

1.11.2. Goodwill arising from business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

1.11.3. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.12. Inventories

1.12.1. Inventories are stated at cost or net realisable value, whichever is lower. Cost of inventories comprises of expenditure incurred in the normal course of business in bringing inventories to their present location including appropriate overheads apportioned on a reasonable and consistent basis and are determined on the following basis:

- Crude oil, traded goods and finished products other than lubricants are determined on First in First out basis.
- Other raw materials, packages, lubricants and stores and spares are determined on weighted average basis.
- The cost of Work in Progress is determined at raw material cost plus cost of conversion.

1.12.2. Customs duty on Raw materials/Finished goods lying in bonded warehouse are provided for at the applicable rates except where liability to pay duty is transferred to consignee.

1.12.3. Excise duty on finished stocks lying at manufacturing locations is provided for at the assessable value applicable at each of the locations based on end use.

1.12.4. The net realisable value of finished goods and stock in trade are based on the inter-company transfer prices and final selling prices (applicable at the location of stock) for sale to oil marketing companies and retail consumers respectively. For the purpose of stock valuation, the proportion of sales to oil marketing companies and retail consumers are determined on all India basis and considered for stock valuation at all locations.

1.12.5. Raw Materials held for use in the production of finished goods are not written down below cost except in cases where raw material prices have declined and it is estimated that the cost of the finished goods will exceed their net realisable value.

1.12.6. Obsolete, slow moving, surplus and defective stocks are identified at the time of physical verification of stocks and where necessary, provision is made for such stocks.

1.12.7. In case of BPRL, finished goods of Crude Oil are valued at Cost or Net realisable value, whichever is lower. Cost of finished goods is determined based on direct cost and directly attributable services cost including depreciation and depletion. The value of such inventories includes royalty (wherever applicable). Cost of inventories other than finished goods, includes expenditure incurred in the normal course of business in bringing inventories to their present location.

1.13. Revenue Recognition

1.13.1. Sale of goods

Revenue from the sale of goods is recognised when the performance obligation is satisfied by transferring the related goods to the customer. The performance obligation is considered to be satisfied when the customer obtains control of the goods.

Revenue from the sale of goods includes excise duty and is measured at the fair value of the consideration received or receivable (after including fair value allocations related to arrangements involving more than one performance obligation), net of returns, taxes or duties collected on behalf of the Government and applicable trade discounts or rebates.

Revenue is allocated between loyalty programmes and other components of the sale. The amount allocated to the loyalty programme is deferred, and is recognised as revenue when the Corporation has fulfilled its obligation to supply the products under the terms of the programme.

Any upfront fees earned by the Corporation with no identifiable performance obligation are recognized as revenue on a systematic basis over the period of the Contract.

Where the Corporation acts as an agent on behalf of a third party, the associated income is recognised on a net basis.

Claims in respect of subsidy on LPG and SKO, from Government of India are booked on in principle acceptance thereof on the basis of available instructions / clarifications, subject to final adjustments as stipulated.

In case of BPRL, income from the sale of crude oil and gas produced from the block until the start of commercial production is adjusted against the cost of such block.

In case of BPRL, any retrospective revision in prices of crude oil and gas is accounted for in the year of such revision.

1.13.2. Construction contracts

Revenue from Construction contracts arise from the service concession arrangements entered into by the Group and certain arrangements involving construction of specific assets as part of arrangements involving more than one performance obligation.

Contract revenue includes the amount agreed in the contract to the extent that it is probable that they will result in revenue and can be measured reliably.

Based on an assessment of the terms of such contracts, the contract revenue is recognised in the Consolidated Statement of Profit and Loss based on the percentage of completion method.

The stage of completion is assessed with reference to the proportion of actual cost incurred as compared to the total estimated cost of the related contract.

Contract expenses are recognised as incurred unless they create an asset relating to future contract activity. An expected loss on a contract is recognised immediately in the Consolidated Statement of Profit and Loss.

1.13.3. Interest income is recognized using effective interest rate (EIR) method.

1.13.4. Dividend is recognized when right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably.

1.13.5. Income from sale of scrap is accounted for on realization.

1.13.6. In case of the Corporation, claims other than subsidy claims on LPG and SKO, from Government of India are booked when there is a reasonable certainty of recovery.

1.14. Classification of Income / Expenses

1.14.1. Income / expenditure (net) in aggregate pertaining to prior year(s) above the threshold limits are corrected retrospectively in the first set of Financial Statements approved for issue after their discovery by restating the comparative amounts and / or restating the opening Balance Sheet for the earliest prior period presented.

1.14.2. Prepaid expenses upto threshold limits in each case, are charged to revenue as and when incurred.

1.14.3. Deposits placed with Government agencies / local authorities which are perpetual in nature are charged to revenue in the year of payment.

1.15. Employee Benefits

1.15.1. Short-term employee benefits

Short-term employee benefits are recognized as an expense at an undiscounted amount in the Consolidated Statement of Profit and Loss of the year in which the related services are rendered.

1.15.2. Post-employment benefits

Defined Contribution Plans:

Obligations for contributions to defined contribution plans such as pension are recognized as an expense in the Consolidated Statement of Profit and Loss as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a set-off in future payments is available.

Defined Benefit Plans:

The net obligation in respect of defined benefit plans such as gratuity, other post-employment benefits etc., is calculated separately for each plan by estimating the amount of future benefit that the employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed at each reporting period end by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the entity, the recognized asset is limited to the present value of the economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

The current service cost of the defined benefit plan, recognized in the Consolidated Statement of Profit and Loss as part of employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Consolidated Statement of Profit and Loss. The net interest is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This net interest is included in employee benefit expense in the Consolidated Statement of Profit and Loss.

Re-measurements which comprise of actuarial gains and losses, the return on plan assets (excluding amounts included in the net interest on the net defined benefit liability (asset)) and the effect of the asset ceiling (if any, excluding amounts included in the net interest on the net defined benefit liability (asset)), are recognized in other comprehensive income.

1.15.3. Other long-term employee benefits

Liability towards other long term employee benefits - leave encashment and long service awards etc., are determined on actuarial valuation by qualified actuary by using Projected Unit Credit method.

The current service cost of other long terms employee benefits, recognized in the Consolidated Statement of Profit and Loss as part of employee benefit expense, reflects the increase in the obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Consolidated Statement of Profit and Loss. The interest cost is calculated by applying the discount rate to the balance of the obligation. This cost is included in employee benefit expense in the Consolidated Statement of Profit and Loss. Re-measurements are recognized in the Consolidated Statement of Profit and Loss.

1.15.4. Termination benefits

Expenditure on account of Voluntary Retirement Scheme are charged to Consolidated Statement of Profit and Loss as and when incurred.

1.15.5. Employee Share Based Payments

The Corporation recognizes Equity-settled share-based payments to employees in Statement of Profit and Loss based on estimated fair value of the options on the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Corporation's estimate of equity instruments that will eventually vest, with a corresponding increase in Other Equity. At the end of each reporting period, the Corporation revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

1.16. Foreign Currency Transactions

1.16.1. Monetary items:

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items (except for long term foreign currency monetary items outstanding as of 31st March 2016) are recognized in Consolidated Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs.

The Group has elected to continue the policy adopted under Previous GAAP for accounting the foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items outstanding as of 31st March 2016 i.e. foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the asset and in other cases, if any, accumulated in "Foreign Currency Monetary Item Translation Difference Account" and amortized over the balance period of the liability.

1.16.2. Non – Monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.16.3. In case of group companies of BPRL, the results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

Assets and liabilities are translated at the closing rate at the date of that balance sheet.

Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and

All resulting exchange differences are recognised in other comprehensive income. On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

1.17. Government Grants

1.17.1. Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

1.17.2. When the grant relates to an expense item, it is recognized in Consolidated Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

1.17.3. Government grants relating to Property, Plant and Equipment are presented as deferred income and are credited to the Consolidated Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset.

1.18. Provisions, Contingent Liabilities and Capital Commitments

1.18.1. Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

1.18.2. The expenses relating to a provision is presented in the Consolidated Statement of Profit and Loss net of reimbursements, if any.

1.18.3. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

1.18.4. Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Group, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

1.18.5. Contingent liabilities are not recognized in the Financial Statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

1.18.6. Contingent liabilities and Capital Commitments disclosed are in respect of items which in each case are above the threshold limits.

1.19. Fair Value measurement

1.19.1. The Group measures certain financial instruments at fair value at each reporting date.

1.19.2. Certain accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.

1.19.3. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability also reflects its non-performance risk.

1.19.4. The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price i.e. the fair value of the consideration given or received. If the Group determine that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognized in Consolidated Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

1.19.5. While measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- **Level 3:** inputs for the assets or liability that are not based on observable market data (unobservable inputs)

1.19.6. When quoted price in active market for an instrument is available, the Group measure the fair value of the instrument using that price. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

1.19.7. If there is no quoted price in an active market, then the Group uses a valuation technique that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

1.19.8. The Group regularly reviews significant unobservable inputs and valuation adjustments. If the third party information, such as broker quotes or pricing services, is used to measure fair values, then they assess the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

1.20. Financial Assets

1.20.1. Initial recognition and measurement

Trade Receivables and debt securities issued are initially recognized when they are originated. All other financial assets are initially recognized when the Group becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

1.20.2. Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Group classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit and loss.

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

The asset is held within a business model whose objective is

- To hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Consolidated Statement of Profit and Loss. The losses arising from impairment are recognized in the Consolidated Statement of Profit and Loss.

If there is revision in estimates of receipts/contractual cash flows, gross carrying amount of the financial assets are recalculated at period end as the present value of the estimated future contractual cash flows that are discounted at the financial asset's original effective interest rate due to revision in estimates of receipts. Adjustment, if any, is recognised as income or expense in Consolidated Statement of Profit and Loss.

Debt instruments at Fair value through Other Comprehensive Income (FVOCI)

A 'debt instrument' is measured at the fair value through Other Comprehensive Income if both the following conditions are met:

The asset is held within a business model whose objective is achieved by both

- collecting contractual cash flows and selling financial assets and
- contractual terms of the asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment losses are recognized in the Consolidated Statement of Profit and Loss. Other net gains and losses are recognized in other comprehensive Income.

Debt instruments at Fair value through Profit or Loss (FVTPL)

Fair Value through Profit or Loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation at amortized cost or as FVOCI, is classified as FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognized in the Consolidated Statement of Profit and Loss separately.

Equity investments

All equity investments within the scope of Ind-AS 109 are measured at fair value. Such equity instruments which are held for trading are classified as FVTPL. For all other such equity instruments, the Group decides to classify the same either as FVOCI or FVTPL. They make such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in Other Comprehensive Income (OCI). Dividends on such equity instruments are recognized in the Consolidated Statement of Profit and Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Consolidated Statement of Profit and Loss.

1.20.3. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the entity's Balance Sheet) when

The rights to receive cash flows from the asset have expired, or

The rights to receive cash flows from the asset is transferred or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- The risks and rewards of the asset has been transferred substantially, or
- The risk and rewards of the asset are neither transferred nor retained, but the control of the asset is transferred.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognized in the Consolidated Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognized and accumulated in OCI are not reclassified to profit or loss on de-recognition.

1.20.4. Impairment of financial assets

In accordance with Ind AS 109, the Group applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortized cost and debt instruments measured at FVOCI.

Loss allowances on receivables from customers are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. In respect of other financial assets such as loan to LPG Consumers, debt securities and bank balances, the loss allowance is measured at 12 month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date.

1.21. Financial Liabilities

1.21.1. Initial recognition and measurement

Financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

1.21.2. Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

A financial liability is classified as at Fair Value through Profit or Loss (FVTPL) if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognized in Consolidated Statement of Profit and Loss.

Financial Liabilities at amortized cost

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortized cost using the effective interest rate ("EIR") method.

Amortized cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The amortization done using the EIR method is included as finance costs in the Consolidated Statement of Profit and Loss.

1.21.3. De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Consolidated Statement of Profit and Loss.

1.22. Financial guarantees

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of the debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the fair value initially recognized less cumulative amortization.

1.23. Derivative financial instruments

The Group uses derivative financial instruments to manage the commodity price risk and exposure on account of fluctuation in interest rate and foreign exchange rates. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value with the changes being recognized in the Consolidated Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The fair valuation gains or losses on foreign currency derivatives measured at FVTPL are grouped along with Gain or loss on foreign currency transactions and translations and presented under "Other Income" or "Other expenses", as the case may be, since these derivatives constitute hedges from an economic perspective and may not qualify for hedge accounting under Ind AS 109.

1.24. Embedded derivatives

If the hybrid contract contains a host that is a financial asset within the scope of Ind-AS 109, the classification requirements contained in Ind AS 109 are applied to the entire hybrid contract. Derivatives embedded in all other host contracts, including financial liabilities are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit and loss. These embedded derivatives are measured at fair value with changes in fair value recognized in Consolidated Statement of Profit and Loss, unless designated as effective hedging instruments. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows.

1.25. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

1.26. Taxes on Income

1.26.1. Current Tax

Income tax Assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

Current Tax items are recognized in correlation to the underlying transaction either in the Consolidated Statement of Profit and Loss, other comprehensive income or directly in equity.

1.26.2. Deferred tax

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred Tax items are recognized in correlation to the underlying transaction either in the Consolidated Statement of Profit and Loss, other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax is not recognized for

- Temporary differences related to investments in subsidiaries and joint ventures to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.
- Taxable temporary differences arising on the initial recognition of goodwill.

1.27. Earnings per share

1.27.1. Basic earnings per share are calculated by dividing the profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

1.27.2. For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

1.28. Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the normal operating cycle (considered as 12 months) and other criteria set out in Schedule III of the Act.

1.29. Cash and Cash equivalents

Cash and cash equivalents in the Balance Sheet include cash at bank, cash, cheque, draft on hand and demand deposits with an original maturity of less than three months, which are subject to an insignificant risk of changes in value.

For the purpose of Consolidated Statement of Cash Flows, Cash and cash equivalents include cash at bank, cash, cheques and drafts on hand, net of outstanding bank overdrafts as they are considered an integral part of the Corporation's cash management. The Group considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.30. Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

1.31. Joint Operations in case of BPRL

BPRL has Joint arrangement in the nature of Production Sharing Contracts (PSC) with the Government of respective countries and/or various bodies corporate for exploration, development and production activities.

The income, expenditure, assets and liabilities of the Joint operations are merged on line by line basis according to the participating interest with the similar items in the Financial Statements of BPRL.

1.32. Depletion

In case of BPRL, Depletion charge is calculated on the capitalised cost according to the Unit of Production Method. The Depletion Charge or The Unit of Production (UOP) charge for all costs within a cost centre is calculated by multiplying the UOP rate with the production for the period. The UOP rate for computing depreciation charge for the acquisition cost within a field is arrived at by dividing the acquisition cost of the field by the Proved Oil and Gas Reserves and for all other capitalised costs, by dividing the depreciation base of the cost centre by the Proved Developed Oil and Gas Reserves. The depreciation base of a cost centre includes the gross block of the cost centre and estimated site restoration expenditure and is reduced by the accumulated depreciation and accumulated impairment charge of the cost centre. The estimates of proved reserves used are based on the latest technical assessment available with the Group.

1.33. Oil and natural gas producing activities in case of BPRL

1.33.1. BPRL follows the accounting policy as explained below for its oil and natural gas exploration and production activities.

i. Acquisition costs such as costs incurred to purchase, lease or otherwise acquire a property or mineral right proved or unproved are capitalised. Any pre-acquisition costs are expensed as and when incurred.

ii. All costs which are directly attributable to the exploration and evaluation activities of oil and gas are capitalised as Exploratory Wells-in-Progress under "intangible assets under development". General and administrative costs are included in the exploration and evaluation cost only to the extent that those costs can be directly attributable to the related exploration and evaluation assets. In all other cases, these costs are expensed as incurred.

iii. BPRL classifies the acquisition costs, exploration and evaluation assets as tangible asset or intangible asset according to the nature of assets acquired.

iv. Once the technical feasibility and commercial viability of extracting oil and gas are determinable, exploration and evaluation assets are classified as Development Wells-in-Progress under "intangible assets under development". Exploration and evaluation asset is assessed for impairment, and impairment loss if any, is recognized, before such reclassification. Subsequent development costs including costs incurred for production facilities are capitalised as and when incurred as intangible assets under development or intangible assets as the case may be.

v. When a well within a block or cost centre is ready to commence commercial production, the capitalised costs referred above are reclassified as intangible assets. The cost centre is not normally smaller than a country, except, where warranted by a major difference in economic, fiscal or other factors in the country.

vi. When a block or cost centre is relinquished, the accumulated cost is charged off as an expense in the said year.

vii. BPRL capitalises the obligations for removal and restoration that are incurred during a particular period as a consequence of having undertaken the exploration for and evaluation of mineral resources and the amount of provision required to be created for subsequent abandonment as part of Property, Plant and Equipment or Intangible Assets, as the case may be. The provision for estimated abandonment costs is made at current prices considering the environment and social obligations, terms of mining lease agreement, industry practice, etc. Where the effect of the time value of money is material, the amount of the provision is the present value of the expenditures expected to be required to settle the obligation. The discount rate (or rates) is pre-tax rate (or rates) that reflect current market assessments of the time value of money and the risks specific to the liability. Where there is an uncertainty of timing on the incurrence of the expenditure, time value of money is not considered while providing for the obligations. Changes in the measurement of existing abandonment costs that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits required to settle the obligation or a change in the discount rate is added to, or deducted from the related field in the current period and is considered for necessary depletion (depreciation) prospectively. The change in the estimated provision due to the periodic unwinding of the discount is recognized in the Consolidated Statement of Profit and Loss as it occurs.

viii. Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The Impairment test is performed in accordance with the procedures given in para 1.11 for impairment of non-financial assets. Impairment loss, if any is recognized as an expense.

ix. BPRL allocates exploration and evaluation assets to cash generating units or group of cash generating units for the purpose of assessing such assets for impairment.

1.34. The Group has adopted materiality threshold limits in the preparation and presentation of Financial Statements as given below:

Threshold Item	Accounting Policy Reference	Unit	Threshold Limit Value
Allocation of other expenses to projects costing in each case	1.4.3	₹ Crores	5
Expenditure on certain items of Property, Plant and Equipment charged to revenue in each case	1.4.5	₹	1,000
Capitalisation of spare parts meeting the definition of Property, Plant and Equipment in each case (Note 1)	1.4.6	₹ Lakhs	10
GST on common capital goods per item per month	1.4.9	₹ Lakhs	5
Depreciation at 100 percent in the year of acquisition except LPG Cylinders and Pressure Regulators	1.5.5	₹	5,000
Expenditure incurred for creating / acquiring other intangible assets in each case	1.6.6	₹ Lakhs	50
Income/expenditure (net) in aggregate pertaining to prior year(s)(Note 2)	1.14.1	₹ Crores	150
Prepaid expenses in each case (Note 1)	1.14.2	₹ Lakhs	5
Disclosure of Contingent liabilities and Capital Commitments in each case	1.18.6	₹ Lakhs	5

Note:

1. BGRL: ₹ 1 Lakhs
2. BGRL: ₹ 50 Crores

NOTE 2 PROPERTY, PLANT AND EQUIPMENT (CONSOLIDATED)

₹ in Crores

Particulars	Gross Block						Depreciation				Net Carrying Amount	
	As at 01/04/2021	Additions	Additions on account of Business combination (Refer note no. 64)	Other Adjustments	Reclassifications / Deductions On Account Of Retirement / Disposal	As at 31/03/2022	Up to 31/03/2021	For the Year	Reclassifications / Deductions On Account Of Retirement / Disposal	Up to 31/03/2022	As at 31/03/2022	As at 31/03/2021
Freehold Land *	2,126.63	31.44	395.20	-	27.30	**2,525.97**	-	-	-	**-**	**2,525.97**	2,126.63
Buildings including Roads*	9,692.16	1,070.58	830.50	-	1.86	**11,591.38**	2,185.07	531.35	4.71	**2,711.71**	**8,879.67**	7,507.09
Plant and Equipments*	30,054.86	3,359.41	10,126.06	236.41	175.71	**43,601.03**	7,340.76	2,381.02	112.76	**9,609.02**	**33,992.01**	22,714.10
Furniture and Fixtures*	1,022.87	205.03	15.15	-	13.97	**1,229.08**	399.28	110.22	9.97	**499.53**	**729.55**	623.59
Vehicles*	78.27	5.96	2.26	-	3.57	**82.92**	36.28	9.05	1.67	**43.66**	**39.26**	41.99
Office Equipments*	1,342.13	248.25	18.77	-	20.48	**1,588.67**	750.36	203.09	18.06	**935.39**	**653.28**	591.77
Railway Sidings*	308.30	19.11	35.87	-	1.19	**362.09**	84.75	24.95	0.20	**109.50**	**252.59**	223.55
Tanks and Pipelines*	13,344.87	2,353.03	1,714.28	-	20.87	**17,391.31**	1,918.93	640.67	4.39	**2,555.21**	**14,836.10**	11,425.94
Dispensing Pumps	3,376.25	443.40	-	-	35.74	**3,783.91**	978.10	206.16	28.83	**1,155.43**	**2,628.48**	2,398.15
LPG Cylinders and allied Equipments	9,377.54	1,111.73	-	-	0.65	**10,488.62**	2,021.46	554.07	0.26	**2,575.27**	**7,913.35**	7,356.08
Right of Use Assets* (Refer Note 47)	9,376.16	1,148.90	224.96	-	371.60	**10,378.42**	796.21	601.91	76.70	**1,321.42**	**9,057.00**	8,579.95
Total	80,100.04	**9,996.84**	**13,363.05**	**236.41**	**672.94**	**1,03,023.40**	16,511.20	**5,262.49**	**257.55**	**21,516.14**	**81,507.26**	63,588.84
Previous year	73,389.12	11,568.02		(187.44)	4,669.66	**80,100.04**	13,628.02	4,300.96	1,417.78	**16,511.20**	**63,588.84**	

* These include assets which are given on Operating Leases, the details thereof are included in Note no. 47

NOTE 3 CAPITAL WORK-IN-PROGRESS (CWIP) CONSOLIDATED

₹ in Crores

Particulars	2021-22	2020-21	As at 31/03/2022	As at 31/03/2021
Capital work-in-progress				
Property, plant and equipment under erection / construction			**4,364.23**	6,521.95
Capital stores including lying with contractors			**453.17**	537.03
Capital goods in transit			**22.48**	0.33
Allocation of Construction period expenses	**2021-22**	**2020-21**		
Opening balance	**477.87**	551.32		
Add: Expenditure during the year				
Establishment charges including Employee Benefit expenses	**92.99**	178.76		
Borrowing costs	**23.09**	253.07		
Others	**15.37**	8.15		
	609.32	991.30		
Less: Allocated to assets capitalised/ charged off during the year	**(469.31)**	(479.23)		
Less: Stake Sale in Numaligarh Refinery Limited (Refer note no. 63)	**-**	(34.20)		
Closing balance pending allocation			**140.01**	477.87
Total			**4,979.89**	7,537.18

Note: The above details are net of Provision for CWIP ₹ **356.80 Crores** (Previous year ₹ 14.99 Crores)

NOTE 4 INVESTMENT PROPERTY (CONSOLIDATED)

₹ in Crores

Particulars	Gross Block				Depreciation				Net Carrying Amount	
	As at 01/04/2021	Additions	Reclassifications / Deductions On Account Of Retirement / Disposal	As at 31/03/2022	Up to 31/03/2021	For the year	Reclassifications / Deductions On Account Of Retirement / Disposal	Up to 31/03/2022	As at 31/03/2022	As at 31/03/2021
Buildings	0.17	-	-	0.17	0.12	0.02	-	0.14	0.03	0.05
Total	**0.17**	**-**	**-**	**0.17**	**0.12**	**0.02**	**-**	**0.14**	**0.03**	0.05
Previous year	32.99	1.75	34.57	0.17	0.12	0.02	0.02	0.12	0.05	

The Group's investment properties consist of office buildings rented out to third parties.

Information Regarding Income and Expenditure of Investment Property

₹ in Crores

Particulars	2021-22	2020-21
Rental Income earned from Investment Property	1.18	3.36
Less - Depreciation	(0.02)	(0.02)
Profit arising from Investment Property before other direct operating expenses	1.16	3.34

The other direct operating expenses on the Investment Property are not separately identifiable and the same are not likely to be material.

As at 31st March 2022 and 31st March 2021, the fair value of the property is ₹ **0.65 Crores** and ₹ 1.02 Crores respectively. These fair values of the Investment Property are categorised as Level 2 in the fair valuation hierarchy and has been determined by external, independent property valuers, having recognised and relevant professional qualifications and recent experience in the location and category of the property being valued. Further, fair value of Investment Property as at 31st March 2022 has been carried out by a valuer who is a registered valuer as per Companies Act, 2013.

NOTE 5 INTANGIBLE ASSETS (CONSOLIDATED)

₹ in Crores

Particulars	Useful Life (No. of Years)	Gross Block						Amortization				Net Carrying Amount	
		As at 01/04/2021	Additions	Additions on account of Business combination	Other Adjustments	Reclassifications/ Deletions	As at 31/03/2022	Up to 31/03/2021	For the year	Reclassifications/ Deletions	Up to 31/03/2022	As at 31/03/2022	As at 31/03/2021
Right of Way	Indefinite	105.62	38.43	-	-	-	**144.05**	-	-	-	**-**	**144.05**	105.62
Right of Way	Upto 99	36.98	2.30	66.12	-	-	**105.40**	12.10	3.25	-	**15.35**	**90.05**	24.88
Right to use	Upto 30	26.06	0.04	-	-	-	**26.10**	5.30	2.35	-	**7.65**	**18.45**	20.76
Service Concession Arrangement	20	63.18	-	-	-	-	**63.18**	19.83	3.70	-	**23.53**	**39.65**	43.35
Software / Licenses	Upto 5	81.81	70.25	16.52	-	0.03	**168.55**	51.35	23.62	0.03	**74.94**	**93.61**	30.46
Single Point Mooring and Sub Sea Pipeline	25	-	-	299.88	-	0.35	**299.53**	-	17.52	-	**17.52**	**282.01**	-
Oil and Gas Assets		280.92	5.63	-	-	-	**286.55**	182.14	14.96	-	**197.10**	**89.45**	98.78
Process Licenses	Upto 5	268.69	361.22	-	-	-	**629.91**	83.12	113.87	-	**196.99**	**432.92**	185.57
Total		863.26	**477.87**	**382.52**	**-**	**0.38**	**1,723.27**	**353.84**	**179.27**	**0.03**	**533.08**	**1,190.19**	509.42
Previous year		688.96	281.90	-	-	107.60	**863.26**	308.36	56.66	11.18	**353.84**	**509.42**	

NOTE 6 INTANGIBLE ASSETS UNDER DEVELOPMENT (IAUD) (CONSOLIDATED)

₹ in Crores

Particulars	Gross Amount			
	As at 01/04/2021	Additions	Capitalisation as Intangible Asset / Deletions/ Reclassification	As at 31/03/2022
Process Licenses*	326.80	-	321.34	**5.46**
Software / License	13.74	8.29	13.74	**8.29**
Right of Way	22.52	18.77	37.77	**3.52**
Wells in Progress**	9,137.05	1,260.65	(38.09)	**10,435.79**
Total	9,500.11	**1,287.71**	**334.76**	**10,453.06**
Previous year	7,813.69	2,032.35	345.93	**9,500.11**

*The above details are net of Provision for IAUD ₹ **53.66 Crores** (Previous year: NIL)

Net of provision for impairment loss of ₹ **952.05 Crores (as at 31st March 2021 ₹1,024.08 Crores)

There are no internally generated Intangible Assets.

ADDITIONAL INFORMATION IN RESPECT OF NOTE NOS. 2 TO 6:

a) Freehold land includes ₹**2.20 Crores** (Previous year ₹2.20 Crores), which is under dispute and not in the Corporation's possession, is in the process of being surrendered to the Competent Authority and has been provided for in books of accounts.

b) Buildings include Ownership Flats having gross block of ₹**44.79 Crores** (Previous year ₹43.94 Crores) in proposed / existing co-operative societies and others.

c) The Group has elected to continue the policy adopted under Previous GAAP for accounting the foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items outstanding as of 31st March 2016 i.e. foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the asset. Accordingly, "Other adjustments" include capitalization of foreign exchange differences (net) of ₹**236.41 Crores** (Previous year ₹187.44 Crores De-capitalization).

d) Additions include capitalization of borrowing costs of ₹**264.83 Crores** (Previous year ₹300.06 Crores).

e) Freehold Land, Plant and Equipment, Tanks and Pipelines, Railway Sidings, Buildings etc. jointly owned in varying extent with other Oil Companies / Railways / Port Trust: Gross Block ₹**925.59 Crores** (Previous year ₹909.65 Crores), Cumulative Depreciation ₹**126.59 Crores** (Previous year ₹87.29 Crores), Net Block ₹**799.00 Crores** (Previous year ₹822.36 Crores).

f) Certain assets forming part of Property, Plant and Equipment have been constructed by the Corporation at Railway consumer depots, having net carrying amount of ₹**30.39 Crores** (Previous year ₹24.78 Crores), out of which few Railway consumer depots are being used by other oil companies based on award of tender by Railways, net carrying amount of such assets is ₹**5.85 Crores** (Previous year ₹1.82 Crores).

g) Charge was created over the Property, Plant & Equipment of the Corporation, mainly Plant and Machinery at Mumbai Refinery and Kochi Refinery in regard to the borrowings. These charges have been satisfied during the year. In respect of BORL, Long-term borrowings are secured by first charge ranking pari passu on all Property, Plant and Equipment (immovable and movable), both present and future of BORL. (Refer Note No. 25).

h) Compensation received from third parties in respect of items of Property, Plant and Equipment / Capital work in progress that were impaired, lost or given up during the year ₹**3.49 Crores** (Previous year ₹35.35 Crores).

i) Gross Block Reclassifications / Deductions on account of Retirement / Disposal includes:

   i) On account of retirement / disposal/ adjustments during the year ₹**601.66 Crores** (Previous year ₹4,701.41 Crores)

   ii) Assets classified as held for sale ₹**39.49 Crores** (Previous year ₹58.98 Crores)

   iii) Decapitalization of ₹**33.86 Crores** (Previous year ₹52.13 Crores)

   iv) Deduction on account of reclassifications during the year ₹**1.69 Crores** (Previous year ₹33.81 Crores)

j) Depreciation and amortization for the year is ₹**5,441.78 Crores** (Previous year ₹4,357.64 Crores) from which, after reducing -

i) Depreciation on decapitalization of ₹**4.62 Crores** (Previous year ₹19.08 Crores)

ii) Depreciation on reclassification of assets of ₹**0.79 Crores** (Previous year ₹1.39 Crores)

iii) Charged to Project ₹**2.02 Crores** (Previous year ₹2.96 Crores) and Net Depreciation and amortization for the year charged to Consolidated Profit and Loss statement is ₹**5,434.35 Crores** (Previous year ₹4,334.21 Crores)

k) Deduction from accumulated depreciation on account of retirement / disposal / reclassifications of the group during the year is ₹**257.58 Crores** (Previous year ₹1,428.98 Crores)

l) The Corporation has assessed the useful life of Right of Way as indefinite where the same is perpetual in nature.

m) In case of Bharat PetroResources Limited (BPRL), considering the evolution of the security situation in the north of the Cabo Delgado province in Mozambique, the Operator (i.e. Total E & P Mozambique Area 1 Limitada) has withdrawn all Mozambique LNG project personnel from the Afungi site and the Operator has declared Force Majeure on 22nd April 2021. Currently, the Project remains in preservation mode/temporarily suspended with no Project personnel on site until such time the Government of Mozambique has restored and maintained in a sustainable and verifiable manner the peace, security and stability in the Cabo Delgado Province. There are certain incremental cost related to the suspension and Force Majeure pertaining to the above project which are abnormal costs and not an integral part of bringing the asset into the working condition. Accordingly, these costs amounting to ₹**345.10 Crores** (March 31, 2021: NIL) incurred during the year have been charged off to Consolidated Statement of Profit and Loss.

n) Numaligarh Refinery Limited (NRL) ceased to be the part of the Group w.e.f. 26th March 2021. Accordingly, Financial Statements of NRL have been consolidated till 25th March 2021, post which de-recognition of Assets of NRL has been carried out in "Reclassifications/ Deductions on account of Retirement / Disposal"[Refer Note No 63] during previous year.

o) Ageing of Capital work in Progress (CWIP) is as follows:

As at 31st March 2022

₹ in Crores

CWIP	Amount in CWIP for a period of				TOTAL
	Less than 1 year	1 - 2 years	2 - 3 Years	More than 3 years	
Projects in progress	2,955.79	1,026.63	659.29	312.58	4,954.29
Projects temporarily suspended	0.53	12.34	4.63	8.10	25.60
Total	2,956.32	1,038.97	663.92	320.68	4,979.89

As at 31st March 2021

₹ in Crores

CWIP	Amount in CWIP for a period of				TOTAL
	Less than 1 year	1 - 2 years	2 - 3 Years	More than 3 years	
Projects in progress	2,971.71	3,399.94	889.51	243.41	7,504.57
Projects temporarily suspended	14.47	7.21	2.80	8.13	32.61
Total	2,986.18	3,407.15	892.31	251.54	7,537.18

p) Ageing of Intangible assets under development (IAUD) is as follows:

As at 31st March 2022

₹ in Crores

IAUD	Amount in IAUD for a period of				TOTAL
	Less than 1 year	1 - 2 years	2 - 3 Years	More than 3 years	
Projects in progress	23.01	7.43	6.65	17.04	54.13
Projects temporarily suspended	1,196.20	1,845.05	2,003.23	5,354.45	10,398.93
Total	1,219.20	1,852.48	2,009.88	5,371.49	10,453.06

As at 31st March 2021

₹ in Crores

IAUD	Amount in IAUD for a period of				TOTAL
	Less than 1 year	1 - 2 years	2 - 3 Years	More than 3 years	
Projects in progress	1,929.25	2,037.96	872.59	4,660.31	9,500.11
Total	1,929.25	2,037.96	872.59	4,660.31	9,500.11

q) For Capital work in Progress (CWIP), whose completion is overdue or has exceeded its cost compared to its original plan, following CWIP completion schedule is as follows:

CWIP as at 31st March 2022

₹ in Crores

Particulars	Project Name	To be completed in			
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Projects in progress	Installation of New Kerosene Hydrotreater (KHT)	367.99			
Projects in progress	Krishnapatnam Coastal Terminal	277.30			
Projects in progress	Enhancing Production of Lube Base Stock (LOBS)	231.73			
Projects in progress	POL Depot at Bokaro	129.00			
Projects in progress	Others	481.47	33.92	0.69	1.00
Projects temporarily suspended	Others	1.11	3.50	-	0.06

CWIP as at 31st March 2021

₹ in Crores

Particulars	Project Name	To be completed in			
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Projects in progress	MSV Storage at LPG Plants	30.35	99.89		
Projects in progress	Krishnapatnam Coastal Terminal		99.79		
Projects in progress	Others	714.17	105.84	40.85	22.74
Projects temporarily suspended	Others	2.36	1.89	0.05	0.15

r) For Intangible assets under development (IAUD), whose completion is overdue or has exceeded its cost compared to its original plan, following CWIP completion schedule is as follows:

IAUD as at 31st March 2022

₹ in Crores

Particulars	Project Name	To be completed in			
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Projects in progress	Others	0.04	0.11	-	-

IAUD as at 31st March 2021

₹ in Crores

Particulars	Project Name	To be completed in			
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Projects in progress	Others	0.60	-	-	-

NOTE 7 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (CONSOLIDATED)

Information of interest of the Corporation in its Equity Accounted Investees:

₹ in Crores

	Note reference	31/03/2022	31/03/2021
Interest in Associates	See Note (A) below	**4,352.15**	3,448.72
Interest in Joint Ventures	See Note (B) below	**14,063.34**	16,100.92
Investment accounted for using equity method		**18,415.49**	19,549.64

[A] Interest in Associates

(I) List of material Associates of the Corporation

Sr No	Name	Country of Incorporation	Proportion of Ownership Interest 31/03/2022	Proportion of Ownership Interest 31/03/2021
1	Indraprastha Gas Limited (Refer Note (i))	India	**22.50%**	22.50%
2	Petronet LNG Limited (Refer Note (ii)	India	**12.50%**	12.50%

Note (i) Indraprastha Gas Limited (IGL) was set up in December, 1998 for implementing the project for supply of Compressed Natural Gas (CNG) to the household and automobile sectors in Delhi. The paid up share capital of the Company is ₹**140 Crores** (previous year ₹140 Crores). The Corporation invested ₹31.50 Crores in IGL for 22.5% stake in its equity. IGL is a listed Company with the public holding 55% of the paid up Share Capital of the Company.

Note (ii) Petronet LNG Limited (PLL) was formed in April, 1998 for importing LNG and setting up LNG terminals with facilities like jetty, storage, regasification etc. to supply Natural Gas to various industries in the country. The paid up capital of the company is ₹**1,500 Crores** (previous year ₹1,500 Crores). PLL was promoted by four public sector companies viz. BPCL, Indian Oil Corporation Limited (IOC), Oil and Natural Gas Limited (ONGC) and GAIL (India) Limited (GAIL). Each of the promoters holds 12.5% of the equity capital of PLL. PLL is a listed Company. The Corporation's equity investment in PLL currently stands at ₹98.75 Crores.

Fair Value of material listed Associates

₹ in Crores

Sr No	Name	31/03/2022	31/03/2021
1	Indraprastha Gas Limited	**5,870.83**	8,045.12
2	Petronet LNG Limited	**3,630.93**	4,216.88

In respect of Petronet LNG Limited, the same has been classified as an associate, as the Corporation has the right to nominate a director on the Board of Directors of the company and this right allows the Corporation to participate in financial and operating policies.

The following table comprises the financial information of the Corporation's material Associates (in which corporation is having significant value of investments) and their respective carrying amount.

NOTE 7 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (CONSOLIDATED) [CONTD.]

₹ in Crores

31/03/2022	Indraprastha Gas Limited	Petronet LNG Limited
Summarised financial information		
Non Current Assets	7,339.52	12,646.45
Current Assets (excluding Cash and Cash Equivalent)	3,687.69	7,661.40
Cash and Cash Equivalent	75.00	1,053.92
Less:		
Non Current liabilities (excluding trade and other Payables and Provisions)	368.34	4,898.93
Trade and other payables and provisions (Non-Current)	26.75	58.01
Current liabilities (excluding trade and other payables and provisions)	251.57	1,147.62
Trade and other payables and provisions (Current)	2,869.51	1,589.12
Net Assets	7,586.04	13,668.09
Group's share of net assets	1,706.86	1,708.51
Carrying amount of Interest in Associates	1,706.86	1,708.51
Revenue (including Interest Income)	8,661.37	43,466.30
Less:		
Depreciation and Amortisation	317.06	768.46
Other Expense	6,603.62	37,919.88
Finance Cost	13.21	317.33
Add: Share of Profit of Equity Accounted Investees (JV), net of tax	225.72	98.65
Profit before tax	1,953.20	4,559.28
Tax Expense	450.93	1,121.17
Profit after tax	1,502.27	3,438.11
Other Comprehensive Income	1.34	(1.92)
Total Comprehensive Income	1,503.61	3,436.19
Group's share of profit	338.01	429.76
Group's share of OCI	0.30	(0.24)
Group's share of total comprehensive Income	338.31	429.52
Add/(Less): Intra Group Eliminations	-	-
Group's share of total comprehensive Income (after elimination)	338.31	429.52
Dividend received from the Associates	56.70	196.88

NOTE 7 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (CONSOLIDATED) [CONTD.]

₹ in Crores

31/03/2021	Indraprastha Gas Limited	Petronet LNG Limited
Summarised financial information		
Non Current Assets	5,965.50	10,976.14
Current Assets (excluding cash and cash equivalent)	3,016.86	7,147.99
Cash and cash equivalent	90.32	849.33
Less:		
Non Current liabilities (excluding trade and other payables and provisions)	337.80	4,323.70
Trade and other payables and provisions (Non-Current)	24.70	30.95
Current liabilities (excluding trade and other payables and provisions)	1,609.99	1,765.75
Trade and other payables and provisions (Current)	785.57	1,102.80
Net Assets	6,314.62	11,750.26
Group's share of net assets	1,420.79	1,468.78
Carrying amount of interest in Associates	1,420.79	1,468.78
Revenue (including Interest Income)	5,553.11	26,411.04
Less:		
Depreciation and Amortisation	289.78	772.64
Other Expense	3,983.68	21,431.85
Finance Cost	10.57	335.89
Add: Share of Profit of Equity accounted investees (JV), net of tax	125.11	-
Profit before tax	1,394.19	3,870.66
Tax Expense	241.38	991.32
Profit after tax	1,152.81	2,879.34
Other Comprehensive Income	(0.16)	-
Total Comprehensive Income	1,152.65	2,879.34
Group's share of profit	259.38	359.92
Group's share of OCI	(0.04)	-
Group's share of total comprehensive Income	259.34	359.92
Add/(Less): Intra Group Eliminations	-	-
Group's share of total comprehensive Income (after elimination)	259.34	359.92
Dividend received from the Associates	44.10	281.25

(II) Details of others Associates

₹ in Crores

Particulars	31/03/2022	31/03/2021
Aggregate carrying amount of its interest in Associates	**936.78**	559.15
Share of Total Comprehensive Income from Associates during the year	**(52.28)**	26.93

NOTE 7 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (CONSOLIDATED) [CONTD.]

[B] Interest in Joint Ventures

(I) List of material Joint Ventures of the Group **Proportion of Ownership Interest**

Sr No	Name	Country of Incorporation	31/03/2022	31/03/2021
1	Bharat Oman Refineries Limited (Refer Note (i))	India	**100%**	63.38%

Note (i) Bharat Oman Refineries Limited (BORL) is incorporated with joint control of BPCL & OQ S.A.O.C. (formerly known as Oman Oil Company S.A.O.C.) ("OQ"). During the year the Corporation had acquired remaining 88,86,13,336 shares on 30th June 2021 from Joint Venture Partner OQ for a consideration of ₹2,399.26 Crores. The Corporation has an equity stake of 100% (previous year 63.38%) in BORL's paid up share capital of ₹2,426.83 Crores as on 31st March, 2022 (Previous Year ₹2,426.83 Crores). Bharat Oman Refineries Limited has become a wholly owned subsidiary of the Corporation w.e.f. 30th June 2021.

Further, the Corporation has acquired the remaining share warrants of Bharat Oman Refineries Limited held by Government of Madhya Pradesh for a consideration of ₹72.65 Crores. With this acquisition Corporation has Share Warrants of ₹1,008.33 Crores as on 31st March, 2022 (previous year ₹935.68 Crores) and Compulsory Convertible Debentures of ₹1,000 Crores (previous year ₹1,000 Crores). With the change in control from Joint Venture to Subsidiary, BORL is no longer considered as material Joint Venture for the year 2021-22

The following table comprises the financial information of the Corporation's material Joint Venture (in which corporation is having significant value of investments) and their respective carrying amount.

NOTE 7 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (CONSOLIDATED) [CONTD.]

₹ in Crores

Bharat Oman Refineries Limited	31/03/2022	31/03/2021
Summarised financial information		
Non Current Assets	-	11,764.03
Current Assets (excluding cash and cash equivalent)	-	6,720.93
Cash and cash equivalent	-	41.53
Less:		
Non Current liabilities (excluding trade and other payables and provisions)	-	8,877.85
Trade and other payables and provisions (Non-Current)	-	19.76
Current liabilities (excluding trade and other payables and provisions)	-	3,613.10
Trade and other payables and provisions (Current)	-	2,472.71
Net Assets	-	3,543.07
Group's share of net Assets	-	2,245.60
Adjustments		
Impact on conversion of share warrants to equity shares	-	103.26
Investment in Share Warrants	-	325.60
Investment in Compulsorily Convertible Debentures	-	366.20
Inter-company profit eliminations	-	(118.08)
Carrying amount of interest in Joint Ventures	-	2,922.58
Revenue (excluding interest income)	-	35,480.90
Interest Income	-	6.78
Less:		
Depreciation and Amortisation	-	754.49
Finance Cost	-	558.54
Other Expense	-	34,283.82
Profit before tax	-	(109.17)
Tax Expense	-	(32.82)
Profit after Tax	-	(76.35)
Other Comprehensive Income	-	1.79
Total Comprehensive Income	-	(74.56)
Group's share of profit	-	(48.39)
Group's share of OCI	-	1.13
Group's share of total comprehensive Income	-	(47.26)
Add/(Less): Intra Group Eliminations	-	21.28
Group's share of total comprehensive Income (after elimination)	-	(25.98)
Dividend received from the Joint Venture	-	-

(II) Details of Other Joint Ventures

₹ in Crores

Particulars	31/03/2022	31/03/2021
Aggregate carrying amount of its interest in Joint Ventures	**14,063.34**	13,178.34
Share of Total Comprehensive Income from Joint Ventures during the year	**767.30**	(2,301.72)

NOTE 8 INVESTMENTS (CONSOLIDATED)

₹ in Crores

Particulars	No. of Units 31/03/2022	No. of units 31/03/2021	As at 31/03/2022	As at 31/03/2021
Investment in Equity Instruments Designated at Fair value through Other Comprehensive Income				
Equity Shares of (₹ 10 each (fully paid up))				
Quoted				
Oil India Limited *	**2,67,50,550**	2,67,50,550	**637.33**	328.10
Unquoted				
Cochin International Airport Limited *	**1,31,25,000**	1,31,25,000	**120.80**	95.71
Investments at Amortised Cost				
Investment in Debentures at Amortised cost				
Unquoted				
5% Debentures (Fully Paid up) of East India Clinic Limited	**1**	1	**0.01**	0.01
Investment in Equity Instruments at Fair Value Through Profit or Loss Unquoted				
Equity Shares of Kochi Refineries Employees Consumer Co-operative Society Limited (Fully paid up)# Value ₹ 5,000/-	**500**	500	**#**	#
Ordinary Shares (Fully paid up) of Sindhu Resettlement Corporation Limited ## Value ₹19,000/-	**6**	6	**##**	##
Total			**758.14**	423.82
Aggregate amount of Unquoted Securities			**120.81**	95.72
Aggregate amount of Quoted Securities			**637.33**	328.10
Market value of Quoted Securities			**637.33**	328.10

* The Corporation has designated these investments at Fair Value through Other Comprehensive Income because these investments represent the investments that the Corporation intends to hold for long-term purposes. No such investments were disposed off during the year and accordingly, there have been no transfers of the cumulative gains or losses on these investments.

NOTE 9 NON-CURRENT LOANS (CONSOLIDATED)

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Loans to Joint Ventures		
IBV (Brasil) Petroleo Ltda.	**1,897.20**	1,939.51
Bharat Oman Refineries Limited (Refer Note No.64)	**-**	1,254.10
Haridwar Natural Gas Private Limited	**11.25**	15.00
Loan to Empresa Nacional de Hidrocarbonetos (Mozambique)	**947.63**	526.71
Loans to Employees (including accrued interest) (secured)	**415.62**	406.48
Loans to Others		
Considered good*	**714.82**	1,067.00
Significant increase in credit risk*	**48.13**	35.37
Credit Impaired*	**4.69**	14.09
Less: Loss allowance	**(82.72)**	(82.95)
Total	**3,956.62**	5,175.31

*Includes ₹ **585.42 Crores** (Previous Year : ₹ 988.31 Crores) pertaining to Loans given to Consumers under Pradhan Mantri Ujjwala Yojana scheme.

NOTE 10 OTHER FINANCIAL ASSETS (CONSOLIDATED)

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Security Deposits		
Considered Good	**224.06**	136.69
Considered Doubtful	**1.67**	1.92
Less : Allowance for Doubtful	**(1.67)**	(1.92)
Claims		
Considered good	**9.27**	7.94
Considered doubtful	**19.22**	19.14
Less : Allowance for doubtful	**(19.22)**	(19.14)
Bank deposits with more than twelve months maturity		
Considered Good *	**23.56**	39.97
Considered Doubtful	**0.02**	0.02
Less : Allowance for doubtful	**(0.02)**	(0.02)
Advances against Equity Shares #		
Kochi Salem Pipeline Private Limited	**195.00**	-
Mozambique MOF Company S.A.	**98.98**	-
Mozambique LNG Marine Terminal Company S.A.	**156.11**	-
Bharat Renewable Energy Limited	**0.54**	0.54
Less : Allowance for doubtful	**(0.54)**	(0.54)
Total	**706.98**	184.60

*Includes Deposits of ₹ **23.56 Crores** (Previous Year ₹39.97 Crores) that have been pledged / deposited with Local Authorities.
Advance against equity shares (pending allotment).

NOTE 11 INCOME TAX ASSETS (NET) (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Advance payment of Income Tax (Net of provision)	**349.80**	1,158.07
Total	**349.80**	1,158.07

NOTE 12 OTHER NON-CURRENT ASSETS (CONSOLIDATED)

(Unsecured,considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Capital advances		
Considered Good	**920.29**	125.13
Considered Doubtful	**0.06**	0.06
Less : Allowance For Doubtful	**(0.06)**	(0.06)
Advance to Associate		
Petronet LNG Limited	**88.30**	106.65
Advance to Employee Benefit Trusts	**101.67**	135.50
Prepaid expenses	**302.27**	337.67
Claims and Deposits:		
Considered good	**595.30**	571.18
Considered doubtful	**215.58**	217.29
Less : Allowance for doubtful	**(215.58)**	(217.29)
Total	**2,007.83**	1,276.13

NOTE 13 INVENTORIES (CONSOLIDATED)

(Refer Note No. 1.12)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Raw Materials		
[Including In transit ₹ **6,119.06 Crores** (Previous Year ₹ 2,470.69 Crores)]	**15,119.95**	5,664.78
Work-in-progress	**3,399.99**	1,573.68
Finished goods	**13,628.48**	11,625.39
Stock-in-Trade		
[Including In Transit ₹ **1,449.89 Crores** (Previous Year ₹1,124.16 Crores)]	**8,616.27**	6,879.64
Stores and Spares		
[Including In Transit ₹ **5.94 Crores** (Previous Year ₹ 9.28 Crores)]	**1,388.20**	936.68
Packaging material	**25.85**	26.55
Total	**42,178.74**	26,706.72

The Write Down of Inventories to Net Realisable Value during the year amounted to ₹ **1,247.04 Crores** (Previous Year : ₹ 87.51 Crores). The Reversal of Write Down during the year amounted to ₹ **2.69 Crores** (Previous Year : ₹ 19.23 Crores) due to Increase in Net Realisable Value of the Inventories. The Write Down or Reversal of Write Down have been included under 'Cost of Materials Consumed' or 'Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress' in the Consolidated Statement of Profit and Loss.

Inventories pledged as collateral - Refer Note No. 30

NOTE 14 INVESTMENTS (CONSOLIDATED)

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Investments at Fair value through Profit or Loss		
Quoted		
Investment In Government Securities of Face Value Of ₹ 100 each (Fully Paid up)		
6.90% Oil Marketing Companies GOI Special Bonds 2026 #	**911.16**	1,721.82
7.95% Oil Marketing Companies GOI Special Bonds 2025	**11.42**	11.59
6.35% Oil Marketing Companies GOI Special Bonds 2024	**2,167.89**	2,174.59
8.20% Oil Marketing Companies GOI Special Bonds 2024	**956.23**	973.60
7.59% Government Stock 2026 #	**395.57**	401.11
	4,442.27	5,282.71
Investments in Mutual Funds		
Mutual Funds	-	1,011.87
Investments at Amortised Cost		
Quoted		
Treasury Bills#	-	499.69
Total	**4,442.27**	6,794.27

(₹ in Crores)

Aggregate amount of Quoted Securities	**4,442.27**	6,794.27
Market value of Quoted Securities	**4,442.27**	6,794.24
Aggregate amount of Impairment in the value of investments	**-**	-

#These Securities of Face Value ₹ **1,245.00 Crores** (Previous year ₹ 870 Crores) have been kept as Collateral Security with Clearing Corporation of India Limited for limits in Triparty Repo Settlement System. [Refer Note no. 30]

NOTE 15 TRADE RECEIVABLES (CONSOLIDATED)

(₹ in Crores)

(Unsecured unless otherwise stated)

Particulars	As at 31/03/2022	As at 31/03/2021
Considered good*	**9,903.78**	8,121.63
Less : Loss allowance	**(196.31)**	(286.86)
Total	**9,707.47**	7,834.77

* Includes Debts secured by Bank guarantee/Letter of Credit/Deposit ₹ **2,433.47 Crores** (previous year ₹ 735.90 Crores).

Trade receivables pledged as collateral (Refer Note No. 30)

NOTE 15 TRADE RECEIVABLES (CONSOLIDATED) (CONTD.)

Ageing of Trade Receivables as at 31/03/2022:

₹ in Crores

Particulars	Outstanding for following periods from the due date							TOTAL
	Unbilled	Not due	Less than 6 months	6 months -1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed Trade Receivables- Considered good	**34.42**	**7,089.88**	**2,585.59**	**33.11**	**23.26**	**19.78**	**50.49**	**9,836.53**
Disputed Trade Receivables - Considered good	**18.84**	**0.43**	**0.01**	**0.01**	**1.85**	**4.67**	**41.44**	**67.25**
Total	**53.26**	**7,090.31**	**2,585.60**	**33.12**	**25.11**	**24.45**	**91.93**	**9,903.78**

Ageing of Trade Receivables as at 31/03/2021:

₹ in Crores

Particulars	Outstanding for following periods from the due date							TOTAL
	Unbilled	Not due	Less than 6 months	6 months -1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed Trade Receivables- Considered good	32.27	4,607.22	2,714.45	306.90	331.39	12.30	27.27	8,031.80
Disputed Trade Receivables - Considered good	18.84	1.48	0.84	1.69	9.02	7.80	50.16	89.83
Total	51.11	4,608.70	2,715.29	308.59	340.41	20.10	77.43	8,121.63

NOTE 16 CASH AND CASH EQUIVALENTS (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Balance with Banks :		
On Current Account	**620.46**	346.20
Deposits with banks with original maturity of less than three months	**1,395.85**	7,047.78
Cheques and drafts on hand	**5.56**	6.68
Investment in Triparty Repo Settlement System (TREPS)	**-**	149.93
Cash on hand	**137.17**	16.98
Total	**2,159.04**	7,567.57

NOTE 17 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Fixed deposits with banks with original maturity of 3 - 12 months#	**37.59**	6.96
Earmarked Balances		
Unclaimed/ Unpaid Dividend*@	**33.50**	535.58
Unspent CSR Funds	**6.56**	-
Total	**77.65**	542.54

Includes Deposit of ₹ **37.59 Crores** (Previous Year ₹ 6.96 Crores) that has been pledged/deposited with Local Authorities/Court.

*Includes Unpaid Dividend of **NIL** (Previous Year ₹ 510.03 Crores pertaining to Second Interim Dividend declared for FY 2020-21 on 16th March 2021)

@ Includes Unclaimed Dividend of ₹ **33.50 Crores** (Previous Year ₹25.55 Crores)

NOTE 18 CURRENT LOANS (CONSOLIDATED)

(unsecured,considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Loans to employees (including accrued interest) (secured)	60.08	56.46
Loan to Joint Venture Company		
Haridwar Natural Gas Private Limited	3.75	-
Loans to Others		
Considered good*	75.35	78.44
Significant increase in credit risk*	3.62	1.90
Credit impaired*	0.26	0.68
Less : Loss Allowance	(7.06)	(4.98)
Total	136.00	132.50

* Includes ₹ **57.13 Crores** (Previous Year ₹ 67.48 Crores) pertaining to Loans given to consumers under Pradhan Mantri Ujjwala Yojana scheme.

NOTE 19 OTHER FINANCIAL ASSETS (CONSOLIDATED)

(unsecured,considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Security Deposit	13.44	5.56
Interest accrued on bank deposits etc.		
Considered good	0.59	3.10
Considered doubtful	0.02	0.02
Less: Allowance for doubtful	(0.02)	(0.02)
Interest accrued on Loans to Related Parties (Refer Note no. 64)	-	26.10
Derivative Asset	11.80	5.30
Receivable from Central Government / State Government		
Considered good	211.92	10.15
Considered doubtful	57.94	57.76
Less: Allowance for doubtful	(57.94)	(57.76)
Dues from Related Parties		
Dues from Joint Venture Companies & Associates	20.25	21.58
Advances and Recoverables :		
Considered good	301.66	528.16
Considered doubtful	344.09	347.45
Less : Allowance for doubtful	(344.09)	(347.45)
Total	559.66	599.95

NOTE 20 CURRENT TAX ASSETS (NET) (CONSOLIDATED)

(unsecured,considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Advance Income Tax (Net of provision for taxation)	**894.89**	535.21
Total	**894.89**	535.21

NOTE 21 OTHER CURRENT ASSETS (CONSOLIDATED)

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Advances other than Capital advances		
Other Advances including Prepaid expenses		
Considered Good	**480.75**	321.27
Considered doubtful	**24.94**	20.02
Less : Allowance for doubtful	**(24.94)**	(20.02)
Advance to Associate		
Petronet LNG Limited	**18.30**	18.30
Claims	**16.14**	15.82
Project Surplus Material	**245.75**	102.14
Recoverables on account of GST,Customs, Excise etc.	**1,070.04**	882.29
Total	**1,830.98**	1,339.82

NOTE 22 ASSETS HELD-FOR-SALE (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Assets Held-for-Sale	**12.66**	21.50
	12.66	21.50

Non-Current Assets Held-for-Sale consist of items such as Plant and equipment, Dispensing pumps, etc. which have been identified for disposal due to replacement/ obsolescence of Assets which happens in the normal course of business. These Assets are expected to be disposed off within the next twelve months. On account of re-classification of these Assets, an Impairment loss of ₹ **19.17 Crores** during the year (Previous Year: ₹ 32.41 Crores) has been recognised in the Consolidated Statement of Profit and Loss.

NOTE 23 EQUITY SHARE CAPITAL (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
i Authorised		
2,63,50,00,000 Equity Shares (Previous Year 2,63,50,00,000 Equity Shares)	**2,635.00**	2,635.00
ii Issued, Subscribed and Paid-up		
2,16,92,52,744 (Previous Year 2,16,92,52,744) Equity Shares Fully Paid-Up	**2,169.25**	2,169.25
Less - "BPCL Trust For Investment in Shares" [No. of Equity Shares **3,29,60,307** (Previous Year 3,29,60,307)]. (Refer Note No. 45)	**(32.96)**	(32.96)
Less - "BPCL ESPS Trust" [No. Of Equity Shares **68,36,948** (Previous Year 4,33,79,025)].(Refer Note No. 45)	**(6.84)**	(43.38)
Total	**2,129.45**	2,092.91

iii The Corporation has only one class of Shares namely Equity Shares having par value of ₹ 10 per share. Each Holder of Equity Shares is entitled to one vote per Equity Share. In the event of liquidation of the Corporation, the Holders of Equity Shares will be entitled to receive the remaining assets of the Corporation in proportion to the number of Equity Shares held.

The Corporation declares and pays dividend in Indian Rupees. The final dividend, if any, proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting.

iv During the Financial year 2017-18, the Corporation has issued Bonus Shares in the ratio of 1:2 by capitalisation of General Reserves. The total number of shares issued is 72,30,84,248 having face value of ₹ 10 each.

v Reconciliation of No. of Equity Shares

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
A. Opening Balance	**2,16,92,52,744**	2,16,92,52,744
B. Shares Issued		
- Bonus Shares	**-**	-
C. Shares Bought Back	**-**	-
D. Balance at the end of the reporting period	**2,16,92,52,744**	2,16,92,52,744

vi Details of Shareholders holding more than 5% shares

₹ in Crores

Particulars	As at 31/03/2022		As at 31/03/2021	
Name of Shareholder	**% Holding**	**No. of shares**	**% Holding**	**No. of shares**
The President of India	**52.98**	**1,14,91,83,592**	52.98	1,14,91,83,592
Life Insurance Corporation of India	**7.47**	**16,19,08,591**	5.66	12,27,25,718

vii Shareholding of Promoters

Shares held by the Promoters at the end of the year

₹ in Crores

Particulars	As at 31/03/2022			As at 31/03/2021		
Promoter Name	**No. of Shares**	**% of total shares**	**% Change during the year**	**No. of Shares**	**% of total shares**	**% Change during the year**
The President of India	**1,14,91,83,592**	**52.98**	**-**	1,14,91,83,592	52.98	-
Total	**1,14,91,83,592**	**52.98**		1,14,91,83,592	52.98	

NOTE 24 OTHER EQUITY (CONSOLIDATED)

Attributable to owners of the Group

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Capital Reserve	73.04	73.04
Capital Reserve on Acquisition of Subsidiaries, Joint Venture Companies and Associates	(97.45)	(97.45)
Debenture Redemption Reserve	1,335.09	1,264.84
Share Options Outstanding Account (Refer Note 52)	-	856.49
General Reserve	32,962.94	29,753.38
Equity Instruments through Other Comprehensive Income	147.15	(161.56)
Securities Premium (Refer Note 45)	6,356.22	5,351.32
Retained Earnings	8,846.99	14,466.21
BPCL Trust for Investment in Shares (Refer Note 45)	(74.39)	(74.39)
BPCL ESPS Trust (Refer Note 45)	(15.43)	(97.90)
Foreign Currency Translation Reserve	242.01	128.19
Total	49,776.17	51,462.17
Capital Reserve		
Opening balance	73.04	73.05
Opening balance adjustment	-	(0.01)
Closing balance	73.04	73.04
Capital Reserve on Acquisition of Subsidiaries, JVCs and associates		
Opening balance	(97.45)	(31.00)
Less: Transfer to Statement of Profit and Loss on sale of stake in subsidiary (Refer note 63)	-	(66.45)
Closing balance	(97.45)	(97.45)
Debenture Redemption Reserve:		
Opening balance	1,264.84	1,095.12
Less: Opening balance adjustment	-	(18.76)
Add : Transfer from Retained Earnings	207.75	188.48
Less: Transfer to General Reserve	(137.50)	-
Closing balance	1,335.09	1,264.84
Share Options Outstanding Account (Refer Note 52)		
Opening balance	856.49	-
Additions during the year	77.06	940.72
Less : Transfer to Securities Premium	(861.49)	-
Less : Transfer to General Reserve	(72.06)	(84.23)
Closing balance	-	856.49
General Reserve		
Opening balance	29,753.38	32,797.15
Add : Transfer from Retained Earnings	3,000.00	-

NOTE 24 OTHER EQUITY (CONSOLIDATED) (CONTD.)

₹ in Crores

Attributable to owners of the Group

Particulars	As at 31/03/2022	As at 31/03/2021
Add : Transfer from Share Options Outstanding Account	72.06	84.23
Add : Transfer from Debenture Redemption Reserve	137.50	-
Less : Sale of stake in Subsidiary (Refer Note 63)	-	(3,128.00)
Closing Balance	32,962.94	29,753.38
Equity instruments through Other Comprehensive Income		
Opening Balance	(161.56)	(297.52)
Add/(Less): during the year	308.71	135.96
Closing balance	147.15	(161.56)
Securities Premium (Refer Note 45)		
Opening balance	5,351.32	249.79
Add/(Less): Opening balance adjustment	-	0.22
Add: Sale of Equity Shares held by "BPCL Trust for Investment in Shares"	-	5,101.31
Add : Transfer from Share Options Outstanding Account	343.39	-
Add: Allotment of equity Shares to employees on account of "BPCL ESPS SCHEME"	861.49	-
Less: Impact on account of change in control in BORL	(199.98)	-
Closing Balance	6,356.22	5,351.32
BPCL Trust for Investment in Shares : (Refer Note No. 45)		
Opening Balance	(74.39)	(456.74)
Add: Transfer of Shares to "BPCL ESPS Trust"	-	97.90
Add: Sale of Equity Shares	-	284.45
Closing Balance	(74.39)	(74.39)
BPCL ESPS Trust (Refer Note No. 45)		
Opening balance	(97.90)	-
Add: Allotment of equity Shares to employees on account of "BPCL ESPS SCHEME"	82.47	-
Less: Transfer of Shares from "BPCL Trust for Investment in Shares"	-	(97.90)
Closing balance	(15.43)	(97.90)
Foreign Currency Translation Reserve		
Opening Balance	128.19	1,488.44
Add / (Less) during the year	113.82	(1,356.06)
Less: Reclassification to statement of profit and loss	-	(4.19)
Closing balance	242.01	128.19
Retained Earnings :		
Opening balance	14,466.21	(352.84)
Opening balance adjustment	4.67	6.18
Opening balance after the above effect	14,470.88	(346.66)

NOTE 24 OTHER EQUITY (CONSOLIDATED) (CONT.)

₹ in Crores

Attributable to owners of the Group

Particulars	As at 31/03/2022	As at 31/03/2021
Add : Profit/(Loss) for the year as per Statement of Profit and Loss	11,681.50	16,164.98
Less : Remeasurements of defined benefit plans (net of tax)	(20.41)	(59.23)
Less : Transfer to Debenture Redemption Reserve	(207.75)	(188.48)
Less : Transfer to General Reserve	(3,000.00)	-
Less : Interim Dividends for the year: ₹ **10 per share** (Previous year : ₹21 per share)	(2,169.25)	(4,555.43)
Less : Final Dividend for FY 2020-21 ₹ **58 per share** (Previous year: Nil per share)	(12,581.67)	-
Add : Income from "BPCL Trust for Investment in Shares" (Refer Note No. 45)	224.13	270.87
Add : Income of "BPCL ESPS Trust" (Net of Tax) (Refer Note No. 45)	36.06	52.16
Add: Impact on sale of stake by one associate in its subsidiary	213.52	-
Add: Sale of stake in Subsidiary (Refer Note no. 63)	-	3,128.00
Add: Impact on account of change in control in BORL	199.98	-
Closing Balance*	8,846.99	14,466.21
Total Other Equity attributable to owners	49,776.17	51,462.17

*The balance includes accumulated Gain/(Loss) on account of remeasurements of Defined Benefit plans (Net of Tax) as on 31st March 2022 ₹**(531.13) Crores** [Previous Year ₹ (510.19) Crores] for the Corporation.

NOTE 24 OTHER EQUITY ATTRIBUTABLE TO OWNERS (CONSOLIDATED) (CONTD.)

Nature and purpose of reserves

Capital Reserve

It represents capital reserve appearing in the financial statements of erstwhile Kochi Refineries Limited (KRL) transferred on amalgamation and difference between the investment made in Petronet CCK Limited (PCCKL) and the share capital received during the acquisition when the first time control is obtained.

Debenture Redemption Reserve

Debenture redemption reserve represents reserve created out of the profits of the Corporation available for distribution to shareholders which is utilised for redemption of debentures/bonds.

Share Options Outstanding Account

The Share Options Outstanding account is used to record the fair value of Equity-settled Share-based Payment transactions with Employees. The amounts recorded in Share Options Outstanding Account are transferred to Securities Premium upon excersice of Share options.In case of Share options not excercised by Employees the corresponding amounts are transferred to General Reserve.

General reserve

General reserve represents appropriation of retained earnings and are available for distribution to shareholders.

Retained Earnings

Retained Earnings (excluding accumulated balance of remeasurements of Defined Benefit Plans (net of tax)) represents surplus/accumulated earnings of the Group and are available for distribution to shareholders.

Capital Reserve on Acquisition of Subsidiaries, Joint Venture Companies and Associates

Capital Reserve on Acquisition of subsidiaries, JVCs and associates represents capital reserve recognised on account on first time acquisition of a subsidiary and obtaining control of a Joint Venture Company.

Security Premium

The Amount Received in excess of the par value adjusted with additional cost of Equity Shares, if any, has been Classified as Securities Premium. The same can be utilised for issuance of Bonus Shares, Charging off Equity related expenses ,etc.

Foreign Currency Translation Reserve

Foreign Currency Translation Reserve represents Exchange differences arising on translation of foreign operations which are recognized in other comprehensive income as described in accounting policies and accumulated in separate reserves within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed.

Proposed Dividends on Equity Shares not recognised by the Coporation:

₹ in Crores

	2021-22	2020-21
Final Dividend for the year [₹**6 per share** (Previous year: ₹58 per share per share)]	**1,301.55**	12,581.67
Total	**1,301.55**	12,581.67

NOTE 25 BORROWINGS (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2022		As at 31/03/2021	
	Current#	Non-Current	Current#	Non-Current
Secured				
From Banks				
Term Loan*	481.50	2,834.98	-	-
Foreign Currency Loan*	64.46	276.93	-	-
From Others				
Debentures				
7.35% Secured Non-Convertible Debentures 2022 **	-	-	549.96	-
Term Loan				
Loan from Oil Industry Development Board***	-	-	793.70	-
Unsecured				
From Banks				
Foreign Currency Loan Syndicated	-	5,671.72	-	5,491.21
Term Loan	6,991.70	13,874.98	1,687.21	14,764.74
From Others				
Debentures				
7.69% Unsecured Non-Convertible Debentures 2023	749.94	-	-	749.87
8.02% Unsecured Non-Convertible Debentures 2024	-	999.87	-	999.81
6.11% Unsecured Non-Convertible Debentures 2025	-	1,995.03	-	1,994.98
5.75% Unsecured Non-Convertible Debentures 2023	-	839.34	-	-
5.85% Unsecured Non-Convertible Debentures 2023	-	599.98	-	-
6.27% Unsecured Non-Convertible Debentures 2026	-	999.25	-	-
Bonds				
4% US Dollar International bonds 2025	-	3,777.46	-	3,658.85
4.625% US Dollar International bonds 2022	3,789.15	-	-	3,670.34
4.375% US Dollar International Bond 2022	-	-	3,672.31	-
4.375% US Dollar Internation Bonds 2027	-	4,451.97	-	4,375.94
Term Loan				
Interest Free Loan from Govt. of Kerala	-	37.42	-	34.48
Total	12,076.75	36,358.93	6,703.18	35,740.22

Classified under Current Borrowings (Refer Note No. 30)

NOTE 25 BORROWINGS (CONSOLIDATED) (CONTD.)

Terms of Repayment Schedule of Long-term borrowings as at 31/03/2022:

Non-Current	Interest Rate	₹ in Crores	Maturity
Interest Free loan from Govt. of Kerala	0%	100.00	30-Mar-34
6.27% Unsecured Non-Convertible Debentures	6.27%	1,000.00	26-Oct-26
Bonds	4.375%	4,548.43	2026-27
Term Loan from Banks	LIBOR based	947.59	2026-27
Term Loan from Banks	LIBOR based	758.07	2025-26
6.11% Unsecured Non-Convertible Debentures 2025	6.11%	1,995.20	06-Jul-25
4% US Dollar International Bonds 2025	4.00%	3,790.36	08-May-25
Term Loan from Banks	LIBOR based	6,822.64	2024-25
Term Loan: Canara Bank	Repo based	3,000.00	29-Dec-24
Term Loan from Banks	LIBOR based	2,463.73	2023-24
8.02% Unsecured Non-Convertible Debentures 2024	8.02%	1,000.00	11-Mar-24
Foreign Currency Loans - Syndicated ECB USD 450 Million	LIBOR based	3,411.32	11-Jan-24
5.75% Unsecured Non-Convertible Debentures	5.75%	840.00	15-Dec-23
Foreign Currency Loans - Syndicated ECB USD 300 Million	LIBOR based	2,274.21	05-Dec-23
5.85% Unsecured Non-Convertible Debentures	5.85%	600.00	13-Jul-23
Term Loan: HDFC Bank	T-Bill Based	0.47	Payable quarterly
Term Loan from Banks	T-Bill Based	2,835.96	Payable quarterly
Foreign Currency Loan	LIBOR based	276.93	Payable quarterly

Current	Interest Rate	₹ in Crores	Maturity
Term Loan: HDFC Bank	T-Bill Based	0.03	31-Mar-23
7.69% Unsecured Non-Convertible Debentures 2023	7.69%	750.00	16-Jan-23
4.625% US Dollar International Bonds 2022	4.625%	3,790.36	25-Oct-22
Term Loan from Banks	LIBOR based	6,991.67	June 2022 to March 2023
Term Loan from Banks	T-Bill Based	481.50	Payable quarterly
Foreign Currency Loan	LIBOR based	64.46	Payable quarterly

* Nature of Security for Secured Term Loans

(a) First charge ranking pari passu on entire Property, Plant and Equipment (immovable and movable), both present and future.

(b) Second charge ranking pari passu on entire Current Assets, both present and future.

** The Group had allotted 7.35% Non-Convertible Debentures of face value of ₹ 550 Crores on 10th March 2017 redeemed on 10th March 2022. These were secured by first legal mortgage by way of a Registered Debenture Trust Deed over the fixed assets of the Company, mainly Plant and Machinery at Mumbai Refinery. These charges were satisfied during the year.

*** These were secured by first legal mortgage over the Plant and Machinery of the Group, mainly Plant and Machinery at Mumbai Refinery and Kochi Refinery. These charges were satisfied during the year.

The borrowings from banks and financial institutions have been used for the purposes for which such loans were taken.

NOTE 25a LEASE LIABILITIES (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2022		As at 31/03/2021	
	Current#	Non-Current	Current#	Non-Current
Lease Liabilities	560.79	8,040.73	243.58	7,612.07
Total	560.79	8,040.73	243.58	7,612.07

Classified under Current Lease Liabilities (Refer Note No. 30(a))

NOTE 26 OTHER FINANCIAL LIABILITIES (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Security / Earnest Money Deposits	11.29	7.18
Retiral Dues	45.34	50.90
Total	56.63	58.08

NOTE 27 PROVISIONS (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Provision for employee benefits [Refer Note No. 48]	207.30	819.73
Provision for abandonment for Oil and Gas Blocks [Refer Note No. 54]	26.99	7.76
Total	234.29	827.49

NOTE 28 TAX EXPENSE AND DEFERRED TAX LIABILITIES (NET) (CONSOLIDATED)

(a) Amounts recognised in profit or loss

₹ in Crores

Particulars	2021-22	2020-21
Current tax expense (A)		
Current year	**2,706.42**	6,165.29
Short/(Excess) provision of earlier years	**64.85**	(2.47)
Deferred tax expense (B)		
Origination and reversal of temporary differences	**690.74**	82.17
Short/(Excess) provision of earlier years#	**893.21**	(1,132.80)
Tax expense recognised in Statement of Profit and Loss (A+B)	**4,355.22**	5,112.19
Total of Short/(Excess) provision of earlier years	**958.06**	(1,135.27)

(b) Amounts recognised in other comprehensive income

₹ in Crores

Particulars	2021-22			2020-21		
	Before tax	Tax (expense)/ benefit*	Net of tax	Before tax	Tax (expense)/ benefit*	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	**(28.39)**	**7.52**	**(20.87)**	0.52	(55.68)	(55.16)
Equity instruments through Other Comprehensive income- net change in fair value	**334.32**	**(25.61)**	**308.71**	135.96	-	135.96
Equity accounted investees - share of OCI	**0.46**	**-**	**0.46**	0.69	-	0.69
Items that will be reclassified to profit or loss						-
Exchange differences in translating financial statements of foreign operations	**167.15**	**-**	**167.15**	0.59	-	0.59
Equity accounted investees - share of OCI	**(53.33)**	**-**	**(53.33)**	(1,356.68)	-	(1,356.68)
TOTAL	**420.21**	**(18.09)**	**402.12**	(1,218.92)	(55.68)	(1,274.60)

*Deferred Tax (Expense)/ Benefit

NOTE 28 TAX EXPENSE AND DEFERRED TAX LIABILITIES (NET) CONSOLIDATED (CONTD.)

(c) Amounts recognised directly in equity

₹ in Crores

Particulars	2021-22			2020-21		
	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense)/ benefit	Net of tax
Dividend Income of "BPCL ESPS Trust" (Refer Note No. 45)						
Current Tax	68.18	(19.70)	48.48	69.41	(29.67)	39.74
Deferred Tax	(21.69)	9.27	(12.42)	21.69	(9.27)	12.42
TOTAL	46.49	(10.43)	36.06	91.10	(38.94)	52.16

(d) Reconciliation of effective tax rate- Consolidated

₹ in Crores

Particulars	2021-22		2020-21	
Profit before tax		16,036.73		22,432.02
Tax using the Company's domestic tax rate	25.168%	4,036.13	25.168%	5,645.70
Tax effect of:				
Expenses not deductible for tax purposes	0.321%	51.47	0.330%	73.93
Tax losses for which no deferred income tax was recognised	1.070%	171.54	2.153%	482.95
Income for which Deduction/ Exemption available	(0.046%)	(7.32)	(1.851%)	(415.16)
Income taxable under Special Rates	0.000%	-	(2.141%)	(480.25)
Gain on Sale of Subsidiary	0.000%	-	3.309%	742.22
Interest expense not deductible for tax purposes	0.000%	-	0.103%	23.05
Change in control of subsidiary (Refer Note 64)	(3.083%)	(494.48)	0.000%	-
Share of profit of equity accounted investees reported net of tax	(2.202%)	(353.20)	0.183%	40.99
Difference in tax rates**	(0.082%)	(13.11)	0.653%	146.38
Adjustments recognised in current year in relation to prior years#	5.974%	958.06	(5.061%)	(1,135.27)
Others	0.038%	6.14	(0.056%)	(12.35)
Effective Income Tax Rate	27.158%	4,355.23	22.790%	5,112.19

**Includes impact for BPRL International BV, Netherlands and BPRL International Singapore Pte Ltd. Subsidiaries which operate in a tax jurisdiction with different tax rates.

NOTE 28 TAX EXPENSE AND DEFERRED TAX LIABILITIES (NET) CONSOLIDATED (CONTD.)

(e) Movement in deferred tax balances

₹ in Crores

Particulars	Net balance As at 01/04/2021	Recognised in profit or loss	Recognised in OCI	Recognised in Short/ (Excess)#	Recognised directly in equity	Change in Control of Subsidiary (Refer Note 64)	Net Balance	As at 31/03/2022 Deferred tax asset (Netted off against Deferred tax liability)	Deferred tax liability	Deferred tax asset (Net)
Deferred tax Asset / (Liabilities)										
Property, plant and equipment	(6,280.59)	(239.72)	-	614.87	-	(2,962.72)	(8,868.16)	-	(8,868.16)	-
Intangible assets	(16.04)	(5.35)	-	19.19	-	(98.21)	(100.41)	-	(100.41)	-
Derivatives	3.45	64.51	-	-	-	-	67.96	67.96	-	-
Inventories	13.19	65.80	-	-	-	(10.20)	68.79	68.79	-	-
Investments	(46.68)	15.81	(25.61)	-	-	-	(56.48)	-	(56.48)	-
Trade and other receivables	72.20	(22.79)	-	-	-	-	49.41	49.41	-	-
Loans and borrowings	207.75	68.77	-	-	-	-	276.52	276.52	-	-
Employee benefits	583.47	(63.71)	7.52	(80.16)	-	7.31	454.43	454.43	-	-
Deferred income	32.79	(2.56)	-	-	-	-	30.23	30.23	-	-
Provisions	144.91	(0.02)	-	-	-	-	144.89	144.89	-	-
Other Current liabilities	174.72	3.09	-	-	-	-	177.81	177.81	-	-
MAT Credit Entitlement	-	-	-	(380.99)	-	380.99	-	-	-	-
Unabsorbed Depreciation	-	(369.71)	-	(1,004.19)	-	2,576.75	1,202.85	1,202.85	-	-
BPCL ESPS Trust	(9.27)	-	-	-	9.27	-	-	-	-	-
Business Loss	3.82	(179.31)	-	(55.11)	-	230.60	-	-	-	-
Deferred Tax on Inter-company transaction	35.87	(1.10)	-	-	-	-	34.77	34.77	-	-
Other items	149.46	(24.46)	-	(6.82)	-	23.49	141.67	141.67	-	-
Tax assets (Liabilities)	(4,930.95)	(690.75)	(18.09)	(893.21)	9.27	148.01	(6,375.72)	2,649.33	(9,025.05)	-

NOTE 28 TAX EXPENSE AND DEFERRED TAX LIABILITIES (NET) CONSOLIDATED (CONTD.)

(f) Movement in deferred tax balances

₹ in Crores

Particulars	Net balance As at 01/04/2020	Recognised in profit or loss	Recognised in OCI	Recognised in Short/ (Excess)	Recognised directly in equity	Others (Refer Note 63)	As at 31/03/2021			
							Net Balance	Deferred tax asset (Netted off against Deferred tax liability)	Deferred tax liability	Deferred tax asset
Deferred tax Asset / (Liabilities)										
Property, plant and equipment	(8,573.56)	(322.53)	-	2,313.19	-	302.31	(6,280.59)	-	(6,279.97)	(0.62)
Intangible assets	(17.82)	(2.44)	-	4.22	-	-	(16.04)	-	(16.04)	-
Derivatives	2.53	1.63	-	(0.71)	-	-	3.45	3.45	-	-
Inventories	16.17	24.04	-	(4.52)	-	(22.50)	13.19	13.19	-	-
Investments	(38.63)	(18.86)	-	10.81	-	-	(46.68)	-	(46.68)	-
Trade and other receivables	67.41	23.65	-	(18.86)	-	-	72.20	72.20	-	-
Loans and borrowings	24.61	190.02	-	(6.88)	-	-	207.75	207.75	-	-
Employee benefits	596.84	152.75	(55.68)	(107.53)	-	(2.91)	583.47	583.47	-	-
Deferred income	49.78	(3.06)	-	(13.93)	-	-	32.79	32.79	-	-
Provisions	139.51	44.43	-	(39.03)	-	-	144.91	144.91	-	-
Other Current liabilities	356.25	(55.55)	-	(93.26)	-	(32.72)	174.72	174.72	-	-
MAT Credit Entitlement	723.10	-	-	(723.10)	-	-	-	-	-	-
Unabsorbed Depreciation	388.74	(223.02)	-	(165.72)	-	-	-	-	-	-
Brought Forward Capital Loss	-	(6.32)	-	6.32	-	-	-	-	-	-
BPCL ESPS Trust	-	-	-	-	(9.27)	-	(9.27)	-	(9.27)	-
Business Loss	3.09	0.73	-	-	-	-	3.82	-	-	3.82
Deferred Tax on Inter-company transaction	57.76	(5.73)	-	(16.16)	-	-	35.87	35.87	-	-
Other items	43.88	118.09	-	(12.04)	-	(0.47)	149.46	149.13	-	0.33
Tax assets (Liabilities)	(6,160.34)	(82.17)	(55.68)	1,132.80	(9.27)	243.71	(4,930.95)	1,417.48	(6,351.96)	3.53

NOTE 28 TAX EXPENSE AND DEFERRED TAX LIABILITIES (NET) CONSOLIDATED (CONTD.)

(g) As at 31st March 2022, undistributed earning of subsidiaries and equity accounted investees - share of joint ventures amounted to ₹ **925.83 Crores** (Previous year : ₹ 687.04 Crores) on which corresponding deferred tax liability was not recognised because the Company controls the dividend policy of its subsidiaries and is able to veto the payment of dividends of its joint ventures - i.e. the Company controls the timing of reversal of the related taxable temporary differences and management is satisfied that they will not reverse in the foreseeable future.

(h) As at 31st March 2022, "Undistributed Reserves- Associates" amounted to ₹ **3,280.28 Crores** (Previous year : ₹ 2,670.58 Crores) on which the Corporation has estimated the Deferred Tax Liability (Net) amounted to **NIL** (Previous Year: NIL)

(i) Tax losses carried forward

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom:

₹ in Crores

Particulars	As at 31/03/2022 Gross amount	As at 31/03/2022 Expiry date	As at 31/03/2021 Gross amount ^	As at 31/03/2021 Expiry date
Business loss	-	-	68.76	2021-22
Business loss	**29.79**	**2022-23**	29.79	2022-23
Business loss	**38.53**	**2023-24**	37.51	2023-24
Business loss	**132.92**	**2024-25**	132.10	2024-25
Business loss	**166.80**	**2025-26**	166.22	2025-26
Business loss	**35.54**	**2026-27**	35.24	2026-27
Business loss	**216.11**	**2027-28**	213.73	2027-28
Business loss	**183.22**	**2028-29**	183.22	2028-29
Business loss	**20.52**	**2029-30**	-	2029-30
Unabsorbed Depreciation	**9.84**	**No expiry date**	8.49	No expiry date

^ The figures of previous year have been adjusted for change in Foreign Exchange rate wherever applicable for reporting as on 31st March, 2022. Further, previous years figures have been restated as per tax returns filed during the year, wherever applicable.

The corporation offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

It includes necessary impact for deferred tax of prior years amounting to ₹ 814.54 Crores as BORL Management has decided to opt for new tax regime under Section 115BAA of Income Tax Act, 1961 from FY 2021-22. The new tax rate applicable for BORL including surcharge and cess is 25.168% as compared to 34.944% applicable during previous year under old tax regime.

NOTE 29 OTHER NON CURRENT LIABILITIES (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Deferred Income and Others*	**1,488.24**	549.95
Total	**1,488.24**	549.95

*Deferred Income includes unamortised portion of Government Grants amounting to ₹ **115.75 Crores** (Previous year ₹ 123.92 Crores), comprising mainly of works contract tax reimbursement, interest free loan received from Government of Kerala as part of the fiscal incentives sanctioned for IREP and grants received for technology development.

It also includes interest free loan received by BORL from Govt. of Madhya Pradesh for ₹830.54 Crores which is being amortized over the remaining life of the asset

NOTE 30 CURRENT BORROWINGS (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Loans Repayable on Demand		
Secured		
From banks		
Working capital loans / Cash Credit*	**2,445.50**	38.41
Current maturities of long-term borrowings (Refer Note 25)	**545.96**	-
From Others		
Loans through Triparty Repo Settlement System (TREPS) of Clearing Corporation of India Limited**	-	849.97
Current Maturity of long term borrowings (Refer Note 25)	-	1,343.66
Unsecured		
From banks		
Working Capital Loan/ Cash Credit	**1,953.00**	-
Current maturities of long-term borrowings (Refer Note 25)	**6,991.70**	1,687.21
From Others		
Commercial Paper	**3,098.50**	3,344.43
Current Maturities of Long-Term Borrowings (Refer Note 25)	**4,539.09**	3,672.31
Total	**19,573.75**	10,935.99

* Secured in favour of the participating banks ranking pari passu inter-alia by hypothecation of raw materials, finished goods, Work-in-Progress, book debts, stores, components and spares and all movables both present and future. [Refer Note no. 13 and 15]

The Corporation has Triparty Repo Settlement System limits from Clearing Corporation of India Limited, the borrowing against which was **NIL as at 31st March 2022 (Previous Year ₹ 850 Crores). These limits are secured by 7.59% Govt. Stock 2026 & 6.90% Oil Marketing Companies GOI Special Bonds 2026 of face value aggregrating to ₹ **1,245 Crores** (Previous Year secured by 7.59% Govt. Stock 2026 & T- Bills of face value aggregrating to ₹ 870 Crores)[Refer Note no. 14]

The borrowings from banks and financial institutions have been used for the purposes for which such loans were taken.

The quarterly returns or statements of current assets filed by the Corporation and its subsidiaries with banks or financial institutions are in agreement with the books of accounts for FY 2020-21 and FY 2021-22.

NOTE 30a CURRENT LEASE LIABILITIES (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Current Maturities of Lease Liabilities (Refer Note 25(a))	**560.79**	243.58
Total	**560.79**	243.58

NOTE 31 TRADE PAYABLES (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Total Outstanding dues of Micro Enterprises and Small Enterprises	245.26	147.79
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises (Refer Note No. 46)	30,102.46	16,122.14
Total	30,347.72	16,269.93

Ageing of Trade Payables as at 31/03/2022:

₹ in Crores

Particulars	Outstanding for following periods from the due date						TOTAL
	Unbilled	Not due	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed Trade Payables							
Micro Enterprises and Small Enterprises	13.51	231.36	-	-	-	-	244.87
Others	833.67	27,916.36	678.28	59.72	11.19	31.04	29,530.26
Disputed Trade Payables							
Micro Enterprises and Small Enterprises	-	0.39	-	-	-	-	0.39
Others	308.07	1.16	76.58	25.99	31.51	128.89	572.20
Total	1,155.25	28,149.27	754.86	85.71	42.70	159.93	30,347.72

Ageing of Trade Payables as at 31/03/2021:

₹ in Crores

Particulars	Outstanding for following periods from the due date						TOTAL
	Unbilled	Not due	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed Trade Payables							
Micro Enterprises and Small Enterprises	-	147.14	0.17	-	-	-	147.31
Others	927.35	12,952.94	1,487.46	17.34	21.49	69.17	15,475.75
Disputed Trade Payables							
Micro Enterprises and Small Enterprises	-	0.48	-	-	-	-	0.48
Others	292.09	0.55	82.99	82.06	33.33	155.37	646.39
Total	1,219.44	13,101.11	1,570.62	99.40	54.82	224.54	16,269.93

NOTE 32 OTHER FINANCIAL LIABILITIES (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Interest accrued but not due on borrowings	**478.29**	431.13
Security / Earnest Money Deposits	**939.58**	842.56
Deposits for Containers* ^	**16,098.84**	15,295.64
Unclaimed Dividend**	**33.50**	25.55
Unpaid Dividend	**-**	439.89
Dues to Micro Enterprises and Small Enterprises	**120.68**	257.00
Derivative Liabilities	**280.09**	19.03
Other Liabilities	**3,032.30**	2,605.62
Total	**20,983.28**	19,916.42

* Includes deposits received under Rajiv Gandhi Gramin LPG Vitrak Yojana and Pradhan Mantri Ujjwala Yojana (Central Scheme) ₹**3,695.19 Crores** (Previous year ₹3,281.45 Crores). The deposit against these schemes have been funded from CSR fund and Government of India.

^ Based on past trends, it is expected that settlement towards the deposit for containers is insignificant in next 12 months

** No amount is due at the end of the period for credit to Investors Education and Protection Fund.

NOTE 33 OTHER CURRENT LIABILITIES (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Advances from Customers	**1,008.49**	813.60
Statutory Liabilities	**6,118.97**	5,865.31
Other (Deferred Income etc.)*	**132.10**	102.01
Total	**7,259.56**	6,780.92

*Deferred Income includes unamortised portion of Government Grants amounting to ₹ **8.11 Crores** (Previous year ₹ 8.31 Crores), comprising mainly of works contract tax reimbursement, interest free loan received from Government of Kerala as part of the fiscal incentives sanctioned for IREP and grants received for technology development.

NOTE 34 PROVISIONS (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Provision for employee benefits (Refer Note No. 48)	**2,560.84**	2,247.04
Provision for CSR Expenditure	**45.96**	17.01
Others (Refer Note No. 54)*	**318.59**	467.63
Total	**2,925.39**	2,731.68

*Above includes deposits/ claims made of ₹ **94.39 Crores** (Previous year ₹ 107.60 Crores) netted of against provisions.

NOTE 35 CURRENT TAX LIABILITIES (NET) (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2022	As at 31/03/2021
Current tax liabilities (Net of taxes paid)	**1,417.98**	825.66
Total	**1,417.98**	825.66

NOTE 36 REVENUE FROM OPERATIONS (CONSOLIDATED)

₹ in Crores

Particulars	2021-22	2020-21
(A) (i) Sales		
Petroleum Products*	**4,30,588.29**	2,99,421.19
Crude Oil	**786.28**	3,791.45
	4,31,374.57	3,03,212.64
(ii) Subsidy from State Government	**35.82**	17.05
	4,31,410.39	3,03,229.69
(B) Other operating revenues	**1,159.23**	1,044.77
Total	**4,32,569.62**	3,04,274.46

*The MoPNG, vide letter dated 30.04.2020 had conveyed to Oil Marketing Companies (OMCs) that a) In case, the Market Determined Price (MDP) is higher than the Effective Cost to Customer (ECC), the difference shall be transferred to consumers account via Direct Benefit Transfer of LPG (DBTL) Scheme and b) In case, where MDP is less than the ECC, the OMCs will retain the difference in a separate buffer account for future adjustment. However, as at 31st March 2022, the Corporation had a negative buffer of ₹ 2,672.33 Crores (after adjustment of uncompensated cost of ₹ 1,324.80 Crores for FY 2021-22) as the retail selling price was less than MDP and accordingly the revenue from sale of LPG was reduced by this amount.

NOTE 37 OTHER INCOME (CONSOLIDATED)

₹ in Crores

Particulars	2021-22	2020-21
Interest Income on		
Instrument measured at FVTPL	**331.20**	352.62
Instrument measured at amortised Cost	**701.33**	698.38
Income Tax Refund	**56.19**	34.19
Dividend Income		
Dividend Income from non - current equity instruments at FVOCI	**28.76**	17.19
Net gains on fair value changes of		
Instruments measured at FVTPL ^	**-**	160.88
Write back of liabilities no longer required	**19.72**	114.50
Reversal of allowance on doubtful debts and advances (net)	**107.29**	-
Gain on Prepayment of Interest Free VAT Loan (Refer Note 59(I))	**224.48**	-
Reversal of impairment*	**43.34**	-
Gain on sale of Property plant and equipment / Non-current assets held for sale (net)	**2.60**	-
Net gains on foreign currency transactions and translations@		
Exchange losses on foreign currency forwards and principal only swap contracts	**-**	(7.39)
Exchange Gains on foreign currency transactions and translations of other assets and liabilities	**-**	208.76
Sub-Total	**-**	201.37
Others#	**753.63**	665.73
Total	**2,268.54**	2,244.86

^ Includes gain on sale of investments for previous year ₹ 3.58 Crores. Gains on sale of investments during the current year of ₹**52.96 Crores** are grouped under Other Expenses along with Net losses on fair value changes of instruments measured at FVTPL.

@During current year net losses on foreign currency transactions and translations of ₹**283.35 Crores** has been grouped under Other Expenses.

Includes amortisation of capital grants ₹ **95.81 Crores** (Previous year : ₹10.41 Crores)

* Includes Impairment Loss on Non-current assets held for sale of ₹**19.17 Crores** grouped under other income (Previous Year:₹32.41 Crores grouped in other expenses)

NOTE 38 COST OF RAW MATERIALS CONSUMED (CONSOLIDATED)

₹ in Crores

Particulars	2021-22	2020-21
Opening Stock	5,664.78	3,408.50
Add : Impact on change of control in BORL (Refer Note 64)	3,967.61	-
Add : Purchases	1,69,028.75	81,247.81
Less: Closing Stock	(15,119.95)	(5,664.78)
Less: Impact on sale of stake in Subsidiary (Refer Note 63)	-	(213.34)
Total	**1,63,541.19**	78,778.19

NOTE 39 PURCHASE OF STOCK-IN-TRADE (CONSOLIDATED)

₹ in Crores

Particulars	2021-22	2020-21
Petroleum Products	1,42,902.59	1,08,390.63
Crude Oil	669.89	3,722.61
Others	329.22	250.89
Total	**1,43,901.70**	1,12,364.13

NOTE 40 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS (CONSOLIDATED)

₹ in Crores

Particulars	2021-22	2020-21
Value of opening stock of		
Finished goods	11,625.39	11,264.79
Stock-in-Trade	6,879.64	5,545.15
Work in progress	1,573.68	1,011.52
	20,078.71	17,821.46
Add: Impact on change in control in BORL (Refer note 64)	1,524.41	-
Less : Value of closing stock of		
Finished goods	13,628.48	11,625.39
Stock-in-Trade	8,616.27	6,879.64
Work in progress	3,399.99	1,573.68
	25,644.74	20,078.71
Net (increase) / decrease in inventories	(4,041.62)	(2,257.25)
Less: Impact on sale of stake in Subsidiary (Refer Note 63)	-	1,486.31
Net (increase) / decrease in inventories of Finished goods, Stock-in-Trade and Work-in-progress	(4,041.62)	(3,743.56)

NOTE 41 EMPLOYEE BENEFITS EXPENSES (CONSOLIDATED)

₹ in Crores

Particulars	2021-22	2020-21
Salaries and wages	**2,510.87**	2,819.62
Contribution to Provident and Other Funds	**551.55**	532.38
Staff welfare expenses	**342.68**	725.52
Voluntary Retirement Scheme	**2.90**	778.83
Total	**3,408.00**	4,856.35

NOTE 42 FINANCE COSTS (CONSOLIDATED)

₹ in Crores

Particulars	2021-22	2020-21
Interest Expense*	**2,331.32**	1,946.63
Other borrowing costs	**38.41**	28.67
Exchange difference regarded as an adjustment to borrowing costs	**235.91**	(251.89)
Total	**2,605.64**	1,723.41

*Includes ₹ **619.95 Crores** (Previous year : ₹ 535.69 Crores) recognized during the year as interest cost against Lease Liabilities as per IND AS 116.

NOTE 43 OTHER EXPENSES (CONSOLIDATED)

₹ in Crores

Particulars	2021-22		2020-21	
Transportation		7,780.99		7,068.36
Irrecoverable Taxes and other levies		2,133.24		1,306.37
Repairs, maintenance, stores and spares consumption		1,719.56		1,357.17
Power and Fuel	8,745.07		4,996.76	
Less: Consumption of fuel out of own production	(5,531.46)		(2,494.46)	
Power and Fuel consumed (net)		3,213.61		2,502.30
Packages consumed		210.52		160.64
Net losses on fair value changes of				
Instruments measured at FVTPL ^		111.77		-
Derivatives measured at FVTPL		567.06		31.49
Office Administration, Selling and Other expenses				
Rent		423.10		129.46
Utilities		336.64		318.01
Terminalling and related charges		214.97		210.50
Travelling and conveyance		195.31		160.83
Remuneration to auditors				
Audit fees	3.56		2.79	
Fees for other services - Certification	0.45		0.46	
Reimbursement of Expenses	0.04		0.01	
Sub-Total		4.05		3.26
Bad debts and other write offs		5.91		8.88
Allowance for doubtful debts & advances (net)		-		326.09
Loss on sale of Property plant and Equipment/ Non Current asset held for sale (net)		-		22.03
Net losses on foreign currency transactions and translations*				
Exchange gains/ losses on foreign currency forwards and principal only swap contracts	(2.54)		-	
Exchange losses on transactions and translations of other foreign currency assets and liabilities	285.89		-	
Sub-total		283.35		-
CSR Expenditure		176.44		163.23
Impairment loss@		-		32.41
Others# $		3,467.99		2,810.12
Sub-Total-Office Administration, Selling and Other expenses		5,107.76		4,184.82
Total		20,844.51		16,611.15

^ Includes gain on sale of investments for current year ₹ **52.96 Crores**. Gains on sale of investments during the previous year of ₹ 3.58 Crores has been grouped under Other Income along with Net Gains on fair value changes of instruments measured at FVTPL.

*During previous year, Net gains on foreign currency transactions and translations of ₹201.37 Crores has been grouped under Other Income.

@ Includes Impairment Loss on Non-current assets held for sale of ₹**19.17 Crores** grouped under other income (Previous Year : ₹ 32.41 Crores grouped in other expenses)

Includes provision for Capital Work in Progress of ₹ **395.98 Crores** (Previous Year : ₹3.47 Crores) for the Corporation.

$ Includes ₹ **454.25 Crores** (Previous Year: NIL) towards first refill and hot plate given under Pradhan Mantri Ujjwala Yojana 2.0

NOTE 44 (CONSOLIDATED)

In line with the General Circular No. 39/2014, dated 14th October 2014, issued by the Ministry of Corporate Affairs, the disclosures relevant to Consolidated Financial Statements only have been provided.

NOTE 45 (CONSOLIDATED)

As per the scheme of amalgamation of the erstwhile Kochi Refineries Limited (KRL) with the Corporation approved by the Government of India, 3,37,28,737 equity shares of the Corporation were allotted (in lieu of the shares held by the Corporation in the erstwhile KRL) to a Trust ("BPCL Trust for Investment in Shares") for the benefit of the Corporation in the Financial Year 2006-07. The Corporation made 1:1 Bonus issues in July 2012 and July 2016 and 1:2 bonus issue in July 2017. The Trust held 20,23,72,422 equity shares of the Corporation as at 1st April 2020.

During FY 2020-21, Corporation had announced BPCL Employee Stock Purchase Scheme (ESPS) 2020 and created "BPCL ESPS Trust" for the purpose of acquiring shares for allotting to eligible employees. Accordingly, "BPCL ESPS Trust" had purchased 4,33,79,025 Equity shares from "BPCL Trust for Investment in Shares" in October 2020. The proportionate cost of "BPCL Trust for Investment in Shares" was recognized as cost of shares held by "BPCL ESPS Trust".

Further during FY 2020-21, Corporation has sold 12,60,33,090 Equity Shares from "BPCL Trust for Investment in Shares" via Bulk Deal on Stock Exchange for Net Consideration of ₹ 5,511.79 Crores. Accordingly, Security Premium of ₹ 5,101.31 Crores was recognized after adjusting the corresponding cost of ₹410.48 Crores (including Face Value of Equity Shares of ₹ 126.03 Crores) under Total Equity. The "BPCL Trust for Investment in Shares" holds 3,29,60,307 equity shares of the Corporation as at 31st March 2022.

During FY 2021-22, Corporation has allotted 3,65,42,077 shares to eligible employees on exercise of options by employees under BPCL Employee Stock Purchase Scheme (ESPS) 2020. Accordingly, Security Premium of ₹**1,204.88 Crores** was recognized after adjusting the corresponding cost of ₹ **119.01 Crores** (including Face Value of Equity Shares of ₹ 36.54 Crores) under Total Equity. "BPCL ESPS Trust" holds 68,36,948 equity shares of the Corporation as at 31st March 2022.

The cost of the original investment together with the additional contribution to the corpus of above trusts has been reduced from the Total Equity of the Corporation. To the extent of the face value of the shares, the same is reduced from the Paid up Share capital of the Corporation and the balance is reduced from Other Equity under separate reserves.

The income received from "BPCL Trust for Investment in Shares" and the impact on consolidation of "BPCL ESPS Trust" has been recognized directly under Other Equity of the Corporation.

NOTE 45 (CONSOLIDATED)

The details of shares held by "BPCL Trust for Investment in shares" and "BPCL ESPS Trust" and its corresponding cost adjustment in Total Equity is as under:

BPCL Trust for Investment in Shares	As at 31st March 2022			As at 31st March 2021		
	No. of shares	Corresponding Cost adjusted under		No. of shares	Corresponding Cost adjusted under	
		Paid-up Share Capital	Other Equity		Paid-up Share Capital	Other Equity
		₹ in Crores	₹ in Crores		₹ in Crores	₹ in Crores
Opening Balance	**3,29,60,307**	**32.96**	**74.39**	20,23,72,422	202.37	456.74
Less: Sold to "BPCL ESPS Trust"	-	-	-	(4,33,79,025)	(43.38)	(97.90)
Less: Sold through Stock Exchange via Bulk Deal	-	-	-	(12,60,33,090)	(126.03)	(284.45)
Closing Balance	**3,29,60,307**	**32.96**	**74.39**	3,29,60,307	32.96	74.39

BPCL ESPS Trust	As at 31st March 2022			As at 31st March 2021		
	No. of shares	Corresponding Cost adjusted under		No. of shares	Corresponding Cost adjusted under	
		Paid-up Share Capital	Other Equity		Paid-up Share Capital	Other Equity
		₹ in Crores	₹ in Crores		₹ in Crores	₹ in Crores
Opening Balance	**4,33,79,025**	**43.38**	**97.90**	-	-	-
Add: Purchased from "BPCL Trust for Investment in Shares"	-	-	-	4,33,79,025	43.38	97.90
Less: Shares issued on exercise of Employee Stock Options (Refer Note 52)	**(3,65,42,077)**	**(36.54)**	**(82.47)**	-	-	-
Closing Balance	**68,36,948**	**6.84**	**15.43**	4,33,79,025	43.38	97.90

NOTE 46 (CONSOLIDATED)

The Group has numerous transactions with other oil companies. The outstanding balances (included under Trade Payables / Trade Receivables, etc) from them and certain other outstanding credit and debit balances are subject to confirmation/reconciliation. Adjustments, if any, arising therefrom are not likely to be material on settlement and are accounted as and when ascertained.

NOTE 47 DISCLOSURES AS PER IND AS 116 LEASES (CONSOLIDATED)

The Group enters into lease arrangements for land, godowns, office premises, staff quarters, third party operating plants, tank lorries, time charter vessels and others. Pursuant to Ministry of Corporate Affairs Notification dated 30th March 2019, Ind AS 116 "Leases" applicable w.e.f 1st April 2019 is adopted by the Group using modified retrospective method wherein, at the date of initial application, the Lease liability is measured at the present value of remaining lease payments and Right-of-use asset has been recognized at an amount equal to Lease liability adjusted by an amount of any prepaid expenses. Under Ind AS 116 "Leases", at commencement of lease, the Group recognizes Right-of-use asset and corresponding Lease liability. Right-of-use asset is depreciated over lease term on systematic basis and Interest on Lease liability is charged to Consolidated Statement of Profit and Loss as Finance cost.

A. Leases as Lessee

a) The following is the detailed breakup of Right-of-use assets (by class of underlying assets) included in Property, Plant and Equipment (Refer Note No. 2)

₹ in Crores

Particulars	Gross Block					Depreciation				Net Carrying Amount	
	As at 01/04/2021	Additions on account of Business combination (Refer note no. 64)	Additions	Reclassifications / Deductions On Account Of Conclusion	As at 31/03/2022	As at 31/03/2021	For the Year	Reclassifications / Deductions On Account Of Conclusion	Up to 31/03/2022	As at 31/03/2022	As at 31/03/2021
Land	4,415.22	224.96	474.98	254.65	**4,860.51**	326.93	195.26	6.93	**515.26**	**4,345.25**	4,088.29
Buildings including Roads	177.06		12.62	116.27	**73.41**	54.49	34.58	69.32	**19.75**	**53.66**	122.57
Plant and Equipments	4,757.09		52.76	-	**4,809.85**	405.16	293.74	-	**698.90**	**4,110.95**	4,351.93
Tanks and Pipelines	26.61		5.00	0.50	**31.11**	9.47	9.19	0.27	**18.39**	**12.72**	17.14
Vehicles	0.18		-	0.18	**-**	0.16	0.02	0.18	**-**	**-**	0.02
Cargo Ships	-		603.54	-	**603.54**	-	69.12	-	**69.12**	**534.42**	-
Total	9,376.16	**224.96**	**1,148.90**	**371.60**	**10,378.42**	796.21	**601.91**	**76.70**	**1,321.42**	**9,057.00**	8,579.95
Previous Year	7,252.45	-	2,231.83	108.12	**9,376.16**	381.86	424.93	10.58	**796.21**	**8,579.95**	

b) The following expenses have been charged to Consolidated Statement of Profit and Loss during the year

₹ in Crores

Particulars	2021-22	2020-21
Interest on Lease liabilities	**619.95**	535.69
Expenses relating to Short term leases	**1,367.33**	1,324.44
Expenses relating to leases of Low value items	**6.30**	3.52
Expenses relating to Variable lease payments (not included in measurement of Lease liabilities)	**5,468.86**	4,791.35

Note 47 Disclosures as per Ind AS 116 Leases (CONSOLIDATED) (CONTD.)

c) Total Cash outflow for leases during FY 2021-22 is ₹ **7,475.74 Crores** (Previous year ₹ 6,721.71 Crores)

d) Income from Sub leasing of Right-of-use assets recognised in Consolidated Statement of Profit and Loss during FY 2021-22 is ₹ **3.51 Crores** (Previous year ₹ 3.20 Crores)

e) Maturity Analysis of Lease Liabilities as per Ind AS 116 Leases

₹ in Crores

As at 31/03/2022	Contractual Cash Flows				
	Up to 1 year	1-3 years	3-5 years	More than 5 years	Total
Undiscounted Cash outflows	**1,160.23**	**1,907.10**	**1,687.65**	**11,413.86**	**16,168.84**

₹ in Crores

As at 31/03/2021	Contractual Cash Flows				
	Up to 1 year	1-3 years	3-5 years	More than 5 years	Total
Undiscounted Cash outflows	811.60	1,631.50	1,596.45	11,325.68	15,365.23

B. Leases as Lessor

Operating Leases

a) The Group enters into operating lease arrangements in respect of lands, commercial spaces, storage and distribution facilities etc. The details are as follows:

As at 31st March 2022

₹ in Crores

Particulars	Freehold Land	Buildings	Plant and Equipments	Tanks & Pipelines	Furnitures and Fixtures	Office Equipment	Railway Sidings	Vehicles	ROU Assets
Gross Carrying Amount	**25.43**	**82.99**	**3.50**	**0.86**	**6.57**	**2.61**	**-**	**-**	**0.89**
Accumulated depreciation	**-**	**12.43**	**2.43**	**0.00**	**4.90**	**1.99**	**-**	**-**	**0.23**
Depreciation for the year	**-**	**2.56**	**0.23**	**0.00**	**0.15**	**0.08**	**-**	**-**	**0.09**

As at 31st March 2021

₹ in Crores

Particulars	Freehold Land	Buildings	Plant and Equipments	Tanks & Pipelines	Furnitures and Fixtures	Office Equipment	Railway Sidings	Vehicles	ROU Assets
Gross Carrying Amount	27.11	149.90	114.66	341.94	7.36	14.03	71.98	0.03	0.91
Accumulated depreciation	-	28.73	45.65	85.00	5.65	6.34	33.91	0.01	0.17
Depreciation for the year	-	5.20	4.53	14.67	0.22	2.29	6.10	0.00	0.07

b) Income earned from Operating Leases recognised in Consolidated Statement of Profit and Loss during FY 2021-22 is ₹ **30.93 Crores** (Previous year ₹ 51.50 Crores) [Of which Variable lease payments that do not depend on index or rate is ₹ **7.50 Crores** (Previous year ₹ 7.61 Crores)]

c) The maturity analysis of lease payments receivable under operating leases is as follows:

₹ in Crores

As at 31/03/2022	Within 1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	> 5 years	Total
Undiscounted Lease Payments receivable	**1.47**	**1.36**	**1.47**	**1.54**	**1.51**	**3.53**	**10.88**

₹ in Crores

As at 31/03/2021	Within 1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	> 5 years	Total
Undiscounted Lease Payments receivable	26.72	26.28	26.29	26.29	6.65	1.76	113.99

NOTE 48 EMPLOYEE BENEFITS (CONSOLIDATED)

[A] Post Employment Benefit Plans:

Defined Contribution Scheme

Defined Contribution Scheme (DCS) was introduced effective from 1st Jan 2007. Group contributes at a defined percentage of the employee salary out of the total entitlements on account of superannuation benefits under this scheme.

Group has GOI managed PFRDA NPS for its employees and is contributing upto 10% of the salary from the above defined percentage to the NPS for the staff who have enrolled under the scheme. The remaining contribution after the PFRDA NPS contribution is made to a separate Trust managed by the Corporation and its erstwhile subsidiary NRL.

₹ in Crores

Amount recogized in the Statement of Profit and Loss	2021-22	2020-21
Defined Contribution Scheme	286.34	288.06

Defined Benefit Plans

The Group has the following Defined Benefit Plans :-

Gratuity:

The Corporation and its erstwhile subsidiary NRL has a defined benefit gratuity plan managed by a trust. The Trustees administer contributions made to the trust, investments thereof etc. Based on actuarial valuation, the contribution is paid to the trust which is invested in plan assets as per the investment pattern prescribed by the Government. Gratuity is paid to a staff member who has put in a minimum qualifying period of 5 years of continuous service, on superannuation, resignation, termination or to his nominee on death.

Other Defined Benefits include:

(a) Post Retirement Medical Scheme (managed by a trust) to employees, spouse, dependent children and dependent parents;

(b) Pension / Ex-Gratia scheme to the retired employees who are entitled to receive the monthly pension / ex-gratia for life;

(c) Death in service / Permanent Disablement benefit given to the spouse of the employee / employee, provided the deceased's family / disabled employee deposits with the Corporation, retirement dues such as Provident Fund, Gratuity, Leave Encashment etc., payable to them; and

(d) Resettlement allowance paid to employees to permanently settle down at the time of retirement;

(e) Felicitation benefits to retired employees on reaching the age related milestones; and

(f) The Corporation makes contribution towards Provident Fund, which is administered by the trustees. The Corporation has an obligation to fund any shortfall on the yield of the trust's investments over the interest rates declared by the Government under EPF scheme.

These defined benefit plans expose the Group to actuarial risks, such as longetivity risk, interest rate risk, and market (investment) risk.

NOTE 48 EMPLOYEE BENEFITS (CONSOLIDATED) (CONTD.)

Movement in net defined benefit (asset)/ liability

₹ in Crores

	Gratuity				Gratuity		Ex-Gratia Scheme	
Particulars	**Funded**		**Funded**		**Non Funded**		**Funded**	**Non Funded**
	2021-22	**2020-21**	**2021-22**	**2020-21**	**2021-22**	**2020-21**	**2021-22**	**2020-21**
a) Reconciliation of balances of Defined Benefit Obligations.								
Defined Obligations at the beginning of the year	**808.72**	1,142.66	**1,725.13**	1,587.24	**0.31**	0.26	**663.02**	375.47
Addition due to change in control@	**-**	-	**-**	-	**10.34**	-	**-**	-
Interest Cost	**55.15**	78.50	**119.21**	108.14	**0.55**	0.02	**45.81**	25.57
Current Service Cost	**13.19**	16.42	**46.92**	56.62	**0.57**	0.02	**7.49**	5.95
Past Service Cost	**90.82**	23.64	**(102.44)**	56.89	**-**	-	**-**	272.08
Benefits paid	**(106.37)**	(363.33)	**(85.32)**	(57.74)	**(0.47)**	-	**(46.37)**	(28.67)
Actuarial (Gains)/ Losses on obligations	**-**	-	**-**	-	**-**	-	**-**	-
-Changes in Demographic Assumptions	**(1.12)**	-	**(4.58)**	179.73	**(0.04)**	-	**2.12**	52.90
-Changes in financial Assumptions	**(27.15)**	3.13	**12.17**	(25.39)	**0.47**	-	**(19.70)**	(5.48)
-Experience adjustments	**8.76**	(18.36)	**100.98**	(103.32)	**(0.02)**	0.01	**(9.97)**	(34.80)
Impact due to sale of stake in Subsidiary*	**-**	(73.94)	**-**	(77.04)	**-**	-	**-**	-
Defined Obligations at the end of the year	**842.00**	808.72	**1,812.07**	1,725.13	**11.71**	0.31	**642.40**	663.02
b) Reconciliation of balances of Fair Value of Plan Assets in respect of Gratuity / Post Retirement Medical Fund								
Fair Value at the beginning of the year	**869.16**	871.46	**1,800.19**	1,738.97	**-**	-	**-**	-
Interest income (i)	**59.28**	59.87	**124.39**	118.45	**-**	-	**-**	-
Return on Plan Assets, excluding interest income(ii)	**10.95**	5.76	**15.58**	44.79	**-**	-	**4.07**	-
Actual Return on Plan assets (i+ii)	**70.23**	65.63	**139.97**	163.24	**-**	-	**4.07**	-
Contribution by employer	**-**	7.52	**56.88**	43.37	**-**	-	**235.30**	-
Contribution by employee	**-**	-	**1.57**	-	**-**	-	**-**	-
Benefits paid	**(96.94)**	(2.13)	**(85.32)**	(57.74)	**-**	-	**(43.11)**	-
Impact due to sale of stake in Subsidiary*	**-**	(73.32)	**-**	(87.65)	**-**	-	**-**	-
Fair Value of Plan Assets at the end of the year	**842.45**	869.16	**1,913.29**	1,800.19	**-**	-	**196.26**	-
c) Liabilities/(Assets) recognized in Balance sheet (a-b)	**(0.45)**	(60.44)	**(101.22)**	(75.06)	**11.71**	0.31	**446.14**	663.02
d) Amount recognized in Statement of Profit and Loss								
Current Service Cost	**13.19**	16.42	**46.92**	56.62	**0.57**	0.02	**7.49**	5.95
Past Service Cost	**90.82**	23.64	**(102.44)**	56.89	**-**	-	**-**	272.08
Interest Cost	**55.15**	78.50	**119.21**	108.14	**0.55**	0.02	**45.81**	25.57
Interest income	**(59.28)**	(59.87)	**(124.39)**	(118.45)	**-**	-	**-**	-
Contribution by employee	**-**	-	**(1.57)**	-	**-**	-	**-**	-
Expenses for the year	**99.88**	58.69	**(62.27)**	103.20	**1.12**	0.04	**53.30**	303.60

NOTE 48 EMPLOYEE BENEFITS (CONSOLIDATED) (CONTD.)

Movement in net defined benefit (asset)/ liability

₹ in Crores

Particulars	Gratuity		Post Retirement Medical		Gratuity		Ex-Gratia Scheme	
	Funded		Funded		Non Funded		Funded	Non Funded
	2021-22	**2020-21**	**2021-22**	**2020-21**	**2021-22**	**2020-21**	**2021-22**	**2020-21**
e) Amount recognized in Other Comprehensive Income Remeasurements : Actuarial (Gains)/ Losses								
- Changes in Demographic Assumptions	**(1.12)**	-	**(4.58)**	179.73	**(0.04)**	-	**2.12**	52.90
- Changes in financial assumptions	**(27.15)**	3.13	**12.17**	(25.39)	**0.47**	-	**(19.70)**	(5.48)
- Experience adjustments	**8.76**	(18.36)	**100.98**	(103.32)	**(0.02)**	0.01	**(9.97)**	(34.80)
Return on plan assets excluding net interest cost	**(10.95)**	(5.76)	**(15.58)**	(44.79)	**-**	-	**(4.07)**	-
Total	**(30.46)**	(20.99)	**92.99**	6.23	**0.41**	0.01	**(31.62)**	12.62
f) Major Actuarial Assumptions								
Discount Rate (%)	**7.25**	6.82	**7.40**	6.82 - 6.91	**6.98 - 7.27**	6.90	**7.29**	6.91
Salary Escalation/ Inflation (%)	**8.00**	8.00	**NA**	NA	**5.00 - 8.00**	8.00	**NA**	NA
Expected Return on Plan assets (%)	**7.25**	6.82	**7.40**	6.82 - 6.91	**NA**	NA	**7.29**	NA
g) Investment pattern for Fund Category of Asset								
Government of India Securities (%)	**15.20**	15.77	**18.76**	19.81				
Corporate Bonds (%)	**1.78**	2.49	**42.57**	49.56				
Insurer Managed funds (%)	**82.43**	81.14	**-**	-				
State Government Securities (%)	**-**	-	**32.63**	25.95				
Others (%)	**0.59**	0.60	**6.04**	4.68			**100.00**	
Total (%)	**100.00**	100.00	**100.00**	100.00			**100.00**	

The estimates for future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors.

The expected return on plan assets is based on market expectation at the beginning of the period, for returns over the entire life of the related obligation.

For the funded plans, the trust maintains appropriate fund balance considering the analysis of maturities. Projected Unit credit method is adopted for Asset-Liability Matching.

In respect of investments made by PRMB Trust, total Provision as on 31st March 2022 was ₹ **25.50 Crores** (Previous year: ₹ 35 Crores).

During FY 2021-22, Past Service cost is recognized in respect of Gratuity and Post Retirement Medical Benefits for the benefit payable in future after DA reaching the specified limit and an amendment in the member eligibility criteria of the scheme, respectively.

Further for FY 2020-21, Past Service cost is recognized in respect of Gratuity and Post Retirement Medical Benefits as there was an enhancement of Post employment benefits on account of Voluntary Retirement Scheme. Also, Past Service cost was recognized in respect of Monthly Ex-Gratia Scheme as there was an upwards revision in benefits under the scheme.

*Numaligarh Refinery Limited (NRL) ceased to be the part of the Group w.e.f. 26th March 2021. Accordingly, Financial Statements of NRL have been consolidated till 25th March 2021, post which derecognition of Assets and Liabilities of NRL has been carried out in line with applicable Ind AS.

@ Bharat Oman Refineries Limited has become the subsidiary of the Corporation w.e.f. 30th June 2021. Accordingly, Financial Statements of BORL has been consolidated from that date.

NOTE 48 EMPLOYEE BENEFITS (CONSOLIDATED) (CONTD.)

Movement in net defined benefit (asset)/ liability

₹ in Crores

Particulars	Death / Permanent disablement Non Funded		Re-settlement Allowance Non Funded		Burmah Shell Pension Non Funded		Felicitation Scheme Non Funded	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
a) Reconciliation of balances of Defined Benefit Obligations.								
Defined Obligations at the beginning of the year	12.75	12.34	9.28	17.48	64.32	72.14	78.58	79.70
Interest Cost	0.77	0.77	0.63	1.21	4.03	4.64	5.43	5.58
Current Service Cost	-	-	1.94	3.64	-	-	1.53	2.05
Past Service Cost	-	-	-	(0.87)	-	-	-	2.22
Benefits paid	(7.74)	(7.05)	(2.38)	(5.03)	(12.39)	(13.55)	(2.38)	(2.23)
Actuarial (Gains)/ Losses on obligations								
-Changes in Demographic Assumptions	-	-	0.19	-	-	(1.32)	0.03	6.80
-Changes in financial Assumptions	(0.10)	0.51	(0.54)	0.05	(0.69)	0.33	(3.51)	(0.73)
-Experience adjustments	4.19	6.18	7.48	(2.15)	(1.88)	2.08	(8.10)	(12.41)
Impact due to sale of stake in Subsidiary*	-	-	-	(5.05)	-	-	-	(2.40)
Defined Obligations at the end of the year	9.87	12.75	16.60	9.28	53.39	64.32	71.58	78.58
b) Amount recognized in Balance sheet	9.87	12.75	16.60	9.28	53.39	64.32	71.58	78.58
c) Amount recognized in Statement of Profit and Loss								
Current Service Cost	-	-	1.94	3.64	-	-	1.53	2.05
Past Service Cost	-	-	-	(0.87)	-	-	-	2.22
Interest Cost	0.77	0.77	0.63	1.21	4.03	4.64	5.43	5.58
Expenses for the year	0.77	0.77	2.57	3.98	4.03	4.64	6.96	9.85
d) Amount recognized in Other Comprehensive Income Remeasurements : Actuarial (Gains)/ Losses								
-Changes in Demographic Assumptions	-	-	0.19	-	-	(1.32)	0.03	6.80
-Changes in financial assumptions	(0.10)	0.51	(0.54)	0.05	(0.69)	0.33	(3.51)	(0.73)
-Experience adjustments	4.19	6.18	7.48	(2.15)	(1.88)	2.08	(8.10)	(12.41)
Total	4.09	6.69	7.13	(2.10)	(2.57)	1.09	(11.58)	(6.34)
e) Major Actuarial Assumptions								
Discount Rate (%)	6.09	6.06	7.25	6.82 - 6.87	6.70	6.26	7.40	6.91

For FY 2020-21, Past Service cost was recognised in respect of Resettlement Scheme as there was an enhancement of Post employment benefits on account of Voluntary Retirement Scheme.

*Numaligarh Refinery Limited (NRL) ceased to be the part of the Group w.e.f. 26th March 2021. Accordingly, Financial Statements of NRL have been consolidated till 25th March 2021, post which derecognition of Assets and Liabilities of NRL has been carried out in line with applicable Ind AS.

Sensitivity analysis

Sensitivity analysis for significant actuarial assumptions, showing how the defined benefit obligation would be affected, considering increase/decrease of 1% as at 31st March 2022 is as below:

NOTE 48 EMPLOYEE BENEFITS (CONSOLIDATED) (CONTD.)

₹ in Crores

Particulars	Gratuity - Funded	Post Retirement Medical - Funded	Exgratia scheme- Funded	Gratuity - Non-Funded	Burmah shell Pension- Non Funded	Death/ Permanent Disablement- Non funded	Resettlement allowance- Non funded	Felicitation Scheme - Non Funded
+ 1% change in rate of Discounting	**(56.78)**	**(209.19)**	**(46.54)**	**(0.83)**	**(1.50)**	**(3.05)**	**(1.11)**	**(6.29)**
- 1% change in rate of Discounting	**66.03**	**259.10**	**54.59**	**0.86**	**1.61**	**3.33**	**1.30**	**7.51**
+ 1% change in rate of Salary increase	**12.13**	-	-	-	-	-	-	-
- 1% change in rate of Salary increase	**(14.26)**	-	-	-	-	-	-	-

Sensitivity analysis for significant actuarial assumptions, showing how the defined benefit obligation would be affected, considering increase/decrease of 1% as at 31st March 2021 is as below:

₹ in Crores

Particulars	Gratuity - Funded	Post Retirement Medical - Funded	Exgratia scheme- Funded	Gratuity - Non-Funded	Burmah shell Pension- Non Funded	Death/ Permanent Disablement- Non funded	Resettlement allowance- Non funded	Felicitation Scheme - Non Funded
+ 1% change in rate of Discounting	(52.43)	(229.44)	(50.16)	(0.01)	(1.89)	(2.77)	(0.63)	(6.81)
- 1% change in rate of Discounting	61.16	296.36	59.16	0.01	2.03	2.98	0.73	8.20
+ 1% change in rate of Salary increase	9.54	-	-	-	-	-	-	-
- 1% change in rate of Salary increase	(11.59)	-	-	-	-	-	-	-

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation keeping all other actuarial assumptions constant.

The expected future cash flows as at 31st March 2022 are as follows:

₹ in Crores

Particulars	Gratuity - Funded	Post Retirement Medical - Funded	Exgratia scheme- Funded	Gratuity - Non-Funded	Burmah shell Pension- Non Funded	Death/ Permanent Disablement- Non funded	Resettlement allowance- Non funded	Felicitation Scheme - Non Funded
Projected benefits payable in future years from the date of reporting								
1st following year	**95.35**	**99.53**	**46.42**	**1.22**	**5.76**	**5.76**	**2.04**	**3.33**
2nd following year	**59.42**	**114.97**	**46.68**	**1.13**	**8.40**	**2.28**	**1.05**	**2.70**
3rd following year	**85.57**	**122.50**	**46.87**	**1.14**	**7.02**	**1.90**	**1.87**	**3.63**
4th following year	**78.92**	**130.92**	**46.82**	**1.28**	**5.80**	**1.68**	**1.74**	**3.77**
5th following year	**81.16**	**139.65**	**46.49**	**1.00**	**4.74**	**1.40**	**1.47**	**4.05**
Years 6 to 10	**380.31**	**849.05**	**226.02**	**4.38**	**12.66**	**3.57**	**7.40**	**28.36**

NOTE 48 EMPLOYEE BENEFITS (CONSOLIDATED) (CONTD.)

Other details as at 31st March 2022

₹ in Crores

Particulars	Gratuity - Funded	Post Retirement Medical - Funded	Exgratia scheme- Funded	Gratuity - Non-Funded	Burmah shell Pension- Non Funded	Death/ Permanent Disablement- Non funded	Resettlement allowance- Non funded	Felicitation Scheme - Non Funded
Weighted average duration of the Projected Benefit Obligation(in years)	9.00	13.92	8.87	9.00	4.00	6.00	9.00	10.64
Prescribed contribution for next year (₹ in Crores)	-	-	446.14	-	-	-	-	-
Mortality Table								
-During Employment	Indian Assured Lives Mortality 2012-14 (Urban)							
-After Employment	Indian Individual AMT (2012-15) Ultimate							

[B] Provident Fund:

The Corporation's contribution to the Provident Fund is remitted to a separate trust established for this purpose based on a fixed percentage of the eligible employees' salary and charged to Statement of Profit and Loss. Shortfall, if any, in the fund revenues based on the EPFO specified rate of return, will need to be made good by the Corporation and is charged to Statement of Profit and Loss. The actual return earned by the fund has mostly been higher than the EPFO specified minimum rate of return in the past two years. During FY 2021-22, Corporation has paid an advance of ₹ 124 Crores towards provision of default securities. The Fund balance is sufficient to meet the fund obligations as at 31st March 2022 and 31st March 2021.

The details of fund obligations of the Corporation are given below:

₹ in Crores

Particulars	31st March 2022	31st March 2021
Present Value of benefit obligation at period end	5,044.81	4,860.26

In case of BORL, NRL & BPRL, the contribution to Provident Fund is remitted to Employees Provident Fund Organisation on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss.

NOTE 49 RELATED PARTY TRANSACTIONS (CONSOLIDATED)

a) Names of the Related parties

I Joint Venture & Associate Companies

1 Indraprastha Gas Limited
2 Bharat Oman Refineries Limited (became Wholly-Owned subsidiary w.e.f. 30th June 2021)
3 Petronet India Limited *
4 Petronet CI Limited *
5 Petronet LNG Limited (including Petronet Energy Limited)
6 Maharashtra Natural Gas Limited
7 Central UP Gas Limited
8 Sabarmati Gas Limited
9 Bharat Stars Services Private Limited (Including Bharat Stars Services (Delhi) Private Limited)
10 Bharat Renewable Energy Limited *
11 Matrix Bharat Pte. Ltd.
12 Delhi Aviation Fuel Facility Private Limited
13 Kannur International Airport Limited
14 GSPL India Gasnet Limited
15 GSPL India Transco Limited
16 Mumbai Aviation Fuel Farm Facility Private Limited
17 Kochi Salem Pipeline Private Limited
18 BPCL-KIAL Fuel Farm Private Limited
19 Haridwar Natural Gas Private Limited
20 Goa Natural Gas Private Limited
21 FINO Paytech Limited (including Fino Payments Bank)
22 Ratnagiri Refinery and Petrochemicals Limited
23 Ujjwala Plus Foundation (Section 8 Company)
24 IBV (Brasil) Petroleo Ltda.
25 Taas India Pte Ltd
26 Vankor India Pte Ltd
27 Falcon Oil & Gas B.V.
28 Mozambique LNG1 Company Pte Ltd
29 Mozambique LNG1 Holding Company Ltd
30 Mozambique LNG1 Financing Company Ltd.
31 Moz LNG1 Co. Financing Company, LDA
32 LLC TYNGD
33 JSC Vankorneft
34 Urja Bharat Pte. Ltd.
35 DNP Limited ^
36 Brahmaputra Cracker and Polymer Limited ^
37 Assam Bio Refinery (P) Ltd. ^
38 Indradhanush Gas Grid Limited ^
39 IHB Limited

*Companies in the process of winding up

^ These are Joint Venture and Associates of Numaligarh Refienery Limited which has ceased to be Subsidiary of the Corporaation w.e.f. 26th March 2021.

II Key Management Personnel :

1. Shri Arun Kumar Singh, Chairman & Managing Director (w.e.f. 07.09.2021). He is holding additional charge of Director (Marketing)
2. Shri Vetsa Ramakrishna Gupta, Director (Finance) (w.e.f. 07.09.2021) He is holding additional charge of Director (Human Resources).
3. Shri Sanjay Khanna, Director (Refineries) (w.e.f. 22.02.2022)
4. Shri D. Rajkumar, Chairman & Managing Director (Up to 31.08.2020)
5. Shri R. Ramachandran, Director (Refineries) (Up to 31.08.2020)
6. Shri N. Vijayagopal, Director (Finance) (Up to 31.07.2021)

NOTE 49 RELATED PARTY TRANSACTIONS (CONSOLIDATED) (CONTD.)

7. Shri K. Padmakar, Director (Human Resources) (Up to 31.12.2021)
8. Smt. V. Kala, Company Secretary
9. Shri Harshadkumar P. Shah, Independent Director
10. Shri Pradeep Vishambhar Agrawal, Independent Director (w.e.f. 12.11.2021)
11. Shri Ghanshyam Sher, Independent Director (w.e.f. 12.11.2021)
12. Dr. (Smt) Aiswarya Biswal, Independent Director (w.e.f. 12.11.2021)
13. Prof. (Dr.) Bhagwati Prasad Saraswat, Independent Director (w.e.f. 12.11.2021)
14. Shri Gopal Krishna Agarwal, Independent Director (w.e.f. 12.11.2021)
15. Shri Vinay Sheel Oberoi, Independent Director (Up to 09.04.2020)
16. Shri Rajesh Aggarwal, Govt. Nominee Director (Up to 22.09.2021)
17. Dr. K. Ellangovan, Govt. Nominee Director (Up to 31.01.2022)
18. Shri Gudey Srinivas, Govt. Nominee Director (w.e.f. 13.10.2021)
19. Shri Suman Billa, Govt. Nominee Director (w.e.f. 16.03.2022)

II Retirement Benefit Fund/ Trusts

1 Indian Provident Fund of BPCL
2 Pension Fund of BPCL
3 BPCL Employees Post Retirement Medical Benefits Trust
4 Gratuity Fund of BPCL
5 BPCL Monthly Ex-Gratia Trust

b) The nature wise transactions and outstanding at period end of the Group with the above Related Party are as follows:

S.No.	Nature of Transactions	2021-22*	2020-21
1.	Purchase of goods (i)	**21,595.30**	41,681.23
2.	Sale of goods (ii)	**691.00**	3,283.59
3.	Rendering of Services	**97.45**	142.86
4.	Receiving of Services	**247.90**	347.08
5.	Interest Income	**29.64**	114.39
6.	Dividend Income	**961.38**	1,086.46
7.	Investment in Equity	**857.59**	1,372.13
8.	Loan Given	**-**	15.00
9.	Management Contracts (Employees on deputation/ consultancy services)	**19.22**	35.82
10.	Lease Rentals Income	**8.57**	33.92
11.	Proceeds from reduction in Equity Investment	**-**	12.71
12.	Lease Rentals and other charges paid	**-**	0.10
13.	Refundable deposit given	**4.02**	0.01
14.	Deposit refund received	**0.02**	0.01
15.	Advance against Equity	**195.54**	0.54
16.	Provision for Advance against Equity at year end	**0.54**	0.54
17.	Reduction in Financial Guarantee	**-**	633.24
18.	Receivables as at year end	**1,982.05**	3,304.93
19.	Advance given outstanding at year end	**106.60**	177.52
20.	Payables as at year end	**532.72**	1,999.23
21.	Advance received outstanding at year end	**0.12**	0.12
22.	Commitments	**250.00**	3.62
23.	Guarantee Outstanding	**752.00**	752.00

* W.e.f from 30th June 2021, Bharat Oman Refineries Limited (BORL) has become a Wholly Owned Subsidiary of the Corporation, accordingly transactions with BORL have been included to the extent of April-June 2021.

(i) Major Transactions entered with Bharat Oman Refineries Limited: ₹ **11,782.27 Crores** (Previous period ₹ 35,854.25 Crores), Petronet LNG Limited: ₹ **6,256.77 Crores** (Previous period: ₹ 3,899.76 Crores), Falcon Oil And Gas B.V.: ₹ **2,298.37 Crores** (Previous period: ₹ 891.05 Crores)

NOTE 49 RELATED PARTY TRANSACTIONS (CONSOLIDATED) (CONTD.)

(ii) Major Transactions entered with Bharat Oman Refineries Limited: ₹ **2.49 Crores** (Previous period ₹ 2,801.05 Crores), Indraprastha Gas Limited: ₹ **309.15 Crores** (Previous period: ₹ 287.53 Crores), Sabarmati Gas Ltd.: ₹ **379.32 Crores** (Previous period: ₹191.82 Crores)

The outstanding balances are unsecured and are being settled in cash except advance against equities which are settled in equity.

c) In the ordinary course of its business, the Group enters into transactions with other Government controlled entities (not included in the list above). The Group has transactions with other government-controlled entities, including but not limited to the following:

- Sales and purchases of goods and ancillary materials;
- Rendering and receiving of services;
- Receipt of dividends;
- Loans and advances;
- Depositing and borrowing money;
- Guarantees; and
- Uses of public utilities.

These transactions are conducted in the ordinary course of business on terms comparable to those with other entities that are not government controlled entities.

Further, during FY 2020-21 entire Investment in Equity Shares of Numaligarh Refinery Limited have been sold to a consortium of Oil India Limited and Engineers India Limited; and Government of Assam for a total consideration of ₹ 9,875.96 Crores.

d) Details relating to the personnel referred to in Item No. II above:

₹ in Crores

Particulars	2021-22	2020-21
Short-term employee benefits	**3.96**	3.25
Post-employment benefits	**0.67**	0.73
Other long-term benefits	**0.77**	0.89
Others (including sitting fees to non-executive directors)	**0.35**	0.15
Share Based Payment	**0.06**	0.57

e) The transactions and outstanding at period end with Retirement Benefit Fund/ Trust are as follows:

₹ in Crores

Particulars	2021-22	2020-21
Contribution to Retirement Benefit Funds/ Trusts	**455.16**	542.87
Advance given outstanding to Retirement Benefit Funds/ Trusts	**101.67**	135.50
Contribution payable to Retirement Benefit Funds/ Trusts	**512.32**	76.87

NOTE 50 DUES FROM DIRECTORS / OFFICERS (CONSOLIDATED)

Dues from Directors of the Corporation is ₹ **0.04 Crores** (Previous year: ₹ 0.10 Crores) and Dues from Officers is ₹ **4.31 Crores** (Previous year: ₹ 6.00 Crores).

NOTE 51 EARNINGS PER SHARE (EPS) CONSOLIDATED

Sr. No	Particulars	2021-22	2020-21
i.	**Profit attributable to equity holders of the Corporation for basic and diluted earnings per equity share (₹ in Crores)**	**11,681.50**	16,164.98
ii.	**Weighted average number of ordinary shares for Basic EPS**		
	Issued ordinary shares as at 1st April (In Crores)	**216.93**	216.93
	Less : Weighted average No. of shares held by "BPCL Trust for Investment in Shares" (In Crores)	**(3.30)**	(17.57)
	Less : Weighted average No. of Shares held by "BPCL ESPS Trust" (In Crores)	**(0.88)**	(1.91)
	Weighted average number of shares for calculating basic EPS (In Crores)	**212.75**	197.45
iii.	**Weighted average number of ordinary shares for Diluted EPS**		
	Weighted average number of shares for calculating basic EPS (In Crores)	**212.75**	197.45
	Total Weighted average Potential Equity Shares (in Crores)*	**-**	0.65
	Weighted average number of shares for calculating diluted EPS (In Crores)	**212.75**	198.10
iv.	**Basic EPS (₹)**	**54.91**	81.87
v.	**Diluted EPS (₹)**	**54.91**	81.60

*Diluted Impact of Employee Share Based Payment Scheme.

NOTE 52 SHARE BASED PAYMENT (CONSOLIDATED)

(a) Employee Option Plan

The Corporation had floated an Employee Stock Purchase Scheme ("Scheme") on 28th September 2020 (Grant Date) after taking Shareholders' approval in the Annual General Meeting held on 28th September 2020, giving the background of proposed disinvestment by the Government of India ("GOI"). As a recognition of contribution of employees in growth of the Corporation and increase in shareholders' value, the Scheme as a primary objective seeks to reward eligible employees for their loyalty/longevity with the Corporation. The Scheme was named as "BPCL Employee Stock Purchase Scheme-2020" ("ESPS" / "Scheme"). The above scheme also covered the employees who had opted for Voluntary Retirement Scheme (VRS) during the previous FY 2020-21.

As per Vesting Condition of the Scheme, the employee had to render services till the date of share transfer or retirement (including VRS) or Death in Service whichever is earlier. In view of the above, the scheme was accounted as Employee Stock Option Scheme, in line with the applicable Ind AS.

Each option converts into one equity share of the Corporation upon exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. These options were vested and exercised on 20th April 2021. All options which remain unexercised during the year have lapsed.

The share-based payments (options) to employees being equity-settled instruments are measured at the fair value of the equity instruments of the Corporation at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Corporation's estimate of equity instruments that will eventually vest, with a corresponding increase in Total Equity.

NOTE 52 SHARE BASED PAYMENT (CONSOLIDATED) (CONTD.)

(b) Movement during the period

The number and Weighted Average Exercise Prices (WAEP) of the options and movement during the period is as follows:

Particulars	2021-22		2020-21	
	Number of options	WAEP (in ₹)	Number of options	WAEP (in ₹)
Opening balance	**3,96,36,732**	**126.54**	-	-
Granted during the period	-	-	4,33,79,025	126.54
Exercised during the period	**(3,65,42,077)**	**126.54**	-	-
Forfeited during the period	**(37,175)**	**126.54**	(1,69,775)	126.54
Expired during the period	**(30,57,480)**	**126.54**	(35,72,518)	126.54
Closing balance	-	**126.54**	3,96,36,732	126.54
Exercisable at period end	-	-	-	-

Weighted average remaining contractual life of options outstanding as at 31st March 2022 is **NIL** (as at 31st March 2021: 20 days) and the exercise price is ₹ 126.54 per option.

(c) Fair value of options granted

The model inputs used in the measurement of grant date fair value are as follows:

Particulars	BPCL ESPS Scheme 2020
Option pricing model used	**Black Scholes Merton formula**
Fair Value of options on Grant Date	**₹ 235.77**
Share Price on Grant Date	**₹ 385.15**
Exercise price	**₹ 126.54**
Dividend Yield	**6.13%**
Expected Volatility*	**45.00%**
Risk free interest rate	**3.63%**
Expected life of share options	**0.56 Years**

* The expected volatility is based on the historic volatility of the share price.

(d) Expense arising from share based payment transactions

Total expense of ₹ **77.06 Crores** (Previous year : ₹ 940.72 Crores) arising from share based payment transactions is recognized in Consolidated Statement of Profit and Loss as an exceptional item.

NOTE 53 IMPAIRMENT OF ASSETS (CONSOLIDATED)

The Group assesses at each reporting date, whether there is an indication for impairment of assets. The Group takes into consideration external and internal source of information available about the asset to check whether any indication for impairment exists. If any such indication exists, the corporation estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. The value in use is assessed based on the estimated future cash flows which are discounted to their present value using the discount rate that reflects the time value of money and risk specific to the assets for which the future cash flows estimates have not been adjusted.

NOTE 53 IMPAIRMENT OF ASSETS (CONSOLIDATED) (CONTD.)

An impairment loss is recognized in the Statement of Profit and Loss to the extent asset's carrying amount exceeds its recoverable amount.

BPRL has considered the general business conditions on estimate of future crude oil prices, production and expenditure estimates based on internal and external information / indicators. Based on the assessment, BPRL has carried out impairment testing as at March 31, 2022 in respect of its Cash Generating Units (CGUs) and has recorded an impairment to the extent the carrying amount exceeds the value in use and has disclosed the same as an expense under "Other Expenses" in Statement of Profit and Loss amounting to ₹ **36.24 Crores** (Previous year: ₹ 293.88 Crores disclosed as an "Exceptional Item" in Statement of Profit and Loss).

₹ in Crores

Impairment Loss	**2021-22**	**2020-21**
Impairment charge/(reversal) relating to Oil and Gas Assets*	**36.24**	293.88
Reversal of excess provision **	-	(14.24)
	36.24	279.64
Less: Intra Group adjustment	**98.75**	12.78
Expenses/ (Income) of the Group	**(62.51)**	266.86

* The recoverable value of blocks on which impairment provision has been made during the year is **Nil** (Previous year: ₹ 2.10 Crores for CB-ONN-2010/11 block).

** Bharat PetroResources JPDA Limited had a Non-Operator participating interest of 20% in JPDA 06-103 block. The exploration activity was suspended because of the uncertainty arising out of arbitration proceedings by Timor Leste Government against Government of Australia with regard to the 'Certain Maritime Arrangements in Timor Sea', (CMATS) Treaty, the consortium submitted formal request to Autoridade Nacional do Petroleo e Minerais (ANPM) of Timor Leste, the Regulator towards termination of Production Sharing Contract (PSC) for consent, without claim or penalty, citing expenditure in excess of commitment. ANPM rejected the consotium's offer to terminate without claim and penalty. The regulator terminated the PSC on 15th July 2015 and demanded the payment of the "liability upon termination". Based on the notice, a provision towards Company's share of contractor's liability for termination was created in the financial statements of FY 2014-15. The arbitration proceedings initiated in October 2018 concluded in 2020-21 with execution of "deed of settlement and release" being the full and final settlement of the disputes and proceedings. Accordingly, ₹11.99 Crores has been paid as settlement sum and excess provision of ₹14.24 Crores has been reversed during previous FY 2020-21.

NOTE 54 PROVISION (CONSOLIDATED)

In compliance of Ind AS 37 on "Provisions, Contingent Liabilities and Contingent Assets", the required information is as under:

₹ in Crores

Nature	Opening balance	Additions during the year	Utilisation during the year	Reversals during the year	Reduction due to sale of stake in subsidiary*	Closing balance
Excise	0.60	**0.02**	-	-	-	**0.62**
Customs	3.24	-	-	-	-	**3.24**
Income Tax (TDS)	4.61	**0.03**	**4.21**	**0.43**	-	-
VAT/ Sales Tax/ Entry Tax/GST	411.35	**20.20**	**75.44**	**62.05**	-	**294.06**
Property Tax	64.46	**22.44**	**12.19**	**1.11**	-	**73.60**
Total	484.26	**42.69**	**91.84**	**63.59**	-	**371.52**
Previous year	413.87	164.28	5.86	23.06	64.97	484.26

NOTE 54 PROVISION (CONSOLIDATED) (CONTD.)

The above provisions are made based on estimates and the expected timing of outflows is not ascertainable at this stage. Above includes provision of ₹ **94.39 Crores** (Previous year ₹ 107.60 Crores) for which deposits have been made.

Apart from the above in case of BPRL, the non current and current provisions for Liquidated Damages and Abandonment is ₹ **68.45 Crores** (Previous year: ₹ 98.73 Crores).

Liquidated Damages: In respect of blocks held in India, as per the Production Sharing Contracts (PSC) signed by BPRL with the Government of India (GoI), BPRL is required to complete Minimum Work Programme (MWP) within stipulated time. In case of delay, Liquidated Damages (LD) is payable for extension of time to complete MWP. Further, in case BPRL does not complete MWP or surrender the block without completing the MWP, an amount as agreed in PSC is required to be paid to the GoI for incomplete portion of the MWP. Accordingly, BPRL has provided ₹ **39.21 Crores** towards liquidated damages as on 31st March, 2022 (Previous year: ₹ 89.45 Crores) in respect to various blocks.

Abandonment: BPRL has Participating Interest in various oil and gas blocks along with other consortium partners. BPRL provides for its obligation for removal and restoration that arise as a consequence of having undertaken the exploration for and evaluation of mineral resources. BPRL has made a provision of ₹ **29.24 Crores** as on 31st March, 2022 (Previous year: ₹ 9.28 Crores) in respect of BPRL's share of the abandonment obligation.

*Numaligarh Refinery Limited (NRL) ceased to be the part of the Group w.e.f. 26th March 2021. Accordingly, Financial Statements of NRL have been consolidated till 25th March 2021, post which derecognition of Assets and Liabilities of NRL has been carried out in line with applicable Ind AS.

NOTE 55 FINANCIAL INSTRUMENTS (CONSOLIDATED)

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

NOTE 55 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

₹ in Crores

As at 31st March 2022	Note Reference	Carrying amount				Fair value			
		Mandatorily at FVTPL	FVOCI - designated as such	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Investment in equity instruments	8	-	758.13	-	758.13	637.33	-	120.80	758.13
Investment in debt instruments	8 & 14	4,442.27	-	0.01	4,442.28	4,442.27	-	-	4,442.27
Derivative instruments - Commodity related	19	7.66	-	-	7.66	-	7.66	-	7.66
Derivative instruments - Interest rate swap	19	3.47	-	-	3.47	-	3.47	-	3.47
Derivative instruments- Forward Contracts	19	0.67	-	-	0.67	-	0.67	-	0.67
Advance against equity	10	-	-	450.09	450.09	-	-	-	-
Deposits	10 & 19	-	-	67.47	67.47	-	92.20	-	92.20
Loan to Joint Venture - IBV (Brazil) Petroleo Ltda.	9	1,897.20	-	-	1,897.20	-	-	1,897.20	1,897.20
Loan to Joint Venture - Haridwar Natural Gas Private Limited	9 &18	-	-	15.00	15.00	-	-	-	-
Loans									
Loans to employee	9 & 18	-	-	475.70	475.70	-	475.70	-	475.70
PMUY Loans to consumers	9 & 18			554.40	554.40			581.43	581.43
Others	9	-	-	1,150.32	1,150.32	-	-	-	-
Other Deposits	10 & 19	-	-	170.03	170.03	-	-	-	-
Cash and cash equivalents	16	-	-	2,159.04	2,159.04	-	-	-	-
Bank Balances other than Cash and cash equivalents	17	-	-	77.65	77.65	-	-	-	-
Trade receivables	15	-	-	9,707.47	9,707.47	-	-	-	-
Others	10 & 19	-	-	567.25	567.25	-	-	-	-
Total		6,351.27	758.13	15,394.42	22,503.83				
Financial liabilities									
Derivative Liability on commodity derivatives	32	280.09	-	-	280.09	-	284.62	-	284.62
Bonds	25 & 30	-	-	12,018.58	12,018.58	12,131.08	-	-	12,131.08
Debentures	25 & 30	-	-	6,183.41	6,183.41	-	-	-	-
Term loans	25 & 30	-	-	24,524.55	24,524.55	-	-	-	-
Interest Free Loan from Govt. of Kerala	25	-	-	37.42	37.42	-	37.42	-	37.42
Foreign Currency Loans - Syndicated	25	-	-	5,671.72	5,671.72	-	-	-	-
Lease Obligations	25a & 30a	-	-	8,601.52	8,601.52	-	-	-	-
Other Non-Current financial liabilities	26	-	-	56.63	56.63	-	-	-	-
Short term borrowings	30	-	-	7,497.00	7,497.00	-	-	-	-
Trade and Other Payables	31	-	-	30,347.72	30,347.72	-	-	-	-
Other Current financial liabilities	32	-	-	20,703.19	20,703.19	-	-	-	-
Total		280.09	-	1,15,641.74	1,15,921.83				

Note: There are no other categories of financial instruments other than those mentioned above.

NOTE 55 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

₹ in Crores

As at 31st March 2021	Note Reference	Carrying amount				Fair value			
		Mandatorily at FVTPL	FVOCI - designated as such	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Investment in equity instruments	8	-	423.81	-	423.81	328.10	-	95.71	423.81
Investment in debt instruments	8 & 14	5,282.71	-	0.01	5,282.72	5,282.71	-	-	5,282.71
Derivative instruments - Commodity related	19	5.30	-	-	5.30	-	5.30	-	5.30
Deposits	10 & 19	-	-	64.10	64.10	-	81.61	-	81.61
Loan to Joint Venture - fixed rate	9	-	-	1,254.10	1,254.10	-	1,707.07	-	1,707.07
Investment in Mutual Fund	8	1,011.87	-	-	1,011.87	1,011.87	-	-	1,011.87
Investment in T bills	8	-	-	499.69	499.69	499.66	-	-	499.66
Loan to Joint Venture - IBV (Brazil) Petroleo Ltda.	9	1,939.51	-	-	1,939.51	-	-	1,939.51	1,939.51
Loan to Joint Venture - Haridwar Natural Gas Private Limited	9	-	-	15.00	15.00	-	-	-	-
Loans									
Loans to employee	9 & 18	-	-	462.94	462.94	-	462.94	-	462.94
PMUY Loans to consumers	9 & 18	-	-	969.41	969.41	-	-	1,020.60	1,020.60
Other Loans	9 & 18	-	-	666.85	666.85	-	-	-	-
Other Deposits	10 & 19	-	-	78.15	78.15	-	-	-	-
Cash and cash equivalents	16	-	-	7,567.57	7,567.57	-	-	-	-
Bank Balances other than Cash and cash equivalents	17	-	-	542.54	542.54	-	-	-	-
Trade receivables	15	-	-	7,834.77	7,834.77	-	-	-	-
Others	10 & 19	-	-	637.00	637.00	-	-	-	-
Total		8,239.39	423.81	20,592.13	29,255.33				
Financial liabilities									
Derivative Liability on Interest Rate Swaps	32	17.12	-	-	17.12	-	17.12	-	17.12
Derivative Liability on Currency Swaps	32	1.91	-	-	1.91	-	1.91	-	1.91
Bonds	25	-	-	15,377.44	15,377.44	16,105.78	-	-	16,105.78
OIDB Loans	25 & 30	-	-	793.70	793.70	-	793.89	-	793.89
Debentures	25	-	-	4,294.62	4,294.62	4,343.25	-	-	4,343.25
Term loans	25	-	-	16,451.95	16,451.95	-	-	-	-
Interest Free Loan from Govt. of Kerala	25	-	-	34.48	34.48	-	34.48	-	34.48
Foreign Currency Loans - Syndicated	25 & 30	-	-	5,491.21	5,491.21	-	-	-	-
Lease Liabilities	25a & 30a	-	-	7,855.65	7,855.65	-	-	-	-
Other Non-Current financial liabilities	26	-	-	58.08	58.08	-	-	-	-
Short term borrowings	30	-	-	4,232.81	4,232.81	-	-	-	-
Trade and Other Payables	31	-	-	16,269.93	16,269.93	-	-	-	-
Other Current financial liabilities	32	-	-	19,897.39	19,897.39	-	-	-	-
Total		19.03	-	90,757.26	90,776.29				

Note: There are no other categories of financial instruments other than those mentioned above.

NOTE 55 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the Balance Sheet, as well as the significant unobservable inputs used.

Financial instruments measures at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Unquoted equity shares (Cochin International Airport Limited)	The Valuation is based on market multiples derived from quoted prices of international companies comparable to investee and the expected revenue and PAT of the investee.	Adjusted market multiple (P/E)	The estimated fair value would increase/(decrease) if Adjusted market multiple were higher/(lower)
Derivative instruments - forward exchange contracts	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date.	Not applicable	Not applicable
Derivative instruments - interest rate swap and currency swap	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates. This technique also involves using the interest rate curve for projecting the future cash flows.	Not applicable	Not applicable
Derivative instruments - commodity contracts	Fair valuation of Commodity Derivative instruments are based on forward assessment done by Platts which is an independent agency which assesses benchmark global crude oil and product prices. Globally counterparties also use Platts assessment for settlement of transactions.	Not applicable	Not applicable
Non current financial assets and liabilities measured at amortised cost	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.	Not applicable	Not applicable
PMUY Loans to consumers	Discounted cash flows: The valuation model considers the present value of expected receipt/ payment discounted using appropriate discounting rates.	Subsidy rate	The estimated fair value would increase/(decrease) if subsidy rate were higher/(lower)
Loan to Joint Venture (in case of BPRL)	Binomial model: The share price is simulated using a Binomial model from the valuation date to the maturity of the loan. As the number of shares is dependent on USDBRL exchange rate, the same was simulated using a GARCH model.	Share price (31st March 2022: 1 BRL) Credit spread (31st March 2022: 2.58%)	Not applicable

NOTE 55 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

Level 3 fair values

Reconciliation of Level 3 fair values

The following table shows a reconciliation of the opening and closing balances for Level 3 fair values.

₹ in Crores

Particulars	Equity securities	Loan to joint venture in case of BPRL
Opening Balance(1st April 2020)	66.62	1,900.92
Net change in fair value (unrealised)	29.09	(82.19)
FCTR	-	172.49
Effect of foreign exchange fluctuations	-	(51.71)
Closing Balance (31st March 2021)	95.71	1,939.51
Opening Balance(1st April 2021)	**95.71**	**1,939.51**
Net change in fair value (unrealised)	**25.09**	**(101.73)**
FCTR	**-**	**(3.87)**
Effect of foreign exchange fluctuations	**-**	**63.29**
Closing Balance (31st March 2022)	**120.80**	**1,897.20**

Sensitivity analysis

For the fair values of unquoted equity shares, reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects:

₹ in Crores

Significant unobservable inputs	As at 31st March 2022 Profit or loss		As at 31st March 2021 Profit or loss	
	Increase	Decrease	Increase	Decrease
P/E (5% movement)	**6.04**	**(6.04)**	4.79	(4.79)
Credit spread (10% movement)	**(40.79)**	**40.79**	(32.66)	32.66
Share price (10% movement)	**297.29**	**(290.65)**	273.67	(319.28)

C. Financial risk management

C.i. Risk management framework

The Group has exposure to the following risks arising from financial instruments :

- Credit risk ;
- Liquidity risk ; and
- Market risk

C.ii. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group trade and other receivables, cash and cash equivalents and other bank balances, derivatives and debt securities. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

NOTE 55 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

(a) Trade and other receivables from customers

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

As at 31st March 2022 and 31st March 2021, the Group retail dealers, industrial and aviation customers accounted for the majority of the trade receivables.

Expected credit loss assessment for Trade and other receivables from customers as at 31st March 2022 and 31st March 2021

The Group uses an allowance matrix to measure the expected credit losses of trade and other receivables. The loss rates are computed using a 'roll rate' method based on the probability of receivable progressing through successive stages of delinquency to write off. Roll rates are calculated separately for exposures in different segments based on the following common credit risk characteristics - type of products purchases, type of customers.

The following table provides information about the exposure to credit risk and Expected Credit Loss Allowance for trade and other receivables:

₹ in Crores

As at 31st March 2022	Gross carrying amount	Weighted average loss rate - range	Loss allowance
Debts not due	6,141.69	0.20%	12.25
Debts over due	3,085.79	13.90%	428.95
TOTAL	9,227.48	4.78%	441.20

₹ in Crores

As at 31st March 2021	Gross carrying amount	Weighted average loss rate - range	Loss allowance
Debts not due	5,129.84	0.27%	14.10
Debts over due	2,098.76	24.82%	521.01
TOTAL	7,228.60	7.40%	535.11

The Group does not provide for any loss allowance on trade receivables where risk of default is negligible such as receivables from other oil marketing companies, if any, hence the same is excluded from above.

Loss rates are based on actual credit loss experience over the past three years.

The movement in the loss allowance in respect of trade and other receivables during the year was as follows.

₹ in Crores

Particulars	Amount
Balance as at 1st April, 2020	328.80
Movement during the year	206.31
Balance as at 31st March, 2021	535.11
Movement during the year	(93.91)
Balance as at 31st March, 2022	441.20

NOTE 55 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

(b) PMUY and Other Loans

As per the Government of India's scheme - Pradhan Mantri Ujjwala Yojana (PMUY), the Corporation has given interest free loans to PMUY customers towards cost of hot plate and 1st refill, which is to be recovered from the subsidy amount payable to customer when such customers book refill. During the year, the Corporation has recalculated gross carrying amount of the loans at period end at the present value of the estimated future contractual cash flows discounted at the original effective interest rate due to revision in estimates of receipts based on projections of subsidy amount per refill. Accordingly, the gross carrying amount of the loans has been reduced by ₹ **367.29 Crores** (Previous year: ₹ 650.84 Crores) with a corresponding recognition of expense in the Statement of Profit and Loss.

The Corporation assess the credit risks / significant increases in credit risk on an ongoing basis throughout each reporting period. For determining the expected credit loss on such loans, the Corporation considers the time elapsed since the last refill for determining probability of default on collective basis. Accordingly, the expected credit loss of ₹ **88.15 Crores** (Previous year: ₹ 86.38 Crores) has been recognized on carrying amount of ₹ **642.56 Crores** (Previous year: ₹ 1,055.79 Crores) (Refer Note No. 9 and 18)

The movement in the loss allowance in respect of PMUY and other loans during the year was as follows.

₹ in Crores

Particulars	Amount
Balance as at 1st April, 2020	98.90
Movement during the year	(10.97)
Balance as at 31st March, 2021	87.93
Movement during the year	**1.85**
Balance as at 31st March, 2022	**89.78**

(c) Cash and cash equivalents and Other Bank Balances

The Group held cash and cash equivalents and other bank balances of ₹ **2,236.69 Crores** at 31st March 2022 (Previous Year: ₹ 8,110.11 Crores). The cash and cash equivalents are held with banks with good credit ratings and financial institution counterparties with good market standing. Also, Group invests its short term surplus funds in bank fixed deposits, Tri Party Repo and liquid schemes of mutual funds, which carry no / low mark to market risks for short duration and therefore does not expose the Group to credit risk.

(d) Derivatives

The derivatives are entered into with banks, financial institutions and other counterparties with good credit ratings. Further exposures to counter-parties are closely monitored and kept within the approved limits.

NOTE 55 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

(e) Investment in debt securities

Investment in debt securities are mainly as loans to subsidiaries, joint venture companies and investment in government securities which do not carry any significant credit risk.

C.iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is managed by Corporation through effective fund management. The Corporation has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Corporation has access to funds from debt markets through Commercial Paper programs, Foreign Currency Borrowings and other debt instruments.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments;

Maturity Analysis of Significant Financial Liabilities

₹ in Crores

As at 31st March 2022	Contractual cash flows				
	Total	Up to 1 year	1-3 years	3-5 years	More than 5 year
Non-derivative financial liabilities					
Bonds	13,790.25	4,316.26	701.22	8,772.77	-
Term loans	26,648.33	8,301.49	14,796.65	3,168.29	381.89
Non Convertible Debentures	7,019.68	1,093.18	2,809.39	3,117.11	-
Foreign Currency Loans - Syndicated	5,850.25	82.36	5,767.89	-	-
Lease Liabilities	16,168.84	1,160.23	1,907.10	1,687.65	11,413.86
Short term borrowings	7,500.51	7,500.51	-	-	-
Trade and other payables	30,347.72	30,347.72	-	-	-
Other current financial liabilities	20,703.19	20,703.19	-	-	-

NOTE 55 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

Maturity Analysis of Significant Financial Liabilities

₹ in Crores

	Contractual cash flows				
As at 31st March 2021	**Total**	**Up to 1 year**	**1-3 years**	**3-5 years**	**More than 5 year**
Non-derivative financial liabilities					
Bonds	17,717.39	4,345.97	4,525.13	4,281.65	4,564.64
OIDB Loans	794.32	794.32	-	-	-
Term loans	17,516.62	1,998.23	9,630.94	5,787.45	100.00
Non Convertible Debentures	5,301.44	850.20	2,211.89	2,239.35	-
Foreign Currency Loans - Syndicated	5,734.06	74.67	5,659.39	-	-
Lease Liabilities	15,365.23	811.60	1,631.50	1,596.45	11,325.68
Short term borrowings	4,232.81	4,232.81	-	-	-
Trade and other payables	16,269.93	16,269.93	-	-	-
Other current financial liabilities	19,897.39	19,897.39	-	-	-

C.iv. Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises four types of risk: currency risk, interest rate risk, commodity risk and other price risk.

C.iv.a Currency risk

The Group is exposed to currency risk on account of its operating and financing activities. The functional currency of the Corporation is Indian Rupee and its Indian Subsidiaries is Indian Rupee. Our exposure is mainly denominated in US dollars (USD). The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future.

The Group has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks. The Group uses derivative instruments, (mainly foreign exchange forward contracts) to mitigate the risk of changes in foreign currency exchange rates in line with our policy.

The Group does not use derivative financial instruments for trading or speculative purposes.

NOTE 55 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

Exposure to currency risk

The currency profile in INR of foreign currency denominated financial assets and financial liabilities as at 31st March 2022 and 31st March 2021 are as below:

₹ in Crores

As at 31st March 2022	USD	EURO	JPY	CHF	Others
Financial assets					
Cash and cash equivalents	238.95	0.09	-	-	0.31
Trade receivables and other assets	3,136.00	-	-	-	0.04
Net exposure for assets	3,374.95	0.09	-	-	0.35
Financial liabilities					
Bonds	7,566.61	-	-	-	-
Foreign Currency Loans - Syndicated	6,013.11	-	-	-	-
Trade Payables and other liabilities	22,234.38	38.87	16.58	0.16	1.25
Add/(Less): Foreign currency forward exchange contracts	(1,856.17)	-	-	-	-
Net exposure for liabilities	33,957.93	38.87	16.58	0.16	1.25
Net exposure (Assets - Liabilities)	(30,582.98)	(38.78)	(16.58)	(0.16)	(0.90)

₹ in Crores

As at 31st March 2021	USD	EURO	JPY	CHF	Others
Financial assets					
Cash and cash equivalents	25.12	0.16	-	-	0.37
Trade receivables and other assets	1,758.73	-	-	-	0.04
Net exposure for assets	1,783.85	0.16	-	-	0.41
Financial liabilities					
Bonds	11,001.51	-	-	-	-
Foreign Currency Loans - Syndicated	5,491.21	-	-	-	-
Trade Payables and other liabilities	9,146.15	80.01	13.83	0.07	3.17
Add/(Less): Foreign currency forward exchange contracts	(521.00)	-	-	-	-
Net exposure for liabilities	25,117.87	80.01	13.83	0.07	3.17
Net exposure (Assets - Liabilities)	(23,334.02)	(79.85)	(13.83)	(0.07)	(2.76)

NOTE 55 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

Sensitivity analysis

A reasonably possible strengthening/ (weakening) of the USD against INR at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to Property, Plant and Equipment or recognised directly in reserves, the impact indicated below may affect the Group's income statement over the remaining life of the related Property, Plant and Equipment or the remaining tenure of the borrowing respectively.

₹ in Crores

Effect in INR (before tax)	Profit or loss	
For the year ended 31st March, 2022	Strengthening	Weakening
3% movement USD	(917.63)	917.63
	(917.63)	917.63

₹ in Crores

Effect in INR (before tax)	Profit or loss	
For the year ended 31st March, 2021	Strengthening	Weakening
3% movement USD	(700.02)	700.02
	(700.02)	700.02

C.iv.b Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Group's approach to managing interest rate risk is to have a judicious mix of borrowed funds with fixed and floating interest rate obligation.

Exposure to interest rate risk

Group's interest rate risk arises primarily from borrowings. The interest rate profile of the Group's interest-bearing financial instruments is as follows:

NOTE 55 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

₹ in Crores

Particulars	Note Reference	As at 31st March 2022	As at 31st March 2021
Fixed-rate instruments			
Financial Assets - measured at amortised cost			
Investment in debt instruments	8	**0.01**	0.01
Loan to Joint Venture	9	**-**	1,254.10
Investments in FD & TREP	16	**395.37**	6,289.93
Investment in T-Bills	14	**-**	499.69
Financial Assets - measured at Fair Value through Profit & Loss			
Investment in debt instruments	14	**4,442.27**	5,282.71
Total of Fixed Rate Financial Assets		**4,837.65**	13,326.44
Financial liabilities - measured at amortised cost			
Bonds	25 & 30	**12,018.58**	15,377.44
OIDB Loans	25 & 30	**-**	793.70
Non- Convertible Debentures	25 & 30	**6,183.41**	4,294.62
Short term borrowings	30	**7,497.00**	4,232.81
Interest Free Loan from Govt. of Kerala	25 & 30	**37.42**	34.48
Total of Fixed Rate Financial Liabilities		**25,736.41**	24,733.05
Variable-rate instruments			
Financial Assets - measured at amortised cost			
Loan to Joint Venture	9 & 18	**15.00**	15.00
Financial Assets - measured at Fair Value through Profit & Loss			
Loan to Joint Venture	9	**1,897.20**	1,939.51
Investment in Mutual Funds	14	**-**	1,011.87
Total of Variable Rate Financial Assets		**1,912.20**	2,966.38
Financial liabilities - measured at amortised cost			
Foreign Currency Loans - Syndicated*	25 & 30	**5,671.72**	5,491.21
Term loans	25 & 30	**24,524.55**	16,451.95
Total of Variable Rate Financial Liabilities		**30,196.27**	21,943.16

* In respect of Foreign Currency Loans, the Corporation has entered into Interest Rate Swaps of **USD 65 Million** (Previous year: USD 65 Million)

NOTE 55 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

Interbank offered rate (IBOR) additional information

The Corporation has following exposure to Libor as at 31st March 2022:

Nature of Transaction	Principal Amount in Million USD	Rate of Interest	Repayment Date / Last Settlement Date
Term loan from Bank	895.00	LIBOR + Margin	2022-23
Term loan from Bank	325.00	LIBOR + Margin	2023-24
External Commercial Borrowing	750.00	LIBOR + Margin	2023-24
Term loan from Bank	900.00	LIBOR + Margin	2024-25
Term loan from Bank	100.00	LIBOR + Margin	2025-26
Term loan from Bank	125.00	LIBOR + Margin	2026-27
Term loan from Bank	45.03	LIBOR + Margin	last installment in 2027-28
Interest Rate Swap (6 monthly)	65.00	Pay- Fix Rate	2023-24
	-	Receive -LIBOR	

In March 2021, the Financial Conduct Authority (FCA), UK had confirmed that all LIBOR settings will either cease to be provided by any administrator or no longer be representative:

- immediately after 31st December 2021, in the case of all sterling, euro, Swiss franc and Japanese yen settings, and the 1-week and 2-month US dollar settings; and
- immediately after 30th June 2023, in the case of the remaining US dollar settings.

The aforementioned exposures shall be migrated from LIBOR to an Alternative Reference Rate in line with the announcement. The impact of such migration is not ascertainable at present.

Fair value sensitivity analysis for fixed-rate instruments

The Corporation accounts for certain investments in fixed-rate financial assets such as investments in Oil bonds and Government Securities at fair value through profit or loss. Accordingly, a decrease in 25 basis point in interest rates is likely to increase the profit or loss (before tax) for the year ending 31st March 2022 by ₹ **29.43 Crores** (Previous year: ₹ 46.61 Crores) and an increase in 25 basis point in interest rates is likely to decrease the profit or loss (before tax) for the year ending 31st March 2022 by ₹ **29.18 Crores** (Previous year: ₹ 46.10 Crores).

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 25 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. In cases where the related interest rate risk is capitalised to Property, Plant and Equipment, the impact indicated below may affect the Corporation's income statement over the remaining life of the related Property, Plant and Equipment.

NOTE 55 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

₹ in Crores

	Profit or (loss)	
Cash flow sensitivity (net)	**0.25 % increase**	**0.25% decrease**
As at 31st March 2022		
Variable-rate loan instruments	**(193.94)**	**193.94**
Cash flow sensitivity (net)	**(193.94)**	**193.94**
As at 31st March 2021		
Variable-rate loan instruments	(154.87)	154.87
Cash flow sensitivity (net)	(154.87)	154.87

C.iv.c Commodity rate risk

Group's profitability gets affected by the price differential (also known as Margin or Crack spread) between prices of products (output) and the price of the crude oil and other feed-stocks used in production (input). Prices of both are set by markets. Hence, Group uses derivatives instruments (swaps, futures, options, and forwards) to hedge exposures to commodity price risk to cover refinery operating cost using Basic Swaps on various products cracks like Naphtha, Gasoline (Petrol), Jet/Kerosene, Gasoil (Diesel) and Fuel Oil against Benchmark Dubai Crude. Further volatility in freight costs is hedged through Freight Forwards and bunker purchases. Settlement of all derivative transactions take place on the basis of monthly average of the daily prices of the settlement month quoted by Platts.

Group measures market risk exposure arising from its trading positions using value-at-risk techniques. These techniques make a statistical assessment of the market risk arising from possible future changes in market prices over a one-day holding period.

Group uses historical model of VAR techniques based on variance/covariance to make a statistical assessment of the market risk arising from possible future changes in market values over a 24-hour period and within a 95% confidence level. The calculation of the range of potential changes in fair value takes into account positions and the history of price movements for last two years. VAR calculation for open position as on 31st March 2022 is as given below:

Product	Gasoline - Dubai	Jet - Dubai (USD/bbl)	Gasoil - Dubai (USD/bbl)
Unit	**USD/Bbl**	**USD/Bbl**	**USD/Bbl**
Mean	16.54	22.56	30.81
Standard Deviation	2.17	8.28	8.88
Max dev: 95% confidence	3.57	13.62	14.61
Mean +Max Dev: 95%	20.11	36.18	45.42
Avg.Trade Price	17.63	26.08	17.42
Lots as on 31st March 2022	6.00	3.00	116.00
Standard Lot size	50000 BBL	50000 BBL	50000 BBL
VAR USD million	0.74	1.52	162.42
Total Portfolio VaR in USD million (without considering inter-commodity VaR correlation)		**164.68**	

NOTE 55 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

C.iv.d Price risk

The Group's exposure to equity investments price risk arises from investments held by the Corporation and classified in the financial statements at fair value through OCI. The Corporation intends to hold these investments for long-term for better returns and price risk will not be significant from a long term perspective.

Exposure to price risk

₹ in Crores

Effect in INR (before tax)	Profit or Loss		Other components of Equity	
	Strengthening	Weakening	Strengthening	Weakening
As at 31st March 2022				
1% movement				
Investment in Oil India Limited- FVOCI	-	-	6.37	(6.37)
Investment in Cochin International Airport Limited - FVOCI	-	-	1.21	(1.21)
Total	-	-	7.58	(7.58)

₹ in Crores

Effect in INR (before tax)	Profit or Loss		Other components of Equity	
	Strengthening	Weakening	Strengthening	Weakening
As at 31st March 2021				
1% movement				
Investment in Oil India Limited- FVOCI	-	-	3.28	(3.28)
Investment in Cochin International Airport Limited - FVOCI	-	-	0.96	(0.96)
Total	-	-	4.24	(4.24)

NOTE 55 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

D. Offsetting

The following table presents the recognised financial instruments that are offset and other similar agreements that are not offset, as at 31st March 2022 and 31st March 2021.

The column 'net amount' shows the impact on the Corporation's Balance Sheet if all set-off rights are exercised.

₹ in Crores

Particular	Note reference	Effect of offsetting on the balance sheet			Related amounts not offset		
		Gross amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Financial Instrument	Amounts which can be offset	Net Amount
As at 31st March 2022							
Financial liabilities							
Trade and other payables	**B & C**	**9,289.38**	**4,677.22**	**4,612.16**	**-**	**-**	**-**
As at 31st March 2021							
Financial assets							
Investment in GOI Bonds	A	-	-	-	5,932.33	849.96	5,082.37
Trade and other receivables	B & C	4,253.36	3,311.66	941.70	-	-	-
Financial liabilities							
Short term borrowings	A	-	-	-	4,232.81	849.96	3,382.85
Trade and other payables	B & C	4,141.44	87.04	4,054.40	-	-	-

Notes

A. The Corporation has Triparty Repo Settlement System limits with Clearing Corporation of India Limited, the borrowings against which was **NIL** as at 31st March 2022 (Previous year : ₹ 850 Crores). The limits are secured by 7.59% Government Stock 2026 & 6.90% Oil Marketing Companies GOI Special Bonds 2026 of ₹ **1,245 Crores** (Previous year : ₹ 870 Crores Secured by 7.59% Government Stock 2026 & T-Bills).

B. The Corporation purchases and sells petroleum products from different Oil and Gas Companies. Under the terms of the agreement, the amounts payable by the Corporation are offset against receivables and only the net amounts are settled. The relevant amounts have therefore been presented net in the balance sheet.

C. The Corporation enters into derivative transactions under the International Swaps and Derivatives Association (ISDA) master netting agreements. In general, under such agreements the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other.

NOTE 56 CAPITAL MANAGEMENT (CONSOLIDATED)

The Group's objective is to maximize the shareholders' value by maintaining an optimum capital structure. Management monitors the return on capital as well as the debt equity ratio and makes necessary adjustments in the capital structure for the development of the business.

The Group's debt to equity ratio as at 31st March, 2022 was **1.08** (Previous year: 0.87).

Note: For the purpose of computing debt to equity ratio, equity includes Equity Share Capital and Other Equity and Debt includes Current and Non current Borrowings.

NOTE 57 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS (CONSOLIDATED)

₹ in Crores

Particulars	As at 31st March 2022	As at 31st March 2021
(a) Contingent Liabilities :		
In respect of Income Tax matters	**153.93**	791.88
Other Matters :		
i) Claims against the Group not acknowledged as debts *		
Excise and customs matters	**283.34**	234.82
Service Tax matters	**10.93**	10.40
Sales Tax/ GST/ VAT/ Entry Tax matters	**3,408.97**	3,488.75
Land Acquisition cases for higher compensation	**288.57**	244.44
Others	**816.02**	329.25

* These include ₹ **1,336.05 Crores** (Previous year: ₹ 1,180.78 Crores) against which the Group has a recourse for recovery and ₹ **88.38 Crores** (Previous year: ₹ 97.57 Crores) which are on capital account.

ii) Claims on account of wages, bonus / ex-gratia payments in respect of pending court cases	**63.36**	55.03
iii) Guarantees	**937.72**	914.67
iv) Share of Interest in Joint Ventures & Associates	**1,041.93**	1,052.25
(b) Capital Commitments :		
i) Estimated amount of contracts remaining to be executed on capital account and not provided for	**4,399.02**	5,160.23
ii) Share of Interest in Joint Ventures & Associates	**2,346.01**	2,267.94

NOTE 58. ADDITIONAL INFORMATION AS APPEARING IN THE FINANCIAL STATEMENTS OF BHARAT PETRORESOURCES LIMITED(BPRL) (CONSOLIDATED)

I. Joint Operations

The Group has participating interest in the nature of Production Sharing Contracts (PSC)/Revenue Sharing Contracts (RSC) with the Government of India and/or various bodies corporate in the oil and gas blocks for exploration, development and production activities. The arrangements require consent from consortium partners for all relevant activities and hence it is classified as joint operations. The partners to the agreement have direct right to the assets and are jointly liable for the liabilities incurred by the un-incorporated joint operation. In accordance with Ind AS 111 on "Joint Arrangements", the financial statements of the Group includes the Group's share in the assets, liabilities, incomes and expenses relating to joint operations based on the financial statements received from the respective operators. As per the PSC/RSC, the operator has to submit audited financial statements within 60 days from the end of the year. The income, expenditure, assets and liabilities of the joint operations are merged on line by line basis according to the participating interest with the similar items in the Financial Statements of the Group as given below:

(i) The Company's share of the assets, liabilities, income and expenditure have been recorded under respective heads based on the audited financial statements for blocks CB/ONN/2010/8 and CB/ONHP/2017/9 (previous year: CB/ONN/2010/8 and CB/ONHP/2017/9).

(ii) There is no expenditure incurred in CY/ONDSF/KARAIKAL/2016 (previous year: Nil expenditure).

(iii) Block RJ/ONN/2005/1 has been proposed for relinquishment for which approval is pending from Director General of Hydrocarbons (DGH).

NOTE 58. ADDITIONAL INFORMATION AS APPEARING IN THE FINANCIAL STATEMENTS OF BHARAT PETRORESOURCES LIMITED(BPRL) (CONSOLIDATED) (CONTD.)

(iv) Out of the remaining six Indian Blocks (Previous Year: six), the Company has received **NIL** (previous year: NIL) audited financial statements as at March 31, 2022. Unaudited financial statements for three (Previous Year: three) blocks and billing statements (Statement of Expenses) for remaining three blocks have been received from the operator for the period upto 31st March 2022. The assets, liabilities, income & expenses are accounted on the basis of of such statements received.

(v) In respect of blocks outside India (EP413 - farmed out during 2021-22 and Block 32 - relinquished during 2020-21); the assets, liabilities, income and expenditure have been incorporated on the basis of unaudited financial statements as at 31st March 2022 (previous year: assets, liabilities, income and expenditure have been incorporated on the basis of unaudited financial statements as at 31st March 2021).

vi) In respect of blocks in Mozambique and Indonesia the Group has accounted the income and expenses based on the billing statements (Statement of Expenses) received from the operator for the period upto 31st March 2022.

Details of the Group's Participating Interest (PI) in blocks are as under:

	Name	Country	Participating Interest (PI)	
			31st March, 2022	31st March, 2021
Operatorship:				
NELP – IX	CB/ONN/2010/8 @	India	**25%#**	25%#
OALP	CB-ONHP-2017/9	India	**60%**	60%
DSF	CY/ONDSF/KARAIKAL/2016	India	**100%**	100%
Non-Operatorship:				
NELP – IV	CY/ONN/2002/2	India	**40%**	40%
NELP – VI	CY/ONN/2004/2	India	**20%**	20%
NELP – VII	RJ/ONN/2005/1 @	India	**33.33%**	33.33%
NELP – IX	CB/ONN/2010/11	India	**25%***	25%*
NELP – IX	AA/ONN/2010/3	India	**20%**	20%
OALP	AA-ONHP2017/12	India	**10%**	10%
OALP	CY-ONHP-2017/1	India	**40%**	40%
Blocks outside India	EP-413 ^	Australia	**0%**	28%
Blocks outside India	JPDA 06-103	Australia / Timor	**20%**	20%
Blocks outside India	Offshore Area, Rovuma Basin	Mozambique	**10%**	10%
Blocks outside India	Nunukan PSC, Tarakan Basin	Indonesia	**12.5%##**	12.5%##

NELP - New Exploration Licensing Policy
OALP - Open Acreage Licensing Policy
DSF - Discovered Small Fields
@ under relinquishment
^ Farmed out
* BPRL Share 29.41% in development phase.
# BPRL Share 50% in development phase.
Pursuant to the cash call payment default of Videocon Indonesia Nunukan Inc. (VINI), the Operator in accordance to the Joint Operating Agreement has submitted the documents for assignment of 23.0% PI from VINI to the other partners in the block for regulatory approval.

NOTE 58. ADDITIONAL INFORMATION AS APPEARING IN THE FINANCIAL STATEMENTS OF BHARAT PETRORESOURCES LIMITED(BPRL) (CONSOLIDATED) (CONTD.)

The table below provides summarised financial information of the Group's share of assets, liabilities, income and expenses in the joint operations:

₹ in Crores

Particulars	31st March 2022	31st March 2021
Property, plant and equipment	**0.72**	0.77
Other Intangible assets	**90.15**	99.60
Intangible asset under development*	**11,395.85**	10,258.98
Other Non-Current Assets	**2.61**	2.61
Current Assets including financial assets**	**103.89**	28.62
Cash and Bank Balances	**1.63**	1.63
Current & Non Current Liabilities/Provisions including financial liabilities	**84.96**	290.52
Expenses	**375.90**	19.32
Income	**190.11**	68.84

* Includes ₹ **952.05 Crores** (previous year ₹ 1,024.07 Crores) which has been provided for by the Group.

** Includes ₹ **91.45 Crores** (previous year ₹ 10.70 Crores) which has been provided for by the Group.

II. Details of Reserves

Group's share of Estimated Ultimate Recovery (EUR) as approved by Operator's Reserves Estimation Committee(REC) for the block CY-ONN-2002/2 as at 31st March 2021 is given below:

Project	Details	Crude Oil (Mmm3)	Gas (Mmm3)
CY-ONN-2002/2	Opening	**0.31**	**132.28**
	Addition/(Reduction)	**-**	**-**
	Production	**0.04**	**11.66**
	Closing	**0.27**	**120.62**

III. Others

1. IBV (Brazil) Petroleo Ltda (IBV) has 35.714 % PI in the BM-C-30 Concession. PetroRio Jaugar Limitada became the Operator with 64.286% PI after acquiring stakes from BP (erstwhile Operator with 35.714 % PI) and the other partner TOTAL (28.572% PI). PetroRio Jaugar Limitada, the Operator of BM-C-30 Concession, issued purported Exclusive Operations notice to IBV on 21st October 2021 in relation to its proposal for the development of the Wahoo Project as a commercial discovery and the resulting purported declaration of commerciality. Following this notice, IBV has initiated proceedings for interim relief in the courts of Brazil and an Arbitration procedure against the Operator at International Chamber of Commerce, London, which is currently pending.
2. BPRL International Singapore Pte Ltd, holds investments in joint ventures, Vankor India Pte Ltd and Taas India Pte Ltd, with interests in the Russian Federation. Consequent to the commencement of special military operations in Ukraine by the Russian Federation, sanctions have been imposed by the United States of America, the European Union and numerous other countries on the Russian government. As at 31st March 2022, the operations of the joint ventures' investments in Russia, namely JSC Vankorneft and TYNGD LLC, were not immediately affected by the sanctions.
3. During FY 2021-22, an amount of ₹ 21.93 Crores has been recognized as "Other Operating Revenue" towards services provided to group companies. Out of the total income recognised as other operating revenue, an amount of ₹ 18.02 Crores pertain to services provided by BPRL during the period October 2016 to March 2021.

NOTE 59. ADDITIONAL INFORMATION AS APPEARING IN THE FINANCIAL STATEMENTS OF BHARAT OMAN REFINERIES LIMITED (BORL) (CONSOLIDATED)

I. Repayment of VAT Loa

BORL by virtue of Memorandum of Understanding (MoU) with the Government of Madhya Pradesh (GoMP) continues to get the fiscal assistance as 'Interest free VAT loan (VAT Loan)' up to ₹ 250 Crores per annum for fifteen years, beginning from the year of commercial production . The VAT Loan is repayable in 16th year from each year in which such VAT Loan was received. This Interest free VAT loan is accounted at fair value and the difference between the gross receipts and fair value of VAT Loan is recognized as Deferred Government Grant.

Pursuant to GoMP Order No. F/16-25/2021/A-11 dated 23rd July 2021 and as approved by the Board of Directors of BORL for prepayment of VAT Loan, ₹ 1,185.67 Crores paid to GoMP for settlement of outstanding VAT Loan having Gross Value of ₹ 2,227.50 Crores. Its carrying value was ₹ 1,410.15 Crores as at 20th Sep. 2021 i.e. the date of prepayment/settlement of outstanding VAT Loan. During the FY 2021-22, the company didn't receive any fiscal assistance of Interest free VAT Loan from GoMP. Therefore, total outstanding gross value of VAT loan as at 31st March 2022 is **NIL**.

II. Adoption of New Income Tax Regime

In pursuance to Section 115BAA of the Income Tax Act, 1961, BORL had an irrevocable option of shifting to a lower corporate income tax rate (22% plus applicable surcharge and cess) as against the earlier tax rate of 30% plus applicable surcharge and cess, subject to certain conditions. Considering all the applicable provisions of the Income Tax Act, 1961, BORL has decided to exercise the option of lower corporate income tax rate from FY 2021-22.

Accordingly, BORL has recognized Provision for Income Tax for the year ended 31st March 2022 and re-measured it's Deferred Tax Assets/Liabilities on the basis of the rate prescribed in the Income Tax Act.

The net impact on reversal of Deferred Tax due to this change is ₹ **814.21 Crores** which includes creation of deferred tax assets of ₹ **0.33 Crores** has been accounted in Other Comprehensive Income. The MAT credit balance as on 1st April 2021 amounting to ₹ **380.99 Crores** has not been carried forward upon movement to new tax regime as per provision of Section 115BAA of the Income Tax Act, 1961. However, the above MAT credit would be available for utilization against any tax liabilities pertaining to past periods.

The Company has unabsorbed additional depreciation of ₹ **1,130.91 Crores.** This benefit will not be available on adoption of new tax regime. The deferred tax asset on unabsorbed additional depreciation amounted to ₹ **395.18 Crores** have been reversed in the FY 2021-22.

NOTE 60 SEGMENT REPORTING (CONSOLIDATED)

A. Basis for segmentation

The Group has following two reportable segments. Details of the segments are as follows:

a) Downstream Petroleum i.e. refining and marketing of petroleum products.

b) Exploration and Production of hydrocarbons (E & P)

Segments have been identified taking into account the nature of activities and its risks and returns.

Committee of Functional Directors (CFD), periodically reviews the internal management reports and evaluates performance/ allocates resources based on the analysis of various performance indicators relating to the segments referred to above.

B. Information about reportable segments

Information related to each reportable segment is set out below. Segment profit (loss) after tax is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industry.

NOTE 60 SEGMENT REPORTING (CONSOLIDATED) (CONTD.)

₹ in Crores

Particulars	For the year ended 31st March 2022			For the year ended 31st March 2021		
	Downstream Petroleum	E&P	Total	Downstream Petroleum	E&P	Total
Revenue						
External Customers	4,32,422.48	147.14	4,32,569.62	3,04,205.62	68.84	3,04,274.46
Inter-segment	-	-	-	-	-	-
Total Revenue			4,32,569.62			3,04,274.46
Results						
Segment Results	13,708.10	(478.36)	13,229.74	22,569.61	(333.51)	22,236.10
Unallocated Corporate Expenses						
Operating Profit			13,229.74			22,236.10
Add:						
a) Interest Income			1,088.72			1,085.19
b) Other Income (excluding Interest Income)			1,179.82			998.79
c) Share of profit of Equity Accounted Investees	947.91	587.82	1,535.73	785.59	(1,111.12)	(325.53)
d) Gain on re-measurement of previously held investment in BORL			1,720.13			
d) Fair valuation gain on instruments measured at FVTPL			-			160.88
Less:						
a) Finance Cost			2,605.64			1,723.41
b) Fair valuation loss on investments measured at FVTPL			111.77			-
c) Income tax (including deferred tax)			4,355.23			5,112.19
Profit / (loss) after tax			11,681.50			17,319.83
Other Information						
Segment assets	1,53,518.22	24,039.68	1,77,557.90	1,25,399.59	21,753.97	1,47,153.56
Unallocated Corporate Assets			9,970.73			13,827.99
Total Assets			1,87,528.63			1,60,981.55
Segment liabilities	68,172.75	52.41	68,225.16	50,305.21	229.17	50,534.38
Unallocated Corporate Liabilities			67,397.85			56,892.09
Total Liabilities			1,35,623.01			1,07,426.47
Depreciation and amortization	5,416.12	18.23	5,434.35	4,318.49	15.72	4,334.21
Gain from sale of stake in Subsidiary (Refer note No. 63)	-		-	6,473.35		6,473.35
Employee Share based expenses	77.06		77.06	940.72		940.72
Net (gains)/loss on foreign currency transactions and translations			283.35			(201.37)
Material Non-cash expenses other than depreciation and amortisation			1,559.95			1,342.50
Segments assets include:						
Investment in equity accounted investees	6,065.43	12,350.06	18,415.49	7,836.10	11,713.54	19,549.64
Capital expenditure	7,836.99	1,269.79	9,106.78	10,109.58	2,042.29	12,151.87

* For the purposes of review by the Committee of Functional Directors (CFD), information referred to above is measured consistent with the accounting policies applied for preparation of these financial statements

NOTE 60 SEGMENT REPORTING (CONSOLIDATED) (CONTD.)

C. Geographic information

The geographic information analyses the Group's revenue and non-current assets by the country of domicile and other countries. In presenting the geographical information, segment revenue has been based on the geographic selling location and segments assets were based on the geographic location of the respective non-current assets.

₹ in Crores

Geography		For the year ended 31st March, 2022	For the year ended 31st March, 2021
I)	**Revenue**		
	India	**4,32,569.62**	3,04,274.46
	Other Countries	**-**	-
	Mozambique	**-**	-
	Singapore	**-**	-
	Other Countries	**-**	-
	Total Revenue	**4,32,569.62**	3,04,274.46
II)	**Non-current Assets ***		
	India	**97,988.91**	82,196.30
	Other Countries		
	Mozambique	**10,398.93**	9,203.54
	Singapore	**7,992.65**	7,991.98
	Other Countries#	**3,727.04**	3,727.62
	Total Non-current Assets	**1,20,107.53**	1,03,119.44

*non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets and rights arising from insurance contracts.

Non current assets of PPE related to retail outlets lying in Bhutan are grouped under this head.

NOTE 61. DISCLOSURES AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT 2013 WITH RESPECT TO CONSOLIDATED FINANCIAL STATEMENTS

Sr. No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in Other comprehensive income		Share in Total comprehensive income	
		As % of consolidated net assets	Amount ₹ Crores	As % of consolidated profit or loss	Amount ₹ Crores	As % of consolidated Other comprehensive income	Amount ₹ Crores	As % of Total comprehensive income	Amount ₹ Crores
1	**Parent**								
	Bharat Petroleum Corporation Limited	95.70%	49,669.78	75.20%	8,788.73	71.60%	287.77	75.10%	9,076.50
	Subsidiaries								
	Indian								
1	Bharat PetroResources Limited	4.10%	2,145.41	-3.80%	(447.86)	28.60%	115.08	-2.80%	(332.78)
2	Bharat Oman Refineries Limited (Refer Note 64)	8.50%	4,435.73	8.20%	956.58	-	0.05	7.90%	956.63
3	Bharat Gas Resources limited	3.50%	1,799.94	1.30%	149.84	-	-	1.20%	149.84
	Joint Ventures								
	Indian								
1	Bharat Oman Refineries Limited (Refer Note 64)	-	-	-0.30%	(40.82)	0.10%	0.28	-0.30%	(40.54)
2	Bharat Renewable Energy Limited *	-	-	-	-	-	-	-	-
3	Bharat Stars Services Private Limited	-	21.24	-	(1.37)	-	-	-	(1.37)
4	Central U.P. Gas Limited	0.30%	131.41	0.30%	29.71	-	(0.01)	0.20%	29.70
5	Delhi Aviation Fuel Facility Private Limited	0.20%	90.00	-	(1.97)	-	-	-	(1.97)
6	Maharashtra Natural Gas Limited	0.50%	247.76	0.60%	75.52	-	0.01	0.60%	75.53
7	Sabarmati Gas Limited	1.10%	559.29	1.50%	173.03	-	0.01	1.40%	173.04
8	Mumbai Aviation Fuel Farm Facility Private Limited	0.20%	94.26	-	2.39	-	-	-	2.39
9	Kochi Salem Pipeline Private Limited	0.90%	455.38	-	(5.06)	-	-	-	(5.06)
10	BPCL- KIAL Fuel Farm Facility Private Limited	-	(3.44)	-	(2.85)	-	-	-	(2.85)
11	Haridwar Natural Gas Private Limited	-	21.57	-	1.55	-	-	-	1.55
12	Goa Natural Gas Private Limited	0.10%	27.77	-	0.10	-	-	-	0.10
13	Ratnagiri Refinery & Petrochemicals Limited	0.10%	29.71	-	(2.21)	-	-	-	(2.21)
14	IHB Limited	1.20%	638.96	-	(0.79)	-	-	-	(0.79)
	Foreign								
1	Matrix Bharat Pte Ltd	-	3.17	-	(0.10)	-0.30%	(1.24)	-	(1.34)
	Associates								
1	GSPL India Gasnet Limited	0.40%	211.69	0.10%	8.07	-	0.01	0.10%	8.08
2	GSPL India Transco Limited	0.10%	38.61	-0.10%	(17.11)	-	0.01	-0.10%	(17.10)
3	Fino PayTech Limited	0.50%	253.49	-0.10%	(12.83)	-	0.10	-0.10%	(12.73)
4	Petronet LNG Limited	3.30%	1,708.51	3.70%	429.76	-0.10%	(0.24)	3.60%	429.52
5	Petronet CI Limited *	-	-	0.00%	-	-	-	-	-
6	Indraprastha Gas Limited	3.30%	1,706.86	2.90%	338.01	0.10%	0.29	2.80%	338.30
7	Kannur International Airport Limited	0.30%	139.36	-0.20%	(24.88)	-	-	-0.20%	(24.88)
8	Petronet India Limited	-	0.44	-	0.01	-	-	-	0.01
	Intra Group Elimination	-24.10%	(12,521.28)	11.00%	1,286.05	-	-	10.60%	1,286.05
	Total	100%	51,905.62	100%	11,681.50	100%	402.12	100%	12,083.62

* Associates / Joint Ventures have not been considered for consolidation

NOTE 62 (CONSOLIDATED)

A Memorandum of Understanding (MoU) is entered between the Parent Company and the Government of India for the purpose of performance assessment. According to MoU guidelines issued by DPE, the amount of Capex incurred by the Parent Company and its proportionate share of Capex by its Subsidiaries (Group) , Joint Ventures and Associates during the Financial year 2021-22 shall be as follows.

₹ in Crores

Particulars	Amount
Capital expenditure of Group as per Consolidated Financial statements	**9,901.94**
Proportionate share of Capital expenditure of Joint Ventures & Associates	**1,382.31**
TOTAL	**11,284.25**

Note: Capital expenditure for this purpose has been computed as per MoU Guidelines considering the additions in Property, Plant & Equipment; Intangible Assets, Investment property and movements during the year in Construction Work in Progress (CWIP); Intangible Assets Under Development (IAUD) & Capital Advances

The above details exclude additions on account of business combination ₹ **13,745.57 Crores**.

NOTE 63 (CONSOLIDATED)

During previous FY 2020-21 the Corporation had sold its entire shareholding in NRL constituting 61.65% of the total equity capital of NRL (i.e. 45,35,45,998 equity shares of Rs 10/-each) under the terms of Share Purchase Agreement executed on 25th March 2021 after obtaining approvals from the shareholders in Extra-ordinary General Meeting held on 25th March 2021. The Equity Shares of NRL had been sold to a consortium of Oil India Limited and Engineers India Limited; and to Government of Assam for a total consideration of ₹ 9,875.96 Crores in FY 2020-21.

The details of Gain on sale of equity shares of NRL is ₹ 6,473.34 Crores during FY 2020-21, which has been shown as an Exceptional item in the Consolidated Statement of Profit and Loss, is as under:

₹ in Crores

Particulars	2020-21
Consideration received from sale of stake in subsidiary (A)	9,875.96
Less: Adjustment of intra group balance (B)	321.98
Adjusted Consideration (C=A-B)	9,553.98
Net assets of subsidiary company as on date of loss of control	5,305.06
Corporation's share of net assets (D)	3,147.09
Add: Capital reserve created at the time of acquisition of subsidiary (E)	66.45
Gain on sale of stake in subsidiary (F=C-D+E)	6,473.34

NOTE 64 (CONSOLIDATED)

On 30th June 2021, the Corporation had purchased 36.62% stake in Bharat Oman Refineries Limited (BORL) for a consideration of ₹ **2,399.26 Crores** Consequent to the acquisition, BORL has become a wholly owned subsidiary of BPCL. In accordance with Ind AS 103 'Business Combination', the previously held interest has been re-measured at fair value. The Group has recognized a fair valuation gain of ₹ **1,720.13 Crores**, on re-measurement of previously held interest on provisional basis, as an exceptional items in the Consolidated Statement of Profit or Loss.

Consequent of gaining control, the results of Bharat Oman Refineries Limited have been consolidated by the Group from 30th June 2021 on a line-by-line basis. From the date of acquisition, BORL has reported Revenue from Operation of ₹ **44,126.07 Crores** and Profit of ₹ **956.58 Crores**. If the acquisition had happened at the beginning of the year, the reported revenue from operation for the year ended 31st March 2022 would have been ₹ **55,561.42 Crores** and profit would have been ₹ **892.17 Crores**. These figures are before adjusting for intra-group transactions.

Fair Value of identifiable assets acquired and liabilities assumed of BORL as on date of acquisition were

₹ in Crores

Particulars	Amount
Non-current Assets	
Property, Plant and Equipment, CWIP and Intangible Assets	**13,775.10**
Other Financial Assets	**52.15**
Other Non-current Assets	**177.23**
Current Assets	
Inventories	**5,799.84**
Financial Assets	
Trade Receivables	**3,196.35**
Cash and Cash Equivalents	**4.03**
Other Financial Assets	**7.53**
Other Current Assets	**46.85**
TOTAL (A)	**23,059.08**
Non-Current Liabilities	
Borrowings	**7,608.22**
Lease Liabilities	**215.51**
Provisions	**19.69**
Other Non-current Liabilities	**917.98**
Current Liabilities	
Borrowings	**2,977.75**
Lease Liabilities	**9.45**
Trade Payables	**2,792.57**
Other Financial Liabilities	**342.46**
Other Current Liabilities	**1,912.84**
Provisions	**390.71**
TOTAL (B)	**17,187.18**
Net Assets (A)-(B)	**5,871.90**
Consideration Paid to OQ S.A.O.C	**2,399.26**
Consideration paid to Government of Madhya Pradesh	**72.65**
Fair Value of previously held interest	**4,603.97**
Fair value of net asset and liabilities acquired	**(5,871.90)**
Goodwill on acquisition	**1,203.98**

Goodwill is attributable to the future growth of the business out of synergies from this acquisition.

NOTE 65 (CONSOLIDATED)

The merger of wholly owned subsidiary companies, Bharat Oman Refineries Limited and Bharat Gas Resources Limited with the Corporation is under process and will be completed after obtaining necessary approval from competent authorities.

NOTE 66 EXCEPTIONAL ITEMS - EXPENSES / (INCOME) (CONSOLIDATED)

₹ in Crores

Particulars	2021-22	2020-21
Employee Share Based Expenses (Refer Note No. 52)	**77.06**	940.72
Impairment of Investment in Oil and Gas Blocks (Refer Note No. 53)	**-**	266.86
Gain on sale of stake in Subsidiary (Refer Note No. 63)	**-**	(6,473.34)
Gain on re-measurement of previously held interest in Bharat Oman Refinery Limited (Refer Note No. 64)	**(1,720.13)**	-
Project Cost expensed off *	**345.10**	-
Interest expensed off #	**214.59**	-
Reversal of Liquidated damages @	**(51.77)**	-
Exceptional Items Expenses / (Income)	**(1,135.15)**	(5,265.76)

* in case of one of the Subsidiary BPRL, considering the evolution of the security situation in the north of the Cabo Delgado province in Mozambique, the Operator (i.e. Total E & P Mozambique Area 1 Limitada) has declared Force Majeure on 22nd April 2021. There are certain incremental cost related to the suspension and force Majeure, which are abnormal costs and not an integral part of bringing the asset into the working condition as intended by the management of BPRL. Accordingly, such costs incurred till 31st March 2022 have been expensed off by BPRL Group.

On account of suspension of capitalisation of borrowings costs incurred by one of the subsidiary BPRL, relating to Mozambique project due to declaration of Force Majeure

@ Reversal of excess provision towards Cost of Minimum Work Program of ₹ 51.77 Crores in respect of Block NELP-VII-RJ-ONN-2005/1 by BPRL.

NOTE 67 (CONSOLIDATED)

During FY 2021-22, Group were awarded 3,02,983 Nos. of Energy Saving Certificates (ESCerts) respectively from Bureau of Energy Efficiency (BEE) as part of "Performance, Achieve & Trade" (PAT) scheme, India for achieving reduction in Specific Energy Consumption above targets set by them for the performance during FY 2018-19. These can be redeemed to meet refineries own shortfall (if any) or can be used as tradable certificates which can be sold through power exchanges. Current values are volatile, according to the energy exchange's market fluctuations. This is the first tranche of certificates received so far.

NOTE 68 (CONSOLIDATED)

Figures of the previous year have been regrouped wherever necessary, to conform to current period presentation.

Signature to Notes '1' to '68'

For and on behalf of the Board of Directors

Sd/-
Arun Kumar Singh
Chairman and Managing Director
DIN: 06646894
Place: Delhi

Sd/-
VRK Gupta
Director (Finance)
DIN: 08188547

Sd/-
V. Kala
Company Secretary

Place: Mumbai
Date: 25th May 2022

As per our attached report of even date
For and on behalf of

Kalyaniwalla and Mistry LLP
Chartered Accountants
ICAI FR No. 104607W/W100166

Sd/-
Sai Venkata Ramana Damarla
Partner
Membership No. 107017

K.S. Aiyar & Co
Chartered Accountants
ICAI FR No. 100186W

Sd/-
Rajesh S. Joshi
Partner
Membership No. 038526

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statement of Subsidiaries / Associate Companies / Joint Ventures for the Financial year ended 31st March 2022

Part "A": Subsidiaries

Sr. No.	Particulars	Amount in ₹ Crores		
1	Name of the subsidiary	Bharat Petro Resources Limited*	Bharat Oman Refineries Limited (Refer Note 64)	Bharat Gas Resources Limited
2	The date of incorporation/ since when subsidiary was acquired	17-10-2006	23-12-1993	07-06-2018
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA
4	Reporting Currency and Exchange rates as on the last date of the relevant Financial Year in case of foreign subsidiaries	NA	NA	NA
5	Share Capital	7,275.00	2,426.83	1,658.62
6	Reserves & Surplus	(5,129.60)	2,008.90	141.32
7	Total Assets	26,915.16	20,155.43	2,416.93
8	Total Liabilities	24,769.76	15,719.70	616.99
9	Investments	12,350.06	-	-
10	Turnover	147.14	44,126.07	1,050.06
11	Profit/(loss) before Taxation (A)	(447.87)	2,290.71	205.25
12	Provision for taxation (B)	(0.01)	1,334.13	55.42
13	Profit after Taxation (A) - (B)	(447.86)	956.58	149.84
14	Extent of shareholding (in percentage)	100.00%	100.00%	100.00%

* figures based on consolidated financial statements of the Company.

PART "B": ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Amounts in ₹ Crores)

Sr. No.	Name of Associates or Joint Ventures	Refer Note	1 Latest audited Balance Sheet Date	2 Date on which the Associate or Joint Venture was associated or acquired	3 Shares of Associate or Joint Ventures held by the company on the year end: No.	Amount of Investment in Associates or Joint Venture	Extend of Holding (in percentage)	4 Description of how there is significant influence	5 Reason why the associate / joint venture is not consolidated	6 Networth attributable to Shareholding as per latest audited Balance Sheet (Refer note 4)	7 Profit / Loss for the year: Considered in Consolidation	Not Considered in Consolidation
1.	Indraprastha Gas Limited	1	31-Mar-22	27-04-2000	15,75,00,400	31.50	22.50%	By virtue of Shareholding / Joint venture agreement		1,706.86	338.01	
2.	Petronet LNG Limited	1	31-Mar-22	24-05-2001	18,75,00,000	98.75	12.50%			1,708.51	429.76	
3.	Central UP Gas Limited	3	31-Mar-21	26-07-2004	1,49,99,600	15.00	25.00%			105.91	29.71	
4.	Maharashtra Natural Gas Limited	3	31-Mar-21	26-07-2004	2,24,99,600	22.50	22.50%			185.73	75.52	
5.	Sabarmati Gas Limited	3	31-Mar-21	04-04-2006	99,87,400	122.40	49.94%			406.22	173.03	
6.	Bharat Stars Services Private Limited	1 & 3	31-Mar-21	25-04-2007	1,00,00,000	10.00	50.00%			22.61	(1.37)	
7.	Matrix Bharat Pte Limited		31-Dec-21	03-03-2008	2,50,000	1.05	50.00%			3.17	(0.10)	
8.	Delhi Aviation Fuel Facility Private Limited	3	31-Mar-21	22-09-2009	6,06,80,000	60.68	37.00%			91.97	(0.41)	
9.	Bharat Renewable Energy Limited	2		19-05-2008	33,60,000	3.36	33.33%		Note 2	-	-	Note 2
10.	Petronet CI Limited	2		18-10-2000	15,84,000	1.58	11.00%		Note 2	-	-	Note 2
11.	Petronet India Limited	4	31-Mar-22	17-12-1998	1,60,00,000	0.16	16.00%			0.44	0.01	
12.	GSPL India Gasnet Limited		31-Mar-22	30-04-2012	20,81,22,128	208.12	11.00%			211.69	8.07	
13.	GSPL India Transco Limited		31-Mar-22	30-04-2012	6,67,70,000	66.77	11.00%			38.61	(17.11)	
14.	Kannur International Airport Limited	3	31-Mar-21	31-03-2014	2,16,80,000	216.80	16.20%			164.20	(24.88)	
15.	Fino PayTech Limited	1 & 3	31-Mar-21	29-07-2016	2,92,71,759	272.08	20.89%			35.53	(16.48)	
16.	Kochi Salem Pipeline Private Limited		31-Mar-22	30-12-2014	27,50,00,000	275.00	50.00%			455.38	(5.06)	
17.	Mumbai Aviation Fuel Farm Facility Private Limited	3	31-Mar-22	06-03-2014	5,29,18,750	52.92	25.00%			94.26	2.39	
18.	BPCL-KIAL Fuel Farm Private Limited	3	31-Mar-22	29-12-2014	66,60,000	6.66	74.00%			(3.44)	(2.85)	
19.	Haridwar Natural Gas Private Limited		31-Mar-22	24-12-2015	2,22,00,000	22.20	50.00%			21.57	1.55	
20.	Ratnagiri Refinery & Petrochemical Limited		31-Mar-22	14-06-2017	5,00,00,000	50.00	25.00%			29.71	(2.21)	
21.	IHB Limited		31-Mar-22	09-07-2019	51,45,00,000	514.50	25.00%			638.96	(0.79)	
22.	Goa Natural Gas Private Limited		31-Mar-22	21-11-2016	3,00,00,000	30.00	50.00%			27.77	0.10	

During the year 2017-18, BPCL along with IOCL and HPCL has incorporated a company under Section 8 of Companies Act 2013 named as Ujjwala Plus Foundation, limited by guarantee.

Note 1 : Figures based on consolidated financial statements of the Company.

Note 2 : Equity method of accounting in respect of Investment have not been considered in the preparation of Consolidated Financial Statements as the parent company has decided to exit from these Joint Ventures and provision for full diminution in the value of investment has been done in the standalone financial statements of the parent company.

Note 3 : The financial statements of these Associate and Joint Venture companies are yet to be audited and hence the provisional financial statements provided by the respective management have been considered for the purpose of preparation of Consolidated Financial Statements.

Note 4: Petronet India Limited is under liquidation

For and on behalf of the Board of Directors

As per our attached report of even date
For and on behalf of

Sd/-
Arun Kumar Singh
Chairman and Managing Director
DIN: 06646894

Place: Delhi

Kalyaniwalla and Mistry LLP
Chartered Accountants
ICAI FR No. 104607W/W100166

K.S. Aiyar & Co
Chartered Accountants
ICAI FR No. 100186W

Sd/-
VRK Gupta
Director (Finance)
DIN: 08188547

Sd/-
V. Kala
Company Secretary

Sd/-
Sai Venkata Ramana Damarla
Partner
Membership No. 107017

Sd/-
Rajesh S. Joshi
Partner
Membership No. 038526

Place: Mumbai
Date: 25th May 2022

NOTES

NOTES

TOUCHING
LIVES


Education


Skill Development


Community Development


Health


Water Conservation