

# Bharat Petroleum Corporation Limited

Investor Presentation



June 2021

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# 1. Corporate Overview

2nd

India's **2nd largest Oil Marketing Company** (OMC) with standalone domestic sales volume of over 38.74 MMT and Market share of 22% during FY21

309

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

3rd

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

44

44<sup>th</sup> Rank on **Platt's Top 250 Global Energy Company Rankings 2019**

5<sup>th</sup>

India's **5th largest** company by turnover

1.2  
Lakh  
Cr

BPCL's Market Capitalization recently touched ₹ 1.2 Lakh Cr

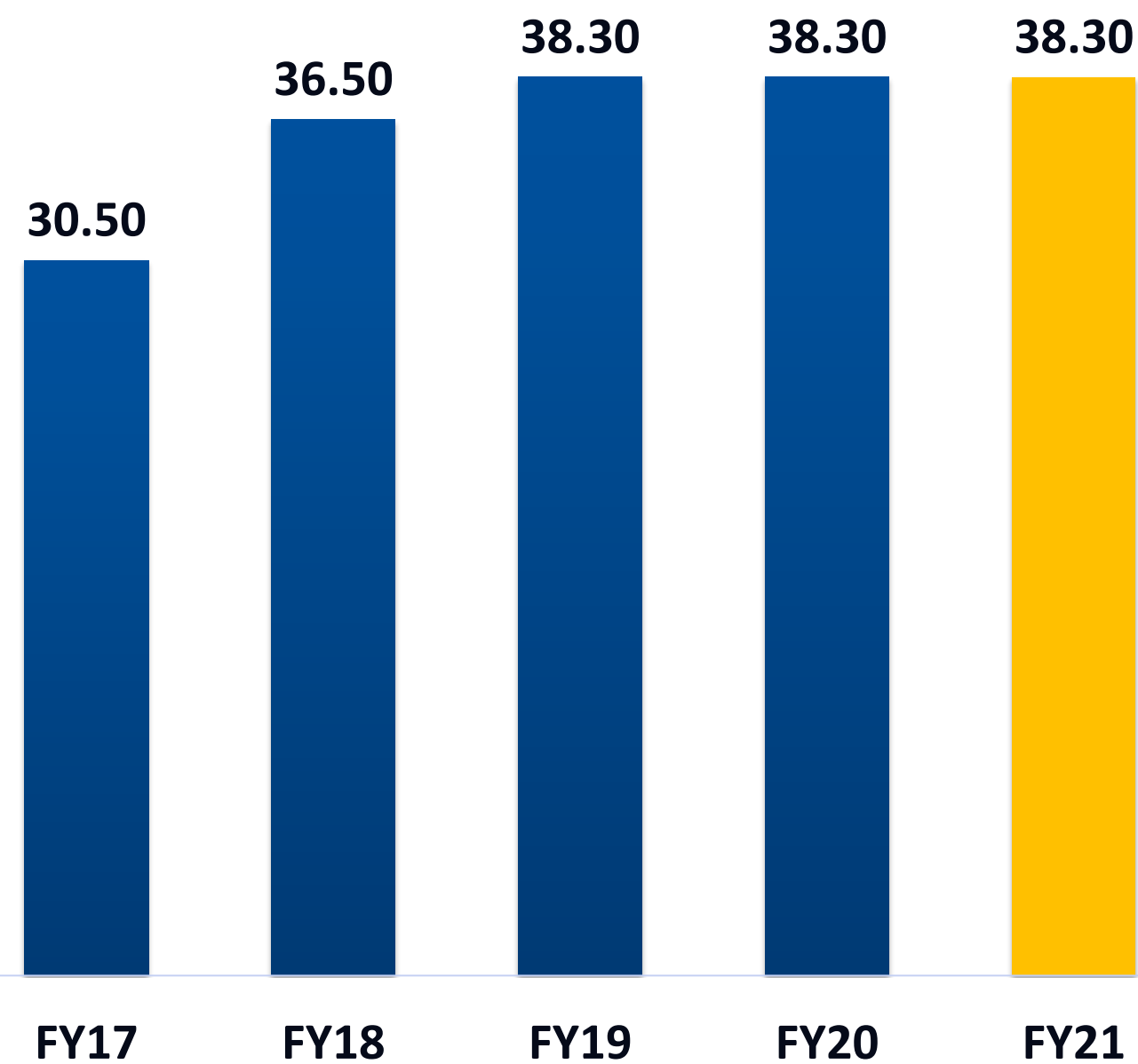
Recipient of **Oil Marketing - Company of the Year** in 2019 by FIPI

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

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

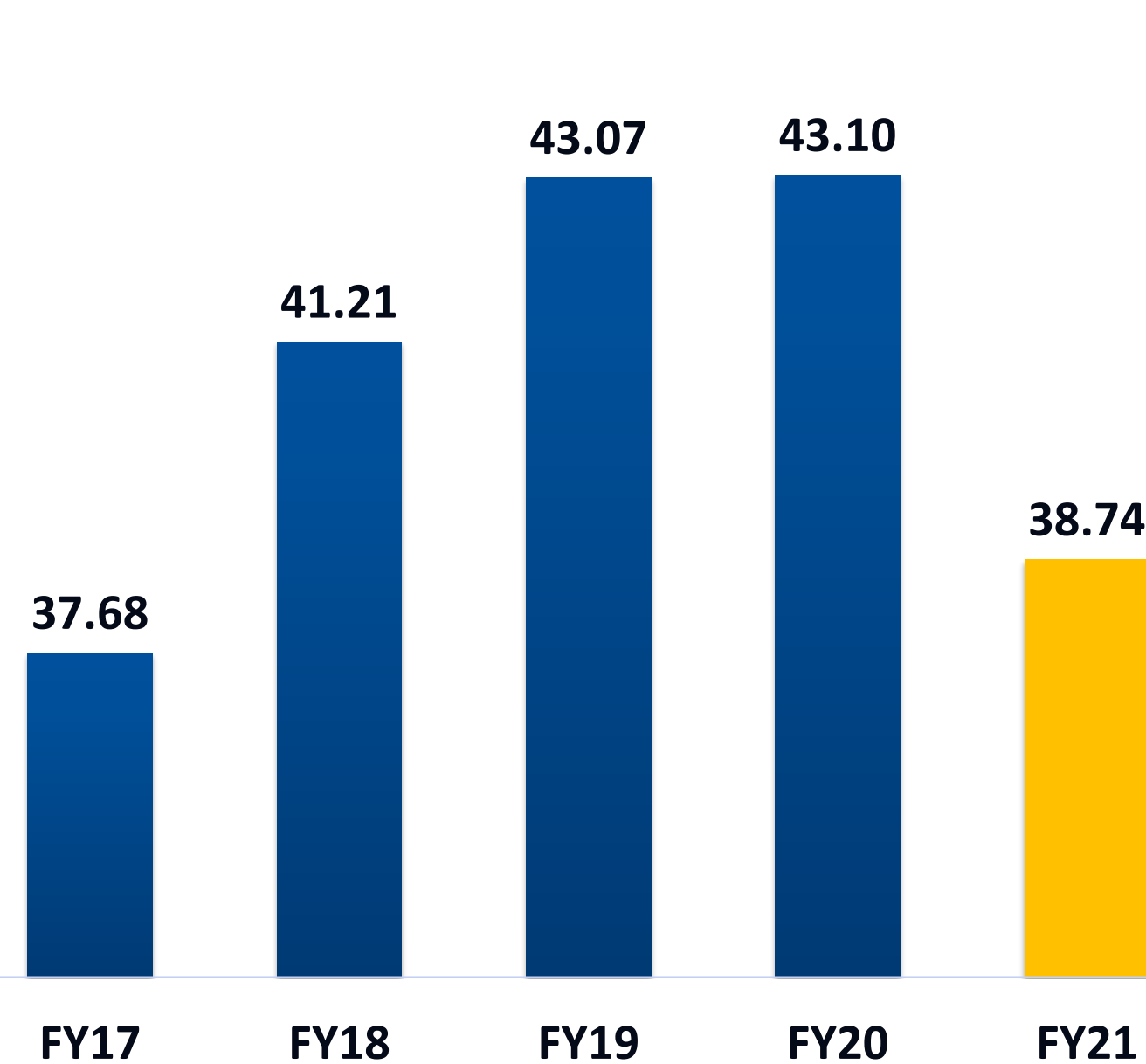
# BPCL 5 Year Key Physical Indicators

## REFINING CAPACITY (MMT)

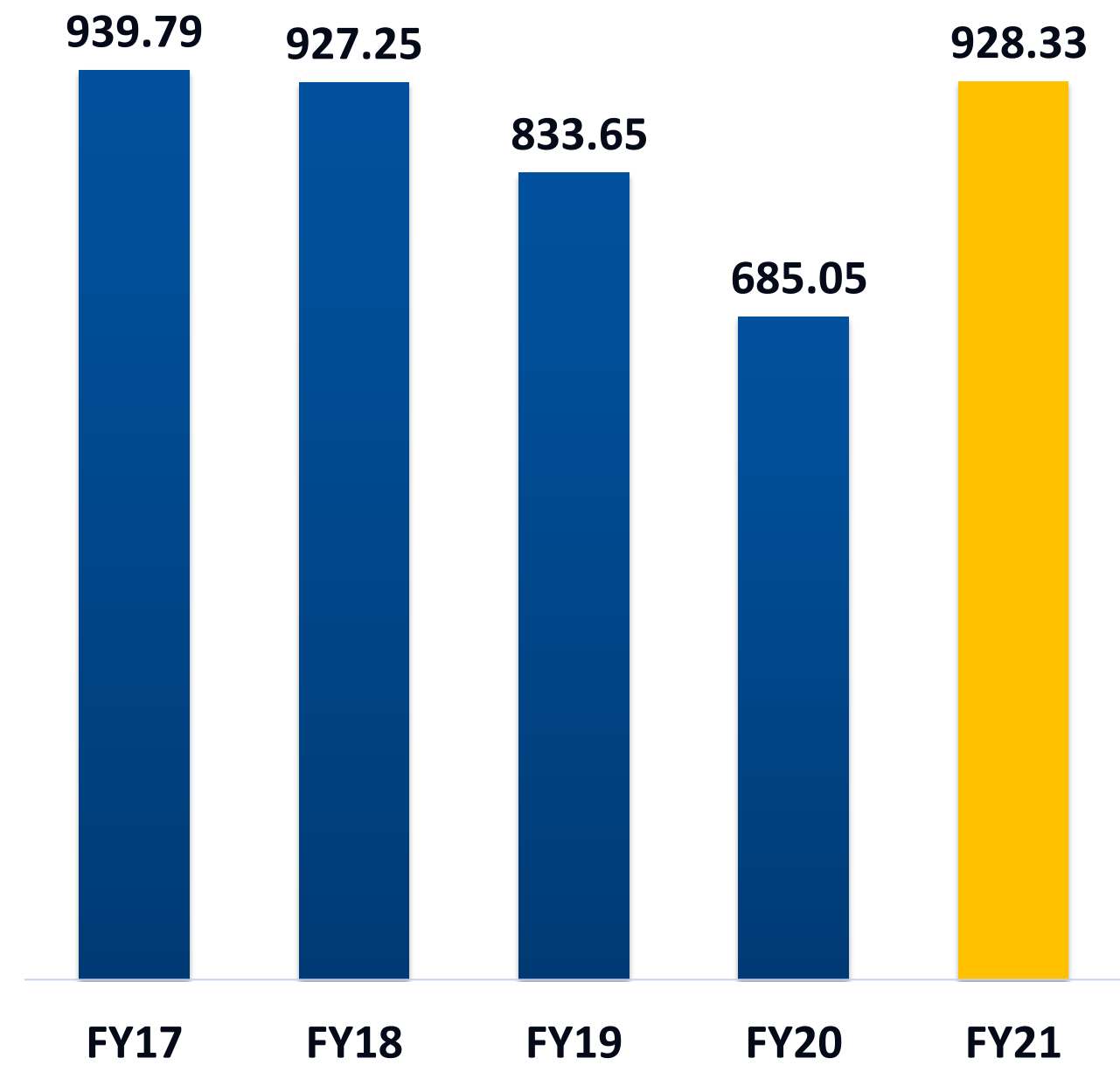


*Entire throughput/capacity of Bina Refinery & NRL have been considered*

## MARKET SALES (MMT)



## Market Capitalization (INR billion)



*Market Capitalization figures as on period end*

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

# BPCL Evolution

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



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



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



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



Kochi Refinery capacity enhanced to 9.5 MMTPA



CCR<sup>1</sup> unit at Mumbai Refinery commissioned in March 2014

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

conferred with "MAHARATNA" status in Sep 2017  
KR modernized and capacity enhanced to 15.5 MMTPA

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

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

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

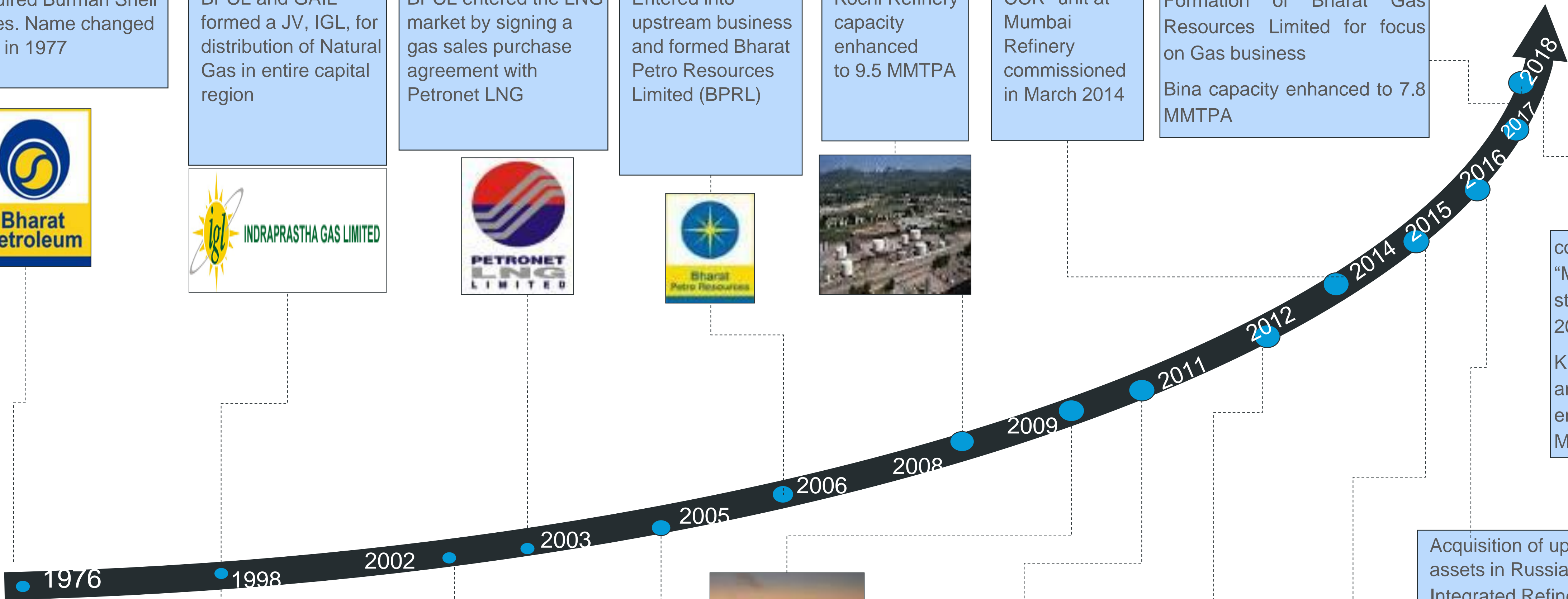
Commissioning of 6 MMTPA Bina Refinery

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

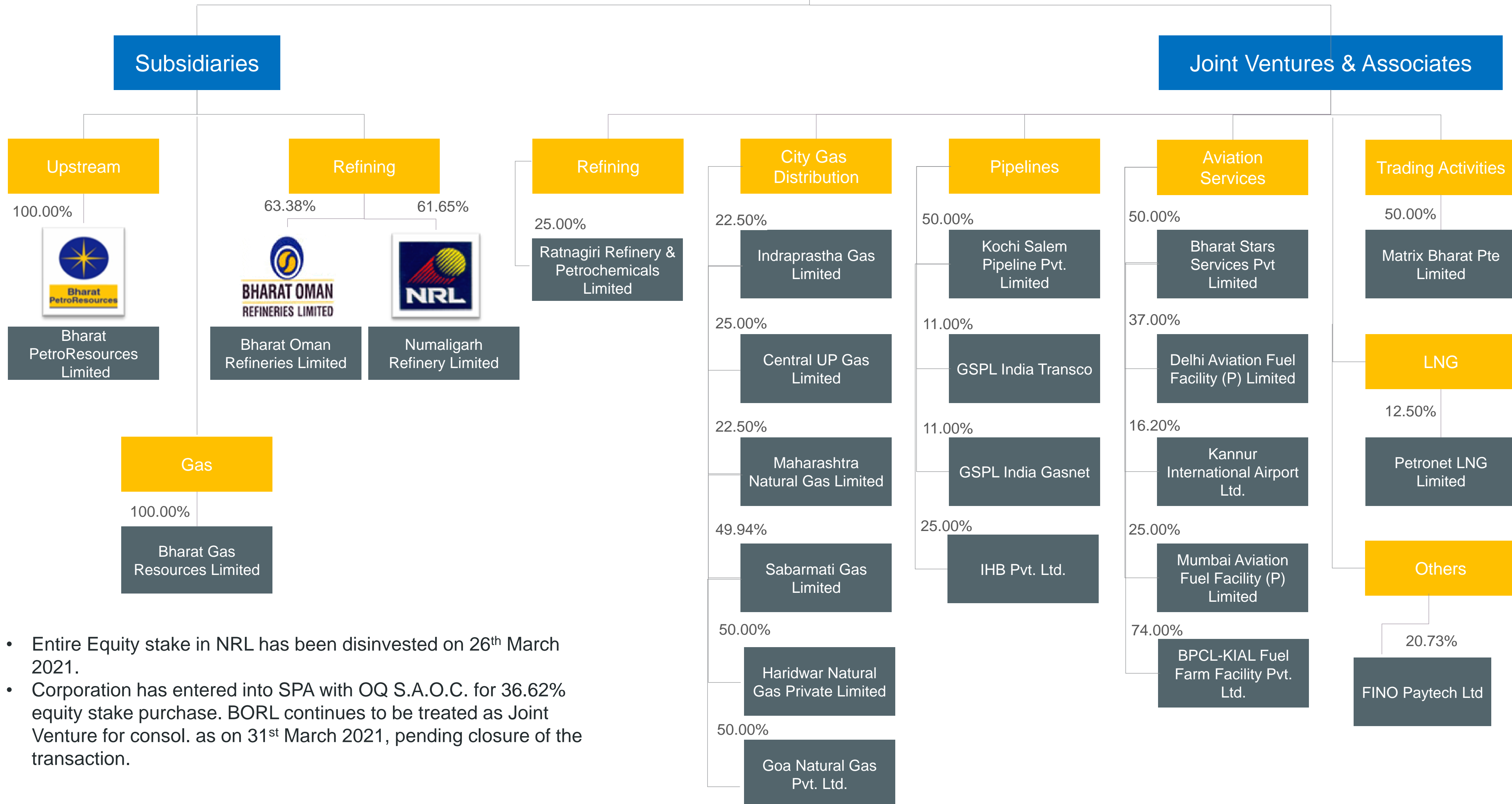
Mumbai Refinery capacity enhanced to 12 MMTPA

First in the Indian Oil Industry to roll out ERP Solution

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



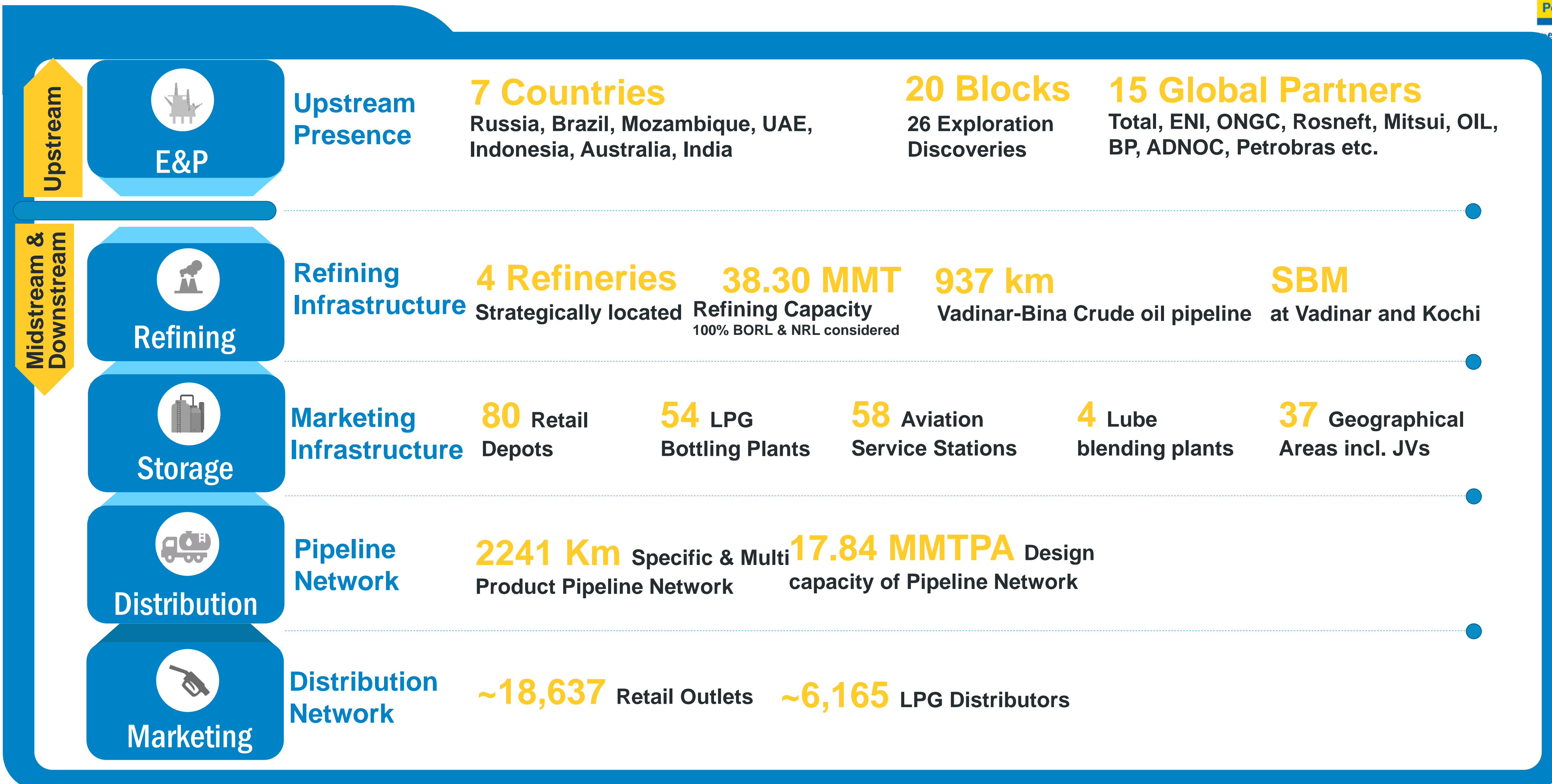
# Major Subsidiaries, JVs & Associates



- Entire Equity stake in NRL has been disinvested on 26<sup>th</sup> March 2021.
- Corporation has entered into SPA with OQ S.A.O.C. for 36.62% equity stake purchase. BORL continues to be treated as Joint Venture for consol. as on 31<sup>st</sup> March 2021, pending closure of the transaction.



## 2. Business Overview



<b>STRATEGIC BUSINESS UNITS</b>	<b>7</b>	<b>ENTITIES (Support Functions)</b>	<b>23</b>	<b>EMPLOYEES</b>	<b>9,251</b>
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\*Numbers in the slide are for period ending 31<sup>st</sup> March 2021.

# Diversified Product Offering and Presence Across Value Chain

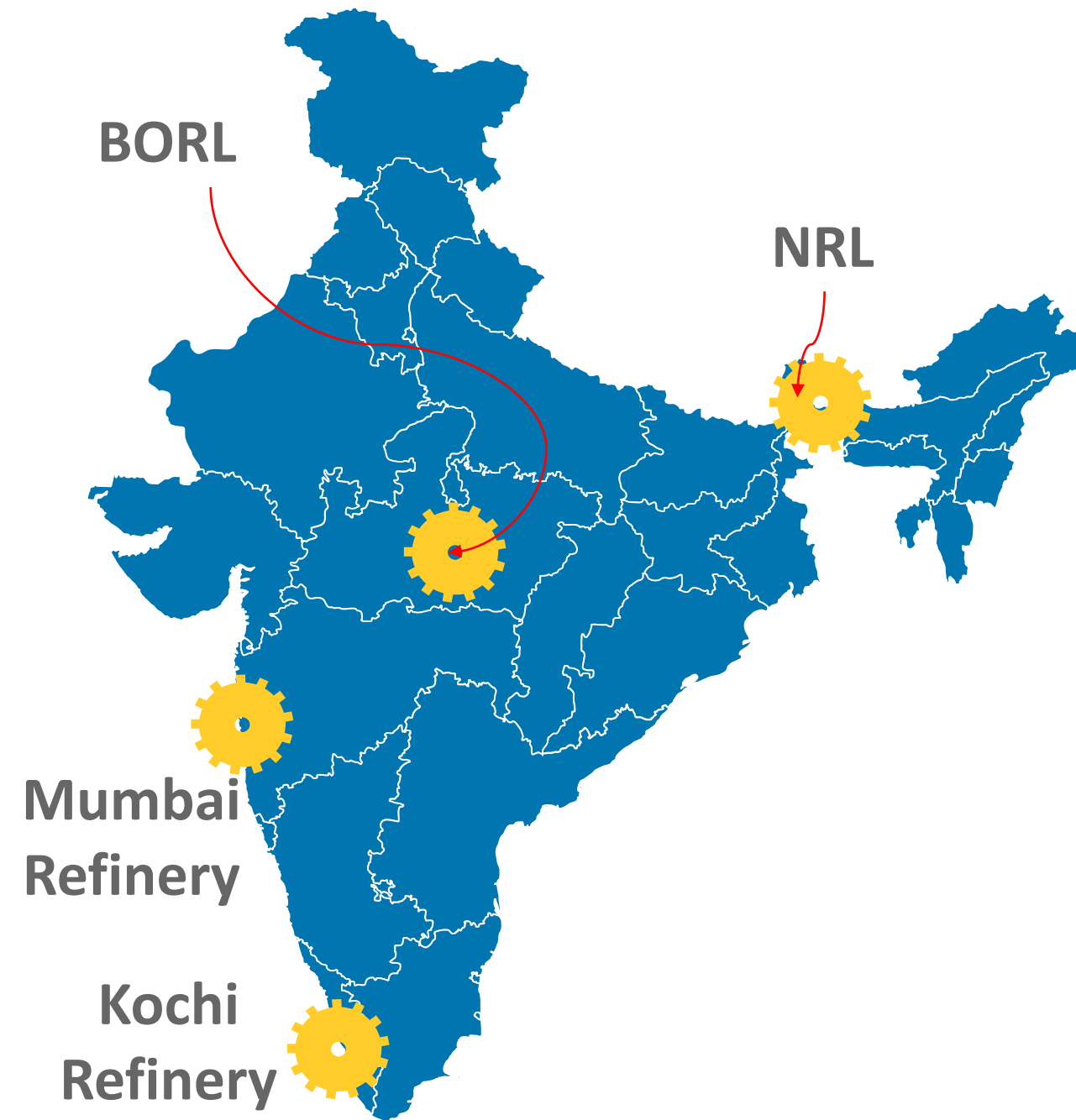
Refinery	Retail	LPG	Industrial/ Commercial	Aviation	Lubricants	Gas
 <ul style="list-style-type: none"> <li>• Refining capacity of 38.3 MMTPA</li> <li>• 15.33% of the country's refining capacity<sup>2</sup></li> </ul>	 <ul style="list-style-type: none"> <li>• 28.66% market share<sup>1</sup></li> <li>• ~18,637 retail outlets</li> <li>• 80 depots /installations</li> </ul>	 <ul style="list-style-type: none"> <li>• 26.17% market share<sup>1</sup></li> <li>• Currently over 6165 distributors</li> <li>• 54 LPG bottling plants</li> </ul>	 <ul style="list-style-type: none"> <li>• Currently 8,000+ customers</li> </ul>	 <ul style="list-style-type: none"> <li>• 22.55% market share<sup>1</sup> in ATF</li> <li>• 58 Aviation service stations</li> </ul>	 <ul style="list-style-type: none"> <li>• 23.83% market share<sup>1</sup></li> <li>• Currently 18,000+ customers</li> <li>• More than 400+ grades of products</li> </ul>	 <ul style="list-style-type: none"> <li>• 50+ major LNG customers</li> </ul>
<ul style="list-style-type: none"> <li>• Strategically located refineries</li> </ul>	<ul style="list-style-type: none"> <li>• Pan India presence across products</li> </ul>	<ul style="list-style-type: none"> <li>• Various Innovative offerings with ventures in allied business</li> </ul>	<ul style="list-style-type: none"> <li>• Reliable, innovative and caring supplier of I&amp;C products</li> </ul>	<ul style="list-style-type: none"> <li>• Present at all the major gateways and airports for into plane services</li> </ul>	<ul style="list-style-type: none"> <li>• Major OEM tie ups such as Hero Moto, Honda, Genuine Oil, TVS etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Emerging Markets</li> </ul>
<ul style="list-style-type: none"> <li>• Four refineries in Mumbai, Kochi, Numaligarh<sup>3</sup> and Bina</li> </ul>	<ul style="list-style-type: none"> <li>• Pioneer in branded retail outlets, branded fuels ex: Speed</li> </ul>	<ul style="list-style-type: none"> <li>• Current Domestic customer base 8.42 Crores</li> </ul>	<ul style="list-style-type: none"> <li>• Pioneer in IT integration and Supply Chain Management</li> </ul>	<ul style="list-style-type: none"> <li>• Fuel Farm Operations through MAFFFL and DAFFL</li> </ul>	<ul style="list-style-type: none"> <li>• Product customization</li> </ul>	<ul style="list-style-type: none"> <li>• 100% subsidiary BGRL for focus on Gas business</li> <li>• Interest in 37 GAs</li> </ul>

1. Market share includes sale by PSU as well as private oil marketing companies. For Lubricants it represents on PSUs share. All figures as of 31<sup>st</sup> Mar 2021.

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

3. Entire Equity stake in NRL has been disinvested on 26<sup>th</sup> March 2021

# Refining Coverage

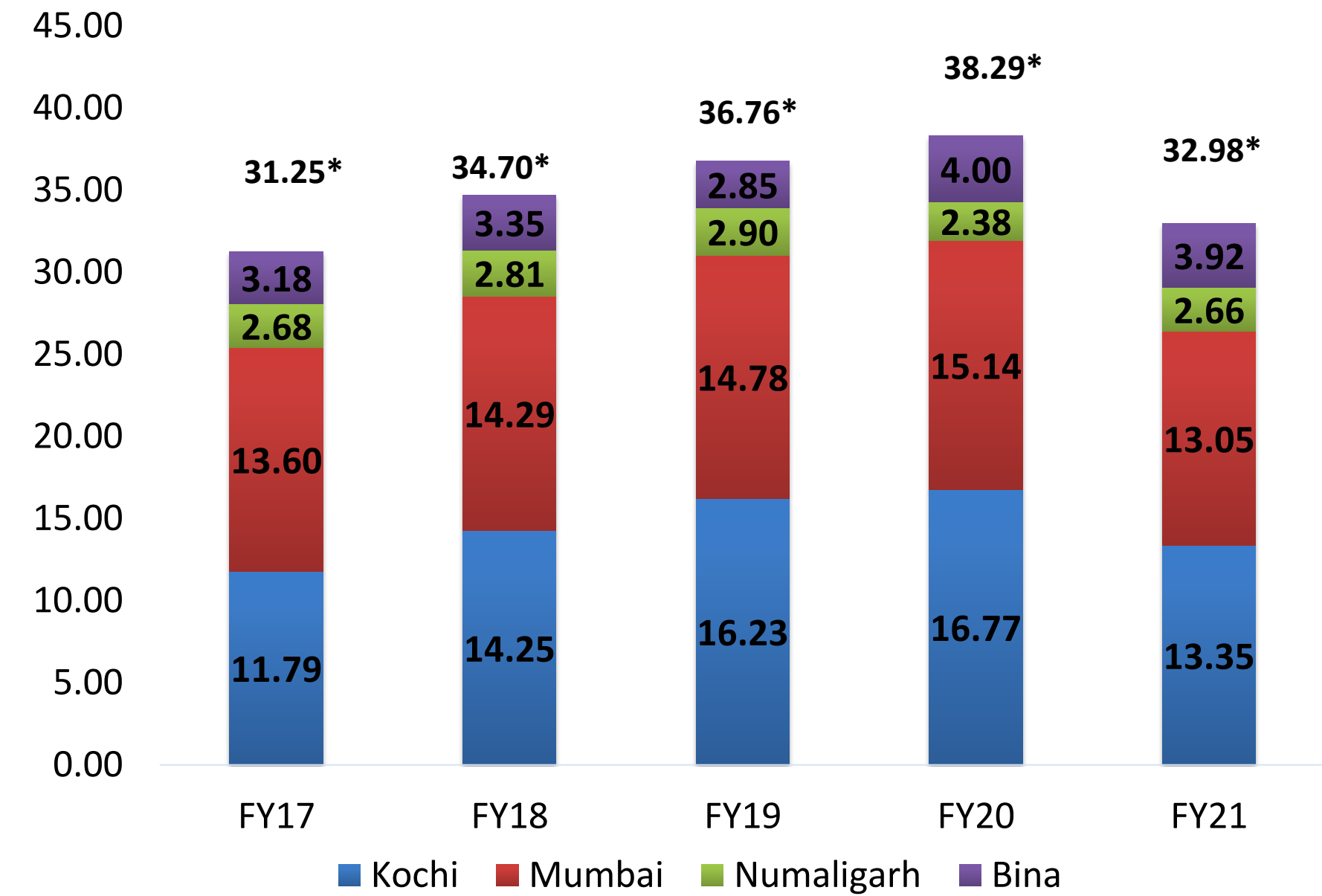


## Installed Capacity

### Refining Capacity



## Refining Throughput



\* Bina Refinery throughput is considered 63.38% in FY 21, since from 31st March 2020, on account of conversion of share warrants issued by BORL into equity shares, BPCLs paid up share capital in BORL has increased from 50% to 63.38%.

Four Strategically located refineries across India

Refinery Utilization rates above name-plate capacities

Refineries are BS VI & IMO Compliant

Flexibility to process low & high sulphur Crude

937-km cross country pipeline to source crude to BORL



- **12 MMTPA Capacity**
- **Nelson Index 8.72**
- **API Range: 37 to 39.8**
- **Lubes refinery**
- **Hydrocracker & 2 FCCUs**

- Commissioned in 1955 with processing capacity of 2.2 MMTPA now augmented to 12 MMTPA.
- Consistently, refining throughput exceeds designed capacity
- Connected with MMBPL multi product pipeline from Mumbai to Delhi designed to evacuate 6 MMTPA of petroleum products
- Lowest SOX emission refinery of country (< 10 T/d)
- Ongoing Projects- Marine Oil Terminal Revamp, Lubricating Oil Base Stock Revamp, Reformer Feed Unit Revamp, Kerosene Hydro Treating Unit
- Commissioned new Jetty (JD-5), can receive crude fully loaded SuezMax Vessel

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



- **15.5 MMTPA Capacity**
- **Nelson Index 10.20**
- **API Range: 31.8 to 37.4**
- **Petrochemical FCCU & FCCU**
- **Delayed Coker unit for bottom upgradation**

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

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



- **API Range: 28 to 40**
- **Hydrocracker**
- **Delayed Coker unit for bottom upgradation**

- **Bharat Oman Refineries Limited (BORL) – BPCL Interest 63.38% with 7.8 MMT Refining capacity at BINA**
- **State of art technologies - High Nelson Complexity Index 11.58**
- **Associated Facilities – SPM, Crude Oil Terminal, 937-km cross country crude oil pipeline from Vadinar to Bina (VBPL)**
- **Bina Kota Pipeline for evacuation of products**
- **Low cost capacity expansion from 6 MMTPA to 7.8 MMTPA**
- **BPCL has entered into SPA with OQ S.A.O.C. for 36.62% equity stake purchase.**

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



- **Numaligarh Refineries Limited (NRL)**  
– BPCCL Interest 61.65% with 3 MMT Refining capacity in the north-eastern state of Assam
- **Largest producer of paraffin wax in the country**
- **GRM of \$37.23/bbl during FY21 (including ED Benefit)**

## Expansion Plans

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

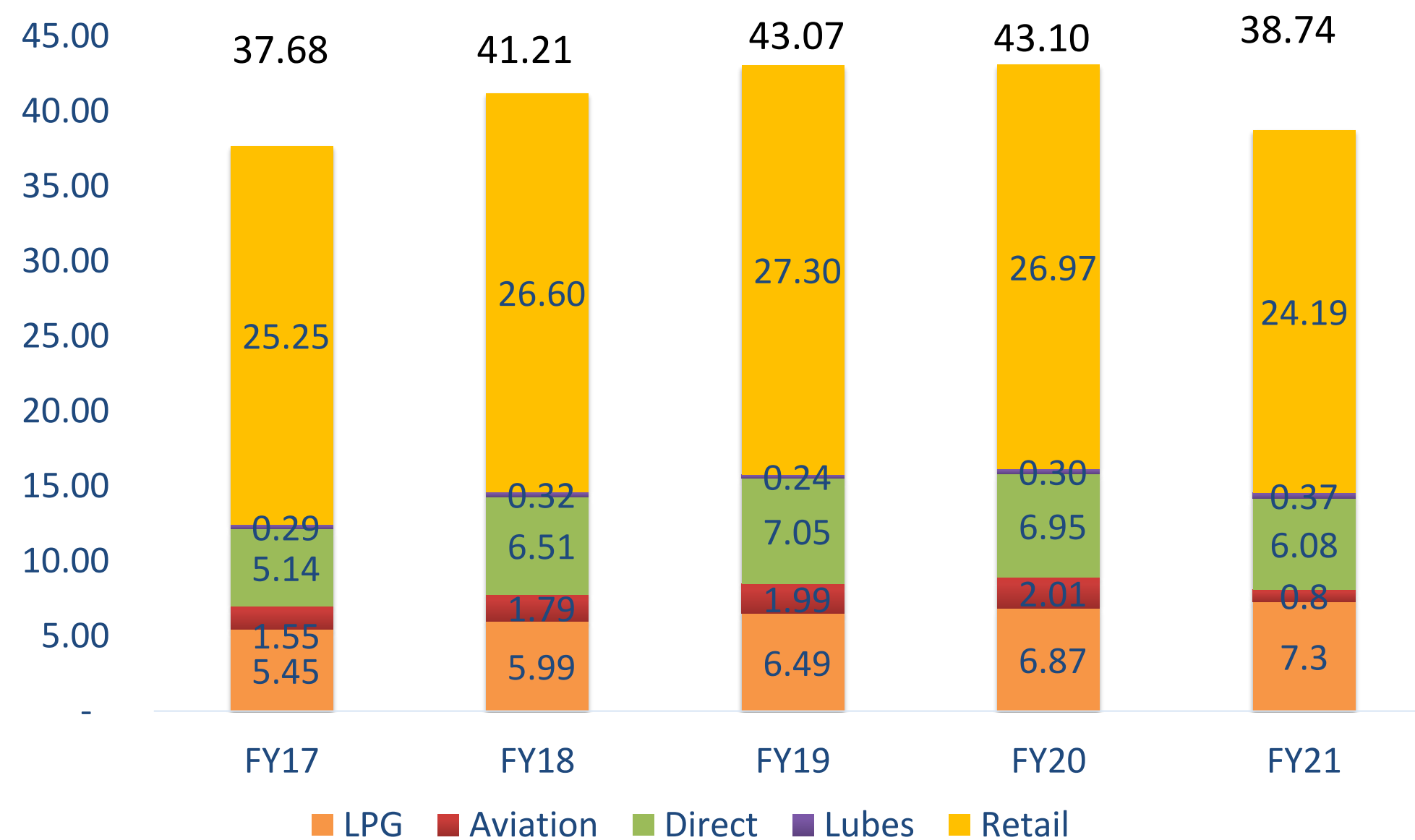
Entire Equity stake in NRL has been disinvested on 26th March 2021.

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



# Marketing Operations and Efficiencies

## SBU Market Sales (MMT)

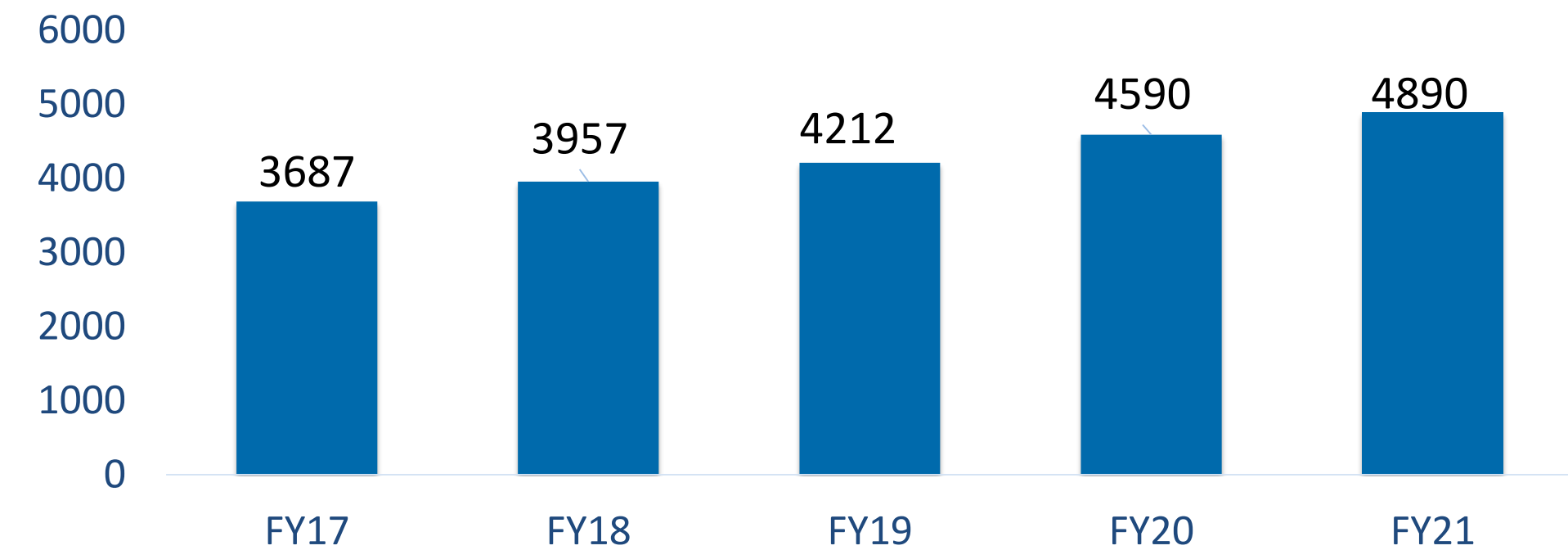


## Retail Market Share MS & HSD\*

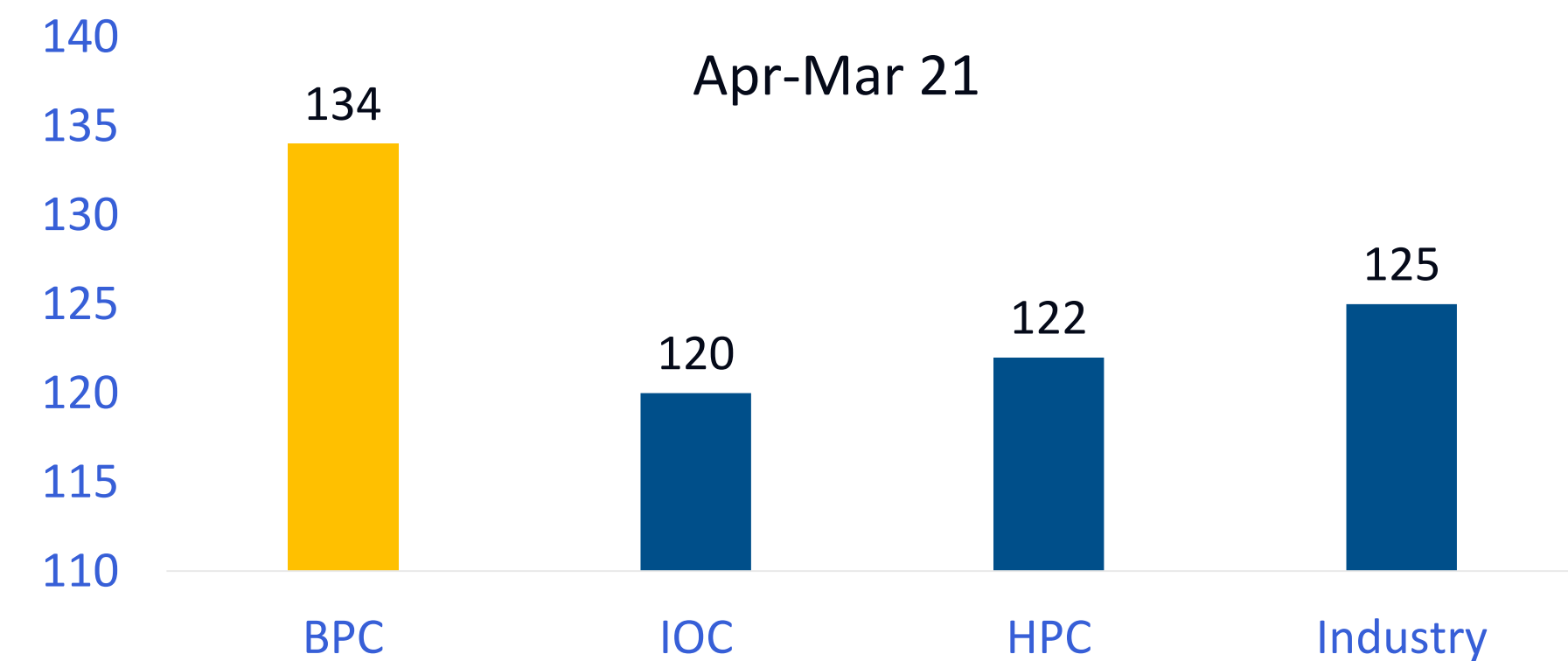
- MS - 28.67%
- HSD- 29.12%

\*Market share is PSU Market share on Apr-Mar 21

## LPG Bottling Capacity (TMTPA)



## Thru'put per Outlet BPC Vs. Industry (KL/month)



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

# Ongoing Projects

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



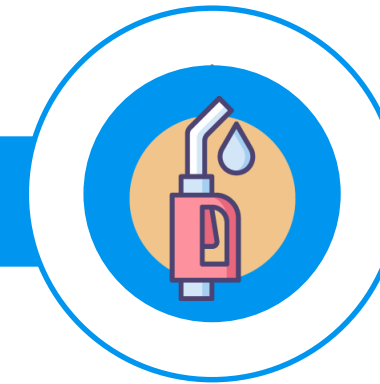
LPG import terminal at Haldia, West  
Bengal (₹ 10.98 Bn)  
**(Commissioned)**



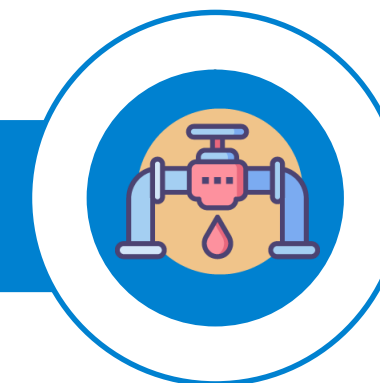
Kochi – Diversification into Niche  
**Petrochemicals PDPP Project- Acrylic  
Acid, Oxoalcohol, Acrylates  
(₹ 52.46 Bn)  
(Being Commissioned)**



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



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



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



# Upcoming Projects

## UPSTREAM



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

## INVESTMENTS IN GAS



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

## MARKETING INFRASTRUCTURE



Expansion of marketing infrastructure across all business verticals

## PETROCHEMICALS



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

## PIPELINES



Cross country LPG pipeline from Kandla to Gorakhpur through a JV

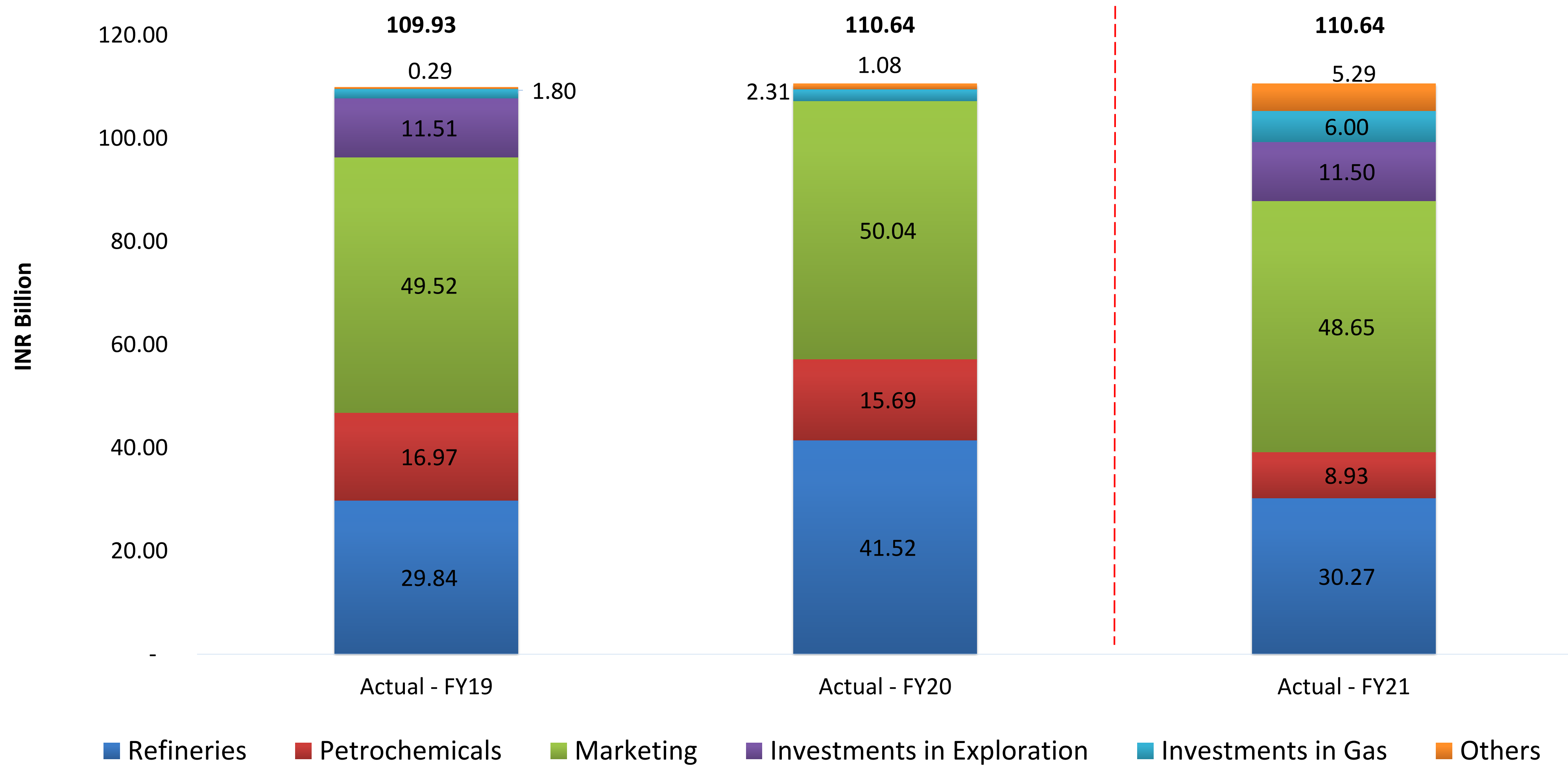
## RASAYANI



Marketing Infrastructure & other facilities at Rasayani near Mumbai

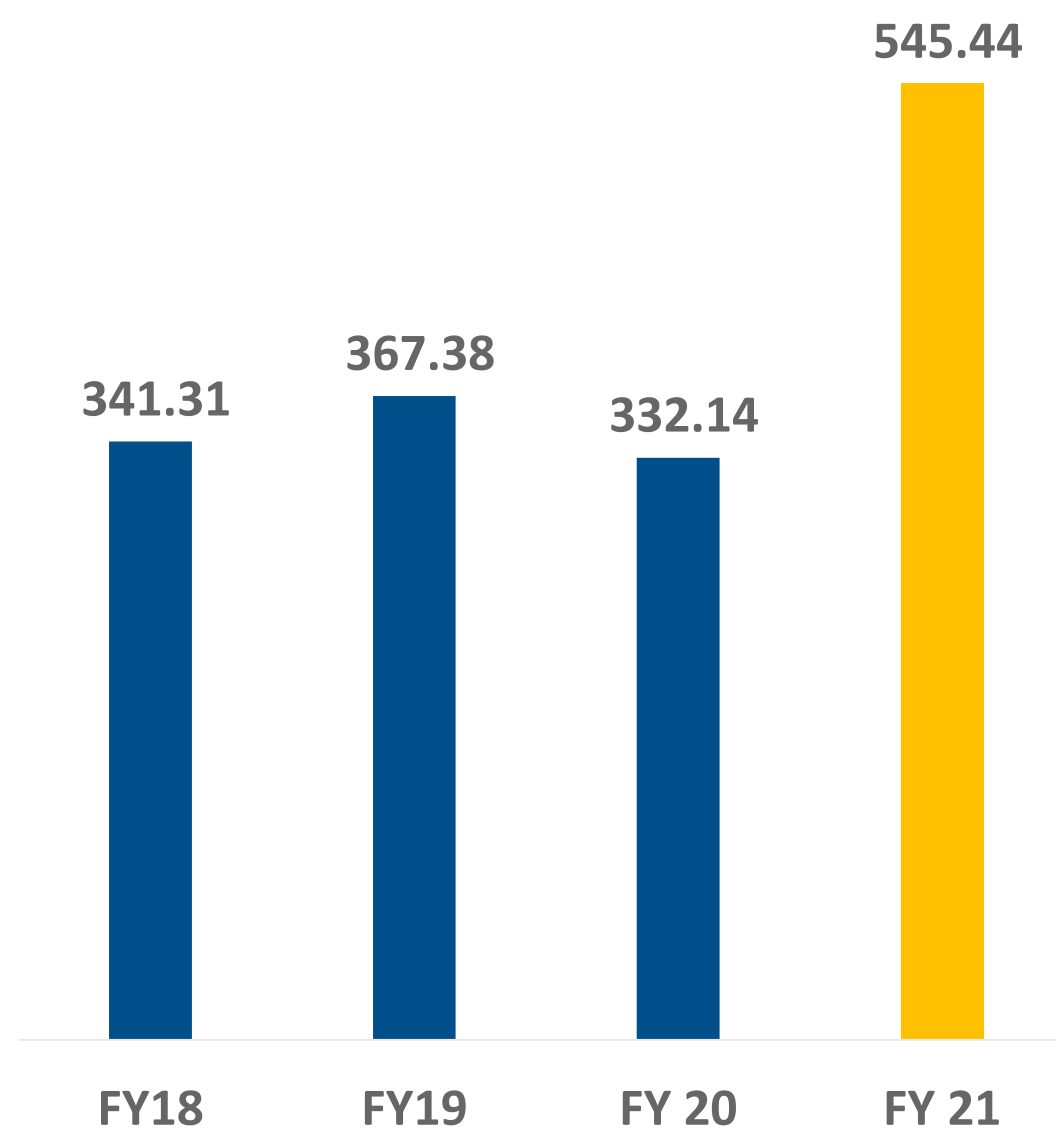
**Capex expenditure of INR 110.64 Bn in FY21 (Incl. investment in Subsidiaries/JVs)**

# CAPEX Strategy

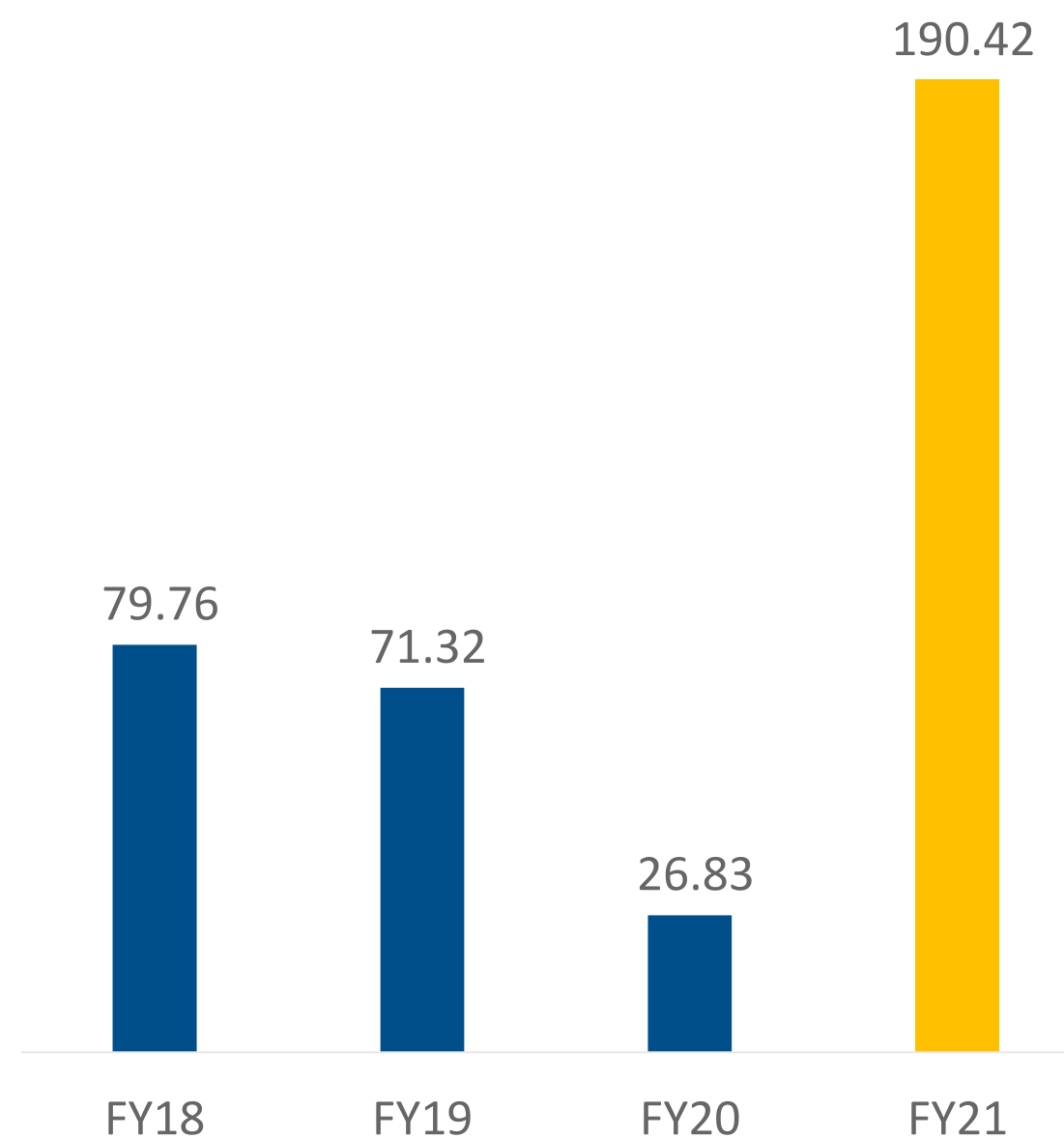


Significant Expansion in Upstream and Downstream business to drive future growth

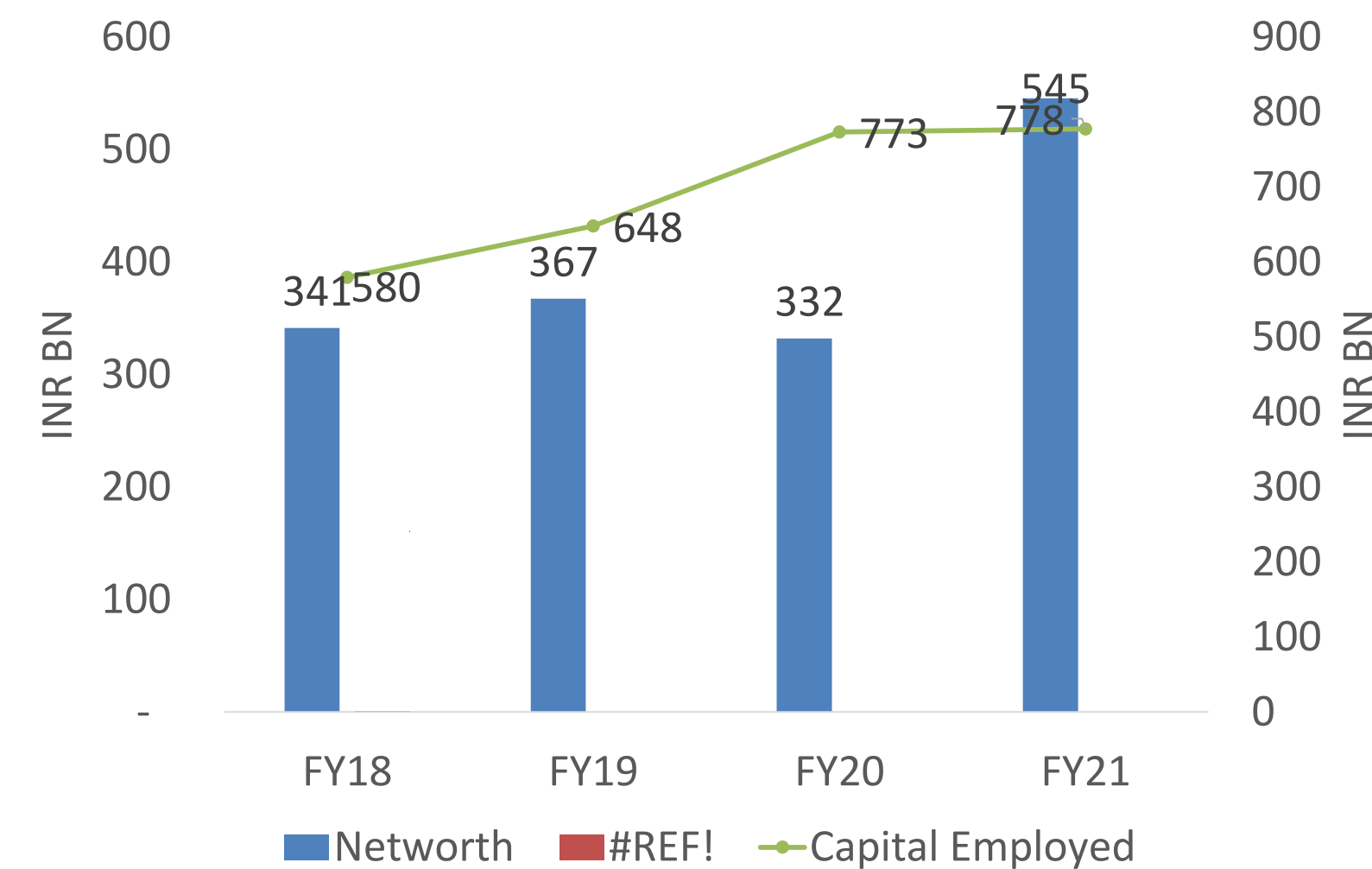
### NET WORTH (INR Billion)



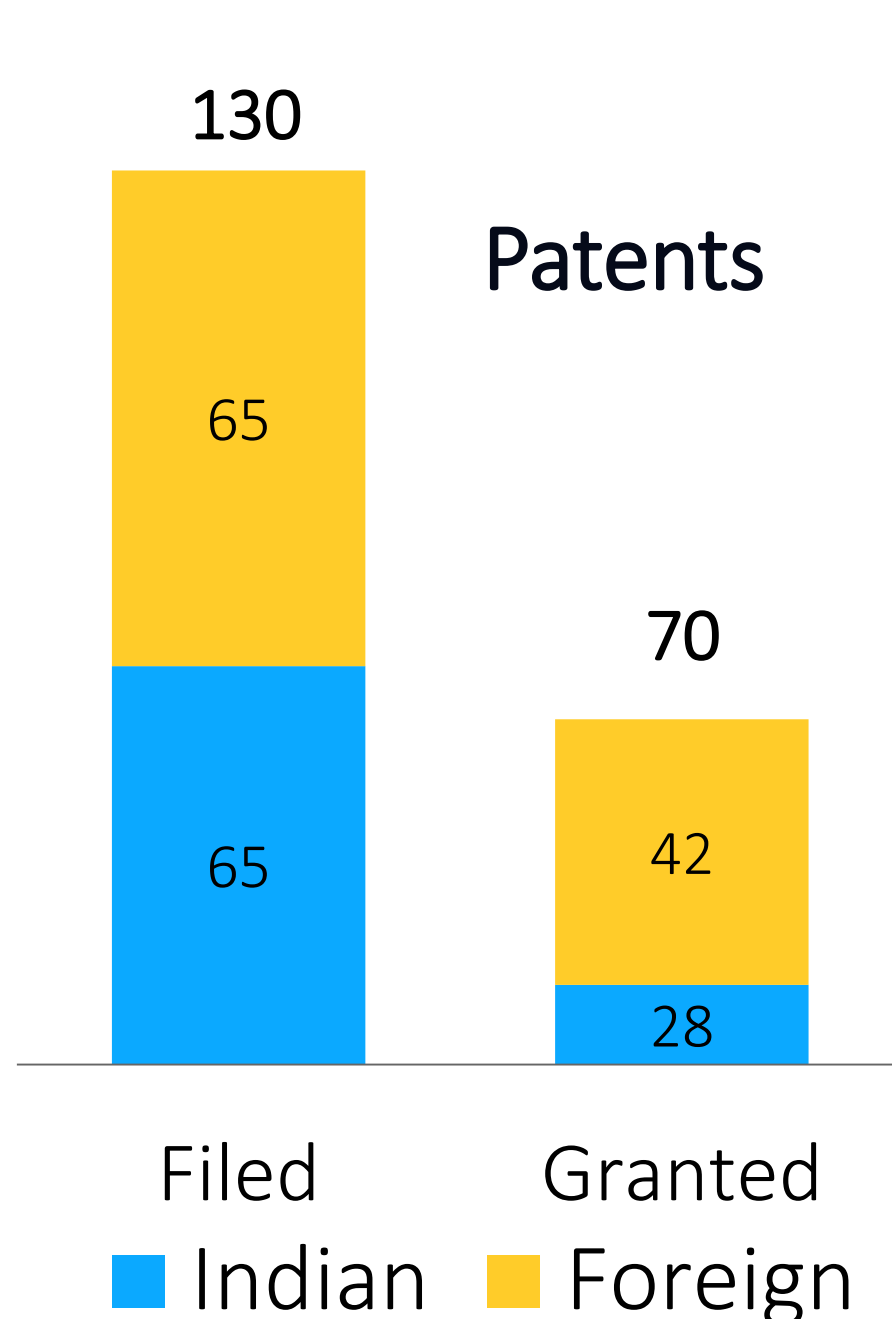
### PROFIT AFTER TAX (INR Billion)



### CAPITAL EMPLOYED (INR Billion)



Financial Ratios	FY18	FY19	FY 20	FY 21
Total Debt-Equity	0.68	0.79	1.26	0.48
Profit After Tax as % of Total Equity *	25	20.1	8.08	34.91
Basic Earnings per Share (Rs.)	40.55	36.26	13.64	96.44



Over 200  
Research Articles

5  
Book Chapters



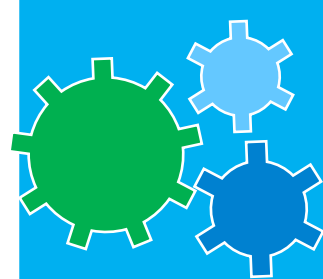
## Operational Excellence

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



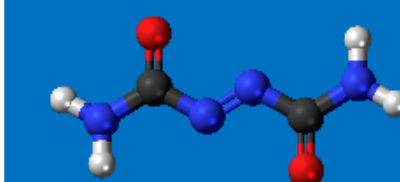
## Cost efficient and Innovative Products

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



## Process Design / Process Intensification

- Divided Wall Column
- HiGee Separations
- Cross flow reactor
- Low grade energy utilization
- Delayed coking
- H<sub>2</sub> separation through membrane



## Polymers & Petrochemicals

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



## Bio-fuels / Environment

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



## Supply

- LNG supply security:
  - Long term tie ups of 0.85 MMTPA valid till 2028 at Dahej
  - 0.56 MMTPA valid till 2036 at Kochi
  - 1 MMTPA LNG tied up from Mozambique starting 2024 for 15 years.
- Also, Short Term /Spot volumes ranging from 0.80 to 1.0 MMTPA are tied up based on demand.



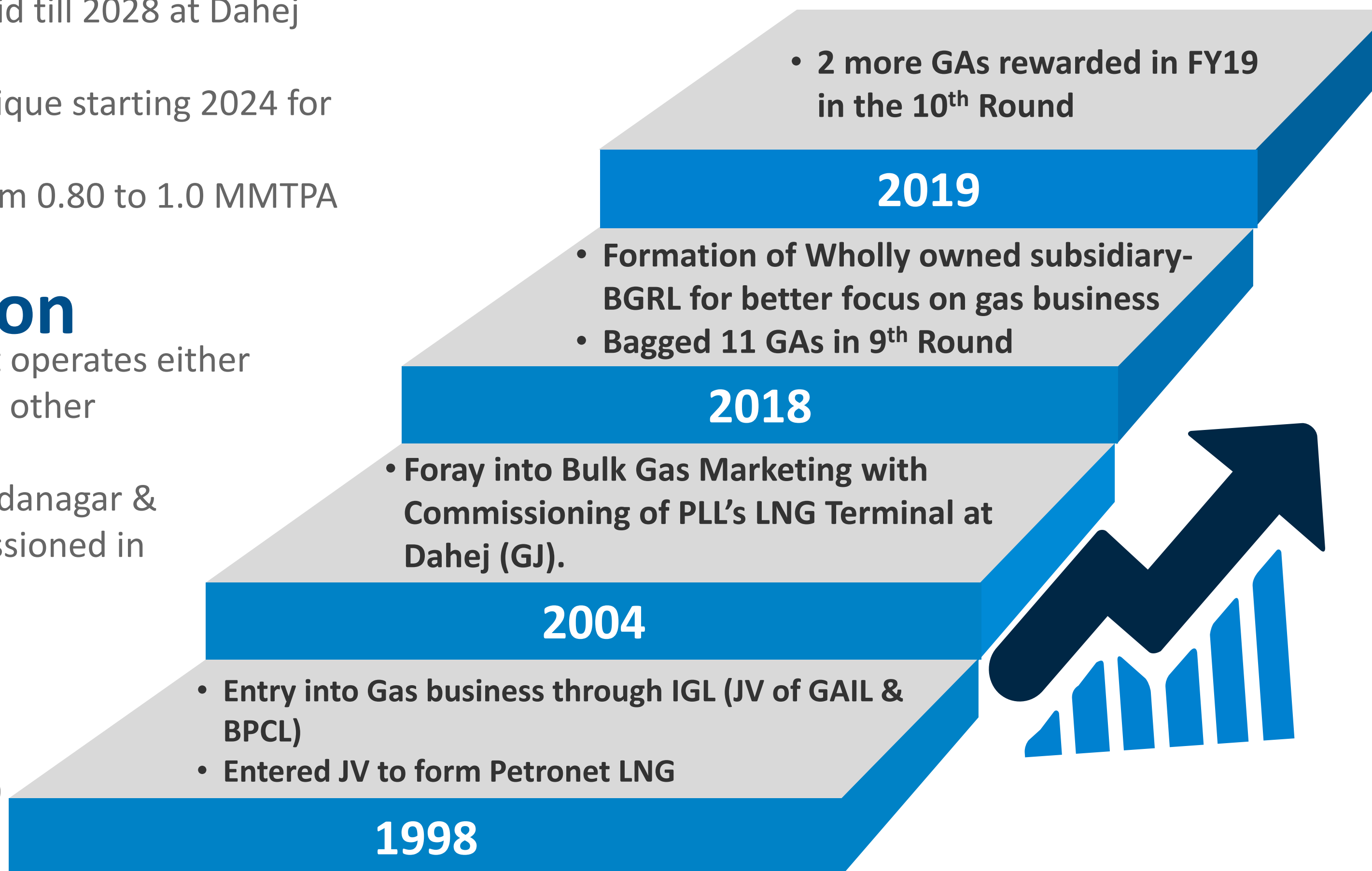
## City Gas Distribution

- 37 Geographical Areas (GAs) which it operates either as wholly-owned or through JVs with other companies.
- CNG commissioned in Rohtak, Ahmednagar & Aurangabad and CNG & PNG commissioned in Rupnagar District

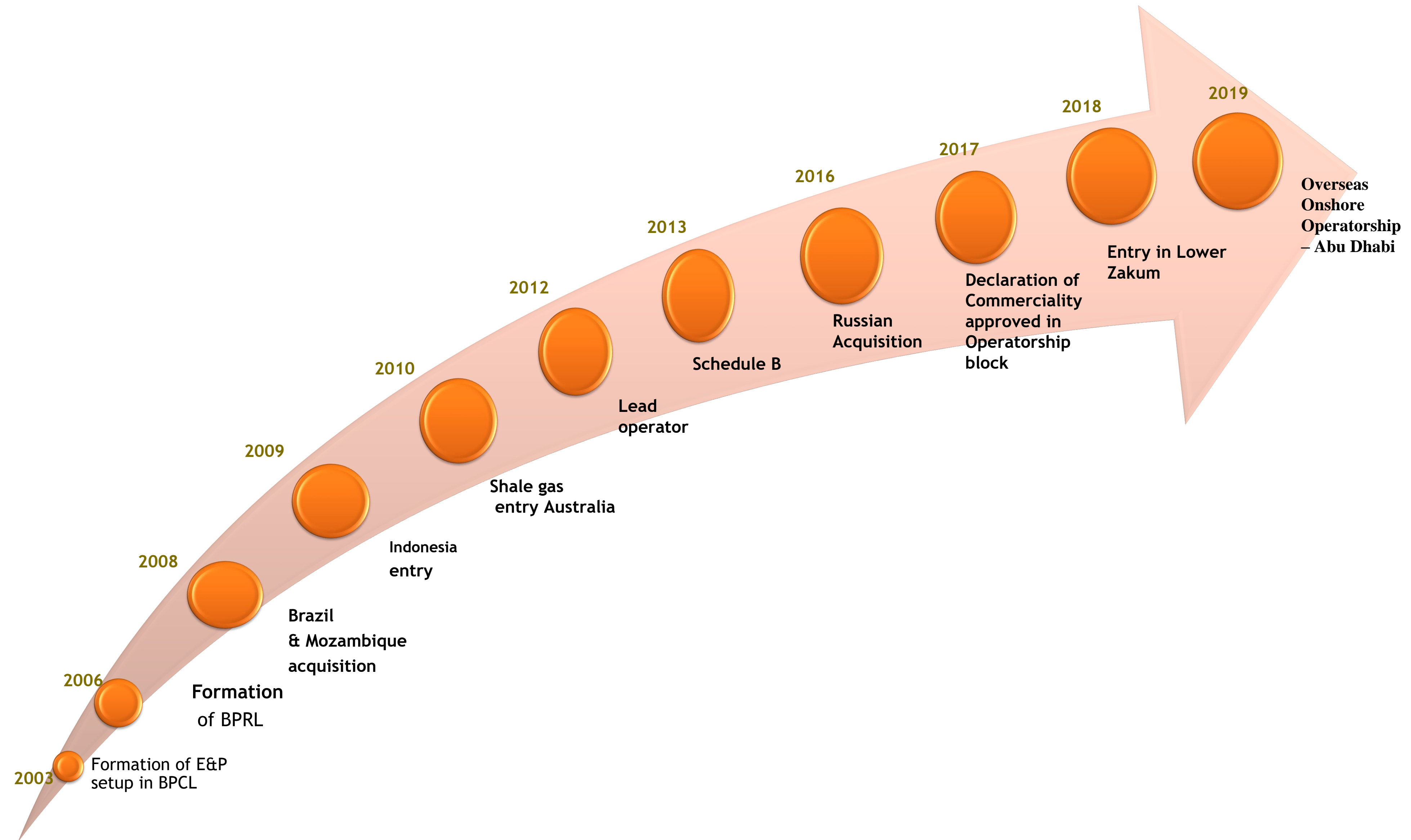


## Completed Project

- Liquefied-CNG Pilot Project at Aurangabad, Maharashtra (commissioned in March, 2021)



# BPRL's Upstream Story over the years...

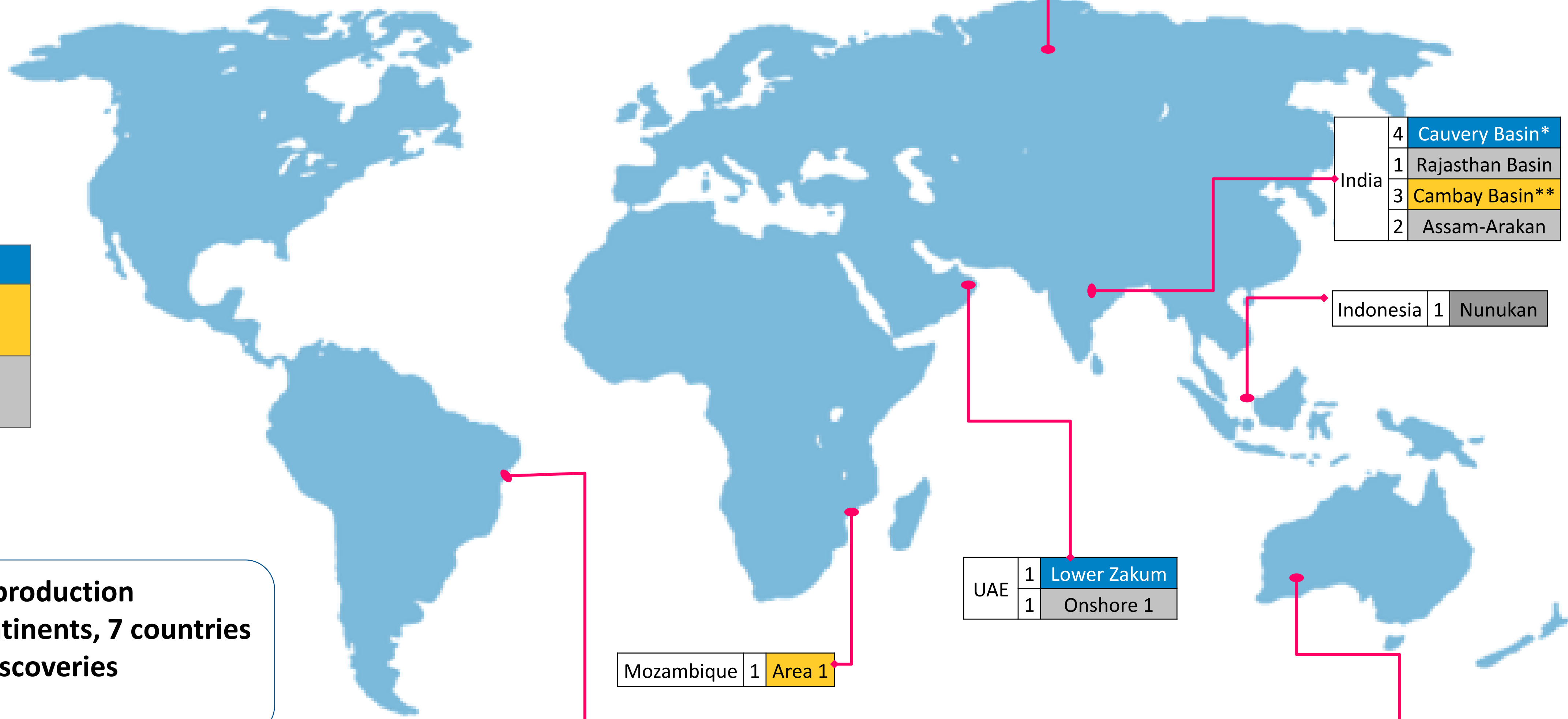




# Upstream - Global Spread

Production
Development
Exploration / Appraisal

- 2.5 MMToE eqv. production
- Presence in 5 continents, 7 countries
- 26 Exploration Discoveries



Russia	2	TYNGD
	2	Vankorneft

India	4	Cauvery Basin*
	1	Rajasthan Basin
	3	Cambay Basin**
	2	Assam-Arakan

Indonesia	1	Nunukan
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UAE	1	Lower Zakum
	1	Onshore 1

Mozambique	1	Area 1
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Brazil	2	BM-SEAL-11
	1	BM-C-30
	2	BM-POT-16

Australia	1	EP413
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\* 1 block in in Cauvery Basin is in Production, the rest are in Exploration / Development  
 \*\* 1 block in Cambay Basin in in Development, the rest is in Exploration / under relinquishment

# Global Upstream Footprint

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

## Within India

Block	Operator	BPCL Stake	Other Partners
<b>NELP—IV</b>			
CY/ONN/2002/2	ONGC	40.0%	ONGC
<b>NELP—VI</b>			
CY/ONN/2004/2	ONGC	20.0%	ONGC
<b>NELP—VII</b>			
RJ/ONN/2005/1	HOEC, BPRL	33.33%	IMC
<b>NELP—IX</b>			
CB/ONN/2010/11	GAIL, BPRL	25.0%	EIL, BIFL, MIEL
AA/ONN/2010/3	OIL	20.0%	ONGC
CB-ONN-2010/8	BPRL, GAIL	25.0%	EIL, BIFL, MIEL
<b>DSF</b>			
CY/ONDSF/KARAIKAL/2016	BPRL	100%	-
<b>OALP</b>			
CB-ONHP-2017/9	BPRL	60%	-
CY-ONHP-2017/1	ONGC	40%	-
AA-ONHP-2017/12	OIL	10%	-

## Brazil

Block	Operator	BPCL Stake <sup>1</sup>	Other Partners
BM-SEAL-11 (2 blocks)	Petrobras	20.0%	IBV
BM-C-30 (1 block)	BP	17.85%	Total, IBV
BM-POT-16 (2 blocks)	Petrobras	10.0%	IBV, Petrogal, BP

## Mozambique

Block	Operator	BPCL Stake	Other Partners
Mozambique Rovuma Basin	Total	10.0%	PTTEP, Mitsui and Co., ENH, OVRL, BREML

## United Arab Emirates

Block	Operator	BPCL Stake <sup>3</sup>	Other Partners
Lower Zakum	ADNOC	3%	CNPC, INPEX, ENI, Total
Onshore 1	Urja Bharat	50%	

## Australia

Block	Operator	BPCL Stake	Other Partners
EP-413	Norwest	27.8%	Mitsui E&P Australia

## Russia

Block	Operator	BPCL Stake <sup>2</sup>	Partners
Vankorneft (2 licenses)	Vankorneft	7.887 %	Rosneft, VIPL, ONGC
TYNGD (2 licenses)	TYNGD	9.867 %	Rosneft, BP, TIPL

## Indonesia

Exploration Block	Operator	BPCL Stake	Other Partners
Nunukan PSC	Pertamina	12.5%	Videocon

Most  
Admired  
*Global Company*

**Go-GDP** Approach to Excellence

GO GLOBAL



- Expanding global footprints in Lubes, Retailing, aviation, bunkering, trading, Consulting Services
- Export Lubes to 25+ countries by 2025

GO GREEN



- EV Charging solution
- Biogas generation from waste
- Solar & Wind Energy for captive power (10% energy requirement)

GO DIGITAL



- Digitalization of refineries through AR/VR, AI
- Digitally driven unified customer experience to drive cross/upsell

GO PETCHEM



- Mfg. niche petchem products as import substitutes
- Expanding petrochemicals portfolio further

LEVERAGING

TECHNOLOGY

INFRASTRUCTURE

PEOPLE

SAFETY & SERVICE



Among top 20 Global Oil and Gas refining and marketing Cos



Oil Marketing - Company of the Year 2019



Sustainability Award for the Best Green Product Petrochemical sector 2019



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



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



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



## Thank you!



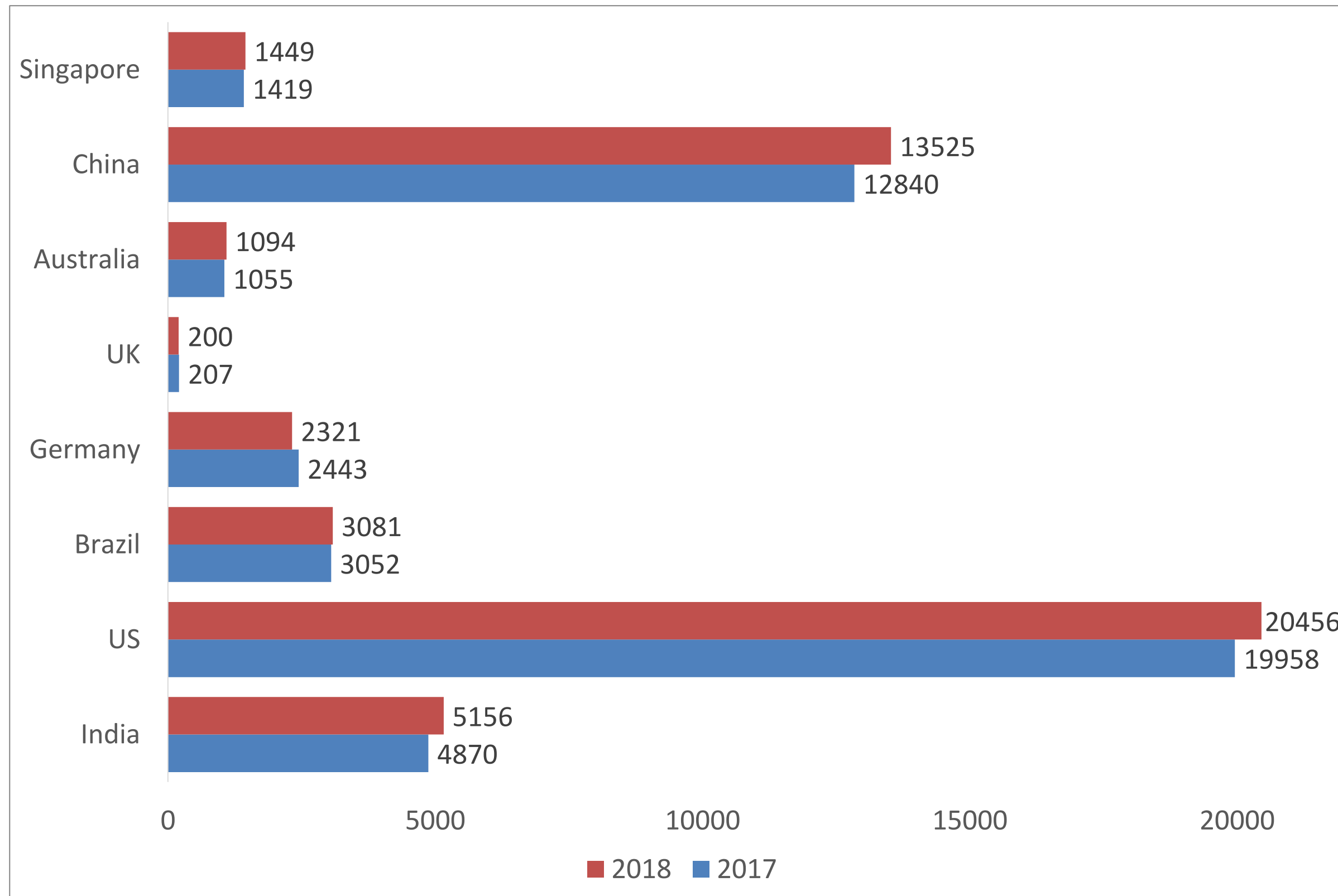
1. PRSI: Public Relations Society of India
2. Federation of Indian Petroleum Industry- \*Best Project Management Company 2018\*
3. Golden Peacock (Institute of Directors) awarded BPCL \*Excellent Corporate Governance 2018\*

# 3. Industry Overview

# India – Attractive Industry Dynamics

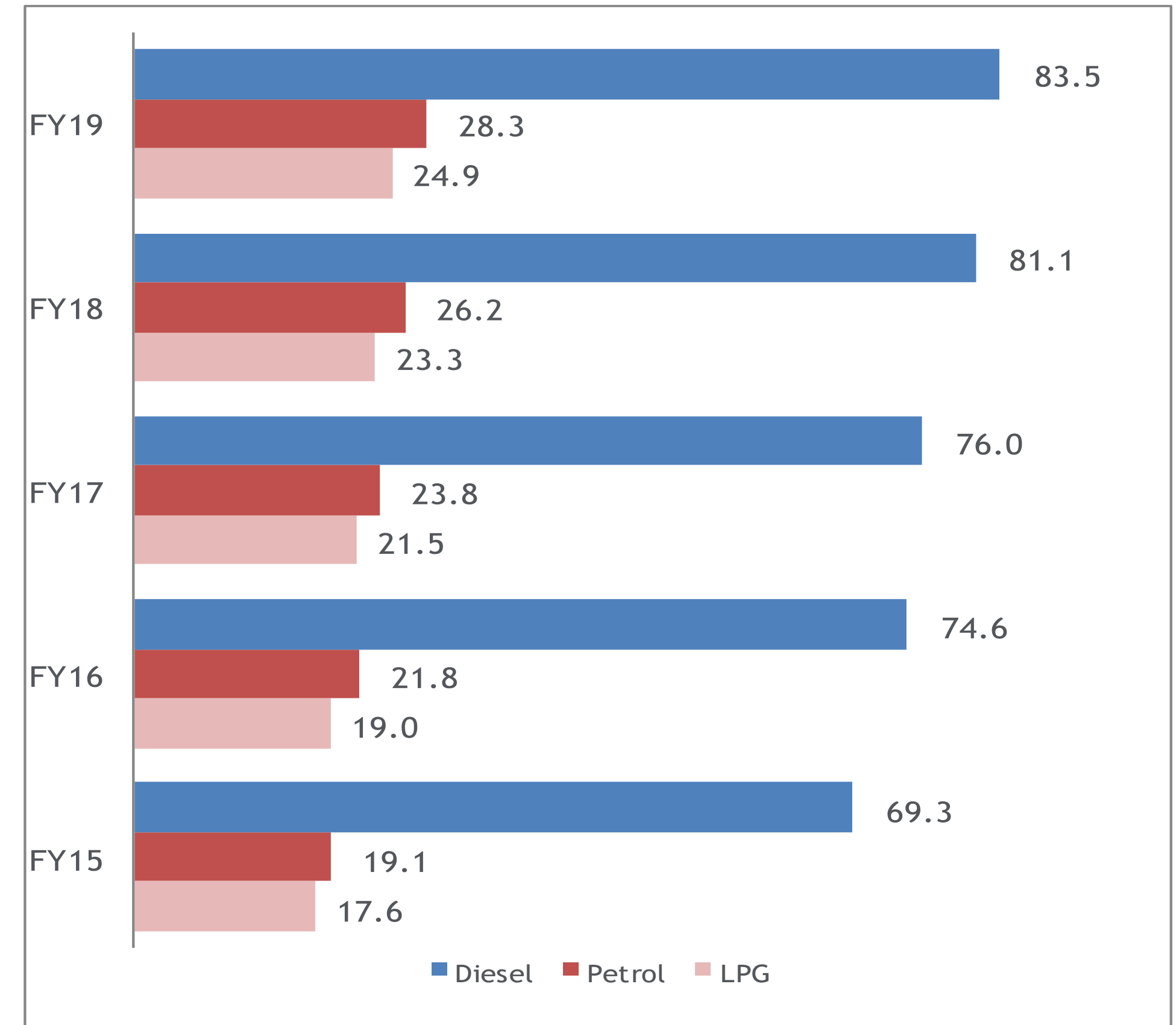
Significant potential for domestic O&G companies given low per-capita oil consumption and growing demand.

**Oil: Consumption in thousands of barrels per day\***



Source: BP Statistical Review of World Energy 2019

**Indian Oil Demand Million Tonnes**



Source: PPAC



## Positive Policy actions

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

# Thank You